

# Salary Variance Reasons Including Potential Scenarios

This guide will walk you through the **Salary Variance Reasons** and highlight potential scenarios when these reasons may be applicable.

**PLEASE REVIEW THE DEFINITION OF EARNABLE COMPENSATION TO ENSURE WAGES ARE BEING REPORTED ACCURATELY.**

## Annual Salary Increase

- Change in Annual Salary due to pay increase that will be ongoing (Step increase, pay increment, promotion/position change).

## COLA Increase

- One time Cost-of-Living Adjustment increase.

## Disability Supplemental Wages

- Unpaid/reduced hours due to a non-work-related disability and not covered by Employer Sponsored Disability plan (Within same pay period).
- Unpaid or low wages due to FMLA (Within same pay period).

## Extra-Curricular/Additional Duties

- Sports coaching, music & art activities, tutoring, GED instruction, advising and supervising student clubs and other activities that involve the direct participation of students. In addition, pay for activities that do not involve direct student participation but are related to the school's education mission. These include, but are not limited to: Mentoring, Curriculum development, workshop planning and presenting, Department Heads, Team Lead, Evaluation Committee, etc.
- Summer wages (Teacher and Employee FT-10 members only).

## Final Wages (Currently Tier A members only)

- Wages owed to Termination Date.
- Potential multiple payouts within one pay period.

## Holiday Pay

- In lieu of Holiday Pay.
- Unused Holiday pay (Tier A members only).
- Amount paid in addition to base pay for working on a Holiday (Reported as Compensation Over Base (COB) for Tier B and Tier C members).

## Leave of Absence Begin

- Start of unpaid or low wages in a pay period due to a Leave of Absence. The "Leave of Absence Date" entered should be the date when a member is considered to begin the

unpaid or low wages portion of their Leave of Absence period. (Must be longer than one pay period).

### **Leave of Absence End**

- Return to regular wages, marking the end to the Leave of Absence (Leave of Absence Begin must be elected in a prior pay period).

### **Longevity Pay**

- Longevity Pay (Reportable for **all** tiers).
- End of Career Longevity Pay (Reportable for Tier A Only).

### **Military Differential Wages**

- Member who was called to active military duty, change in wages that represent the difference from regular pay and their military pay.

### **Other-Contact NHRS**

- If no other reason is acceptable, provide additional explanation about why the variance is occurring to your NHRS relationship manager. If this field is selected, DRS generates a warning exception to force NHRS to review the variance.

### **Overtime**

- Overtime.
- Compensation Time payout (Tier B and Tier C report as COB).

### **Remaining Contract Payout**

- Remainder of Contract paid.
  - Pay period frequency that accounts for balloon payment not able to be elected.
  - Teacher Member that terminates mid-year.

### **Retirement Incentive**

- Incentive pay for retiring - (Only reportable for Tier A members).

### **Retro Adjustment**

- Pay owed to the member for prior time period not paid until current reporting period.

### **Salary Continuance**

- Reporting Employer Sponsored Short-Term or Long-Term Disability payments. A completed [Salary Continuance Reporting Form](#) referencing batch number is also needed. In this instance, the pay period is removed from the scheduled batch and the member, and the pay is moved into a new unscheduled batch with the same pay period information. Additionally, a Salary Continuance record is generated for the member.

### **Settlement**

- If selected as the reason, settlement paperwork should be emailed to the NHRS Relationship Manager.

**Shift Differential**

- Additional Pay for working a specific shift (2<sup>nd</sup>, 3<sup>rd</sup> shift, etc.).

**Stipend**

- Annual Attendance stipend or bonus.
- Additional compensation that is not “additional pay for extracurricular instructional activities” only if it is properly designated by the Employer as part of the Base Compensation in accordance with NHRS policy and guidance.
- Many employers pay a wide variety of stipends to members who perform extra duties. For further guidance on whether a stipend is reportable, please review the Statutory Interpretive memos notated above.

**Teacher Development pay**

- Teacher Development pay that is not part of the contracted annual salary. (Teacher Member only). This should be reported as COB for Tier B and Tier C Teacher members.

**Unpaid Leave Time/Reduced Hours**

- Reduced wages due to unpaid leave or reduced pay due to school vacation, no accrued available to be used, etc.
- Unpaid Leave of Absence (Begin and End dates are within the same pay period).

**Unused Sick/Unused Vacation Pay (Tier A members only)**

- Accrued (unused) leave time paid out (Sick, vacation, floating holiday, etc.).
- Terminal Pay (Unclassified State Employees)

**Workers' Comp**

- Change in wages due to being on Workers' Compensation
  - Pay from Accrued Leave time (Report as Base Pay.)
  - Supplement pay paid by ER per Collective Bargaining Agreement (Tier B and Tier C – report as COB)
  - Pay for working a reduced schedule (Report as Base Pay.)

**Note:** Workers' Comp wages are NOT Earnable Compensation and should not be reported

**Any sick, vacation, holiday wages and/or comp time that is used to compensate the member for their normal workday or work shift should be considered Base Pay.**