

## Pay Cycles

When you looked at your paycheck this week you may have been pleasantly surprised to see the 10% raise effective already, especially if you've always lived under the assumption that we're a month behind on pay. But aren't we? This week we wanted to take the opportunity to clear up this common misconception about how our pay cycles work.

### The "small check" and the "bigger check"

Like most airlines we get paid twice per month, contractually on the fifteenth and the last day of the bid month. [CBA 3.F.1] On the 15th you are paid for half of the *current month's* guarantee, and on the end of the month you are compensated for the remainder of the guarantee plus any applicable hours over guarantee and per diem from the *previous month*. This is why you saw your new rate on this week's paycheck. The common saying of "we're a month behind" only applies to hours over guarantee and per diem.

### When are other raises effective?

When you finish your probationary year you get a 12 hour bump to your minimum guarantee and your new pay rate. This is effective on the first day of your anniversary month. Your yearly pay bump follows the same logic.

If you move from 747 FO to 767 FO, or 767 FO to 747 FO your new pay rate is effective at the beginning of training. However, should you upgrade your new captain pay rate will be effective after successfully completing OE or until the junior pilot in your class finishes their OE. This is the result of a grievance and will not be found within the contract.

### Example

Finally, let's work out an example using a 767 pilot hired in the middle of May last year, so they saw both an increase in their pay, guarantee, as well as the additional 10% from the LOA:

In this example, we will assume the pilot credited 75 hours at \$80/hr in April and 375 hours of per diem under the COVID-19 MOU \$4/hr rate.

May 15th paycheck: 31 hours at the new pay rate of \$92.33

May 30th paycheck: 31 hours at the new pay rate of \$92.33, 25 hours at \$80/hr, and 375 hours at \$4/hr.

Note the two different pay rates, because your paycheck is showing the current month's guarantee plus the previous month's overages.

### Conclusion

This week's topic was meant to clarify a few questions we had received given the current circumstances. As always, this is not meant as an exhaustive payroll explanation, but merely a primer for your own reading and understanding of the CBA. Compensation is covered in section 3 of your CBA. For further questions please contact your mentor, the mentoring committee [mentoring@iap2750.org](mailto:mentoring@iap2750.org), or your payroll committee at [payroll@iap2750.org](mailto:payroll@iap2750.org).