

## Procedures: Employee Counts/Salary Averages

(On or After October 1, 2002)

### **Headcount:**

Public school employees reported within the Profile of Educational Personnel (PEP) system are each represented by a single staff record from the submitting local educational agency (LEA), together with one or more site-position records that report the applicable salary and time worked (by site) for each job performed by the employee. Jobs are defined by entry of object and function code combinations from the *Louisiana Accounting and Uniform Governmental Handbook*. Job locations are identified using site codes assigned within the Sponsor/Site System (SPS) database. To quantify or weight information extracted from the PEP database, each employee is assigned a "headcount" of one (1) that is *prorated* to subordinate site-position records using the ratio of: *minutes worked* reported for that site-position record, divided by the *total of minutes worked* reported by all site-position records for the employee.

*Example:* An employee works a total of 76,440 minutes. Half of the total minutes are at Church Point High School (*Site Code* 001005) as a guidance counselor (113-2122); with the remaining time worked at Crowley High School (*Site Code* 001007), split equally between teaching gifted/talented courses (112-1220) and industrial arts (112-1350). The employee's headcount would be prorated as follows:

<u>Site Code</u>	<u>Object</u>	<u>Function</u>	<u>Minutes Worked</u>	<u>Percent</u>	<u>Headcount</u>
001005	113	2122	38,220	50%	0.50
001007	112	1220	19,110	25%	0.25
001007	112	1350	<u>19,110</u>	<u>25%</u>	<u>0.25</u>
Employee Total			76,440	100%	1.00

### **Full-Time Equivalent (FTE):**

The employee headcount provides some measure for a "snapshot in time" such as the Fall (October) PEP submission and for prorating/weighting each individual's data; however, the measure is less useful when applied to cumulative data such as the end-of-year (EOY) PEP report and/or to quantify staff employment over the school year. The need for a "man-year" measurement led to calculating employee full-time equivalents (FTE), whereby a value (1.0 or less) is assigned each staff member by comparing the employee's *minutes worked* to the applicable *contract year*.

The PEP system includes self-reporting of the *contract year* against which the employee's actual or projected work may be measured. The contract year is obtained by multiplying *contract days* by the *workday minutes*, which produces (if the data are properly reported) the *total available annual minutes* under the contract(s) for the *class of employees* to which the reported employee is assigned. A minimum length for the school year (in minutes) is also established so that employees normally hired for a short period of time (e.g., seasonal grounds workers), or a short period each day (e.g., 1-2 hours daily clerical work), are not counted in FTE calculations as *full-year* employees; nor are their partial-year or partial-day salaries treated as a *full year's* pay. A minimum year of 63,720 minutes is set for *certificated* staff positions based upon: thirty hours per week (i.e., guidelines to qualify for employee benefits) and a legislated minimum school year of 177 instructional days. The minimum year for *non-certificated* positions is set at 42,501 minutes predicated on: needing over twenty hours per week (i.e., 20.01 hours/week) to qualify for retirement system entry, and the minimum school year of 177 instructional days. Once established, an employee's FTE is *prorated* to each subordinate site-position record based upon the *minutes worked* reported for that site-position record, compared to the *total of minutes worked* reported by all site-position records for the employee.

*Example:* A staff member is employed under a contract covering 200 days with a normal workday of seven hours (i.e., 420 minutes). The employee works a total of 182 days (i.e., 76,440 minutes). Half of the total are at Church Point High School (*Site Code* 001005) as a guidance counselor (113-2122); and the remaining half at Crowley High School (*Site Code* 001007), split equally between teaching gifted/talented courses (112-1220) and industrial arts (112-1350). The employee's FTE would be calculated and prorated as follows:

**Annual**

**Available Minutes** = 200 *Contract Days* times 420 *Workday Minutes* = \***84,000** Minutes

[\*Note: If result less than minimum year, use 63,720 minutes or 42,501 minutes.]

**Employee FTE** = 
$$\frac{** \text{76,440 Total of Minutes Worked}}{84,000 \text{ Annual Available Minutes}} = \mathbf{0.91}$$

[\*\*Note: If total of Minutes Worked equal to or greater than Annual Available Minutes, set FTE = 1.]

**Site-Position FTE** (proration):

<u>Site Code</u>	<u>Object</u>	<u>Function</u>	<u>Minutes Worked</u>	<u>Percent</u>	<u>Headcount</u>	<u>FTE</u>
001005	113	2122	38,220	50%	0.50	0.4550
001007	112	1220	19,110	25%	0.25	0.2275
001007	112	1350	<u>19,110</u>	<u>25%</u>	<u>0.25</u>	<u>0.2275</u>
Employee Total			76,440	100%	1.00	<b>0.9100</b>

**Annualizing Salaries and Calculating Average Salaries:**

Except for PIP entitlements, all PEP salary data are available from site-position records. The data consist of three salary types (base pay, extra compensation, and extended employment compensation); and, for each employee, are identified to one or more specific job(s) by entry of applicable *object and function code* combinations. If an employee performs the same function at more than one location, multiple site-position records with the same object and function code combination will be reported; in which case, the related salary data reported for that function may be spread between the several records or may be lumped into one of the site-position records. The *PIP* entitlement is reported in the staff record. From October 1, 2002 through September 30, 2005, salary average and annualizing calculations used the salary data as reported within each site-position record, plus proration of the PIP entitlement to each site-position record on the same basis as headcount (above). A shortcoming was that the "cost" of a multi-sited employee might be over or understated within a salary average or total calculation depending upon selection criteria (e.g., for teacher salary average by site) and how the related data were reported (e.g., salary lumped into one site-position record). Beginning October 1, 2005, salary average and annualizing calculations used salary and PIP amounts which had been totaled for the individual, then prorated to each related site-position record as done for headcount and FTE.

An *annualized salary* is calculated for each job held by an employee (i.e., each object and function code combination for that individual) by: summing the site-position record prorated salary entries and prorated PIP entitlement for each object-function combination reported for the employee, then dividing the result by the sum of the prorated FTE for the same records. The annualized salary is used in establishing lows and highs when comparing the same type positions.

Calculating *average salaries* from PEP data is accomplished by: establishing the criteria for selecting and/or excluding site-position records from the calculation; identifying the type prorated salaries to be used (i.e., *base pay, extra compensation, extended employment compensation, and/or PIP*); summing the *selected prorated salary data and the prorated FTE associated with each selected site-position record*; then dividing the *sum of the selected prorated salaries* by the *sum of the selected prorated FTE*.