## NATIONAL GUARD BUREAU



3501 FETCHET AVENUE
JOINT BASE ANDREWS MD 20762-5157

19 December 2014

## MEMORANDUM FOR DISTRIBUTION

FROM: NGB/A7

3501 Fetchet Ave

JB Andrews MD 20762-5157

SUBJECT: ANG Engineering Technical Letter (ANGETL) 14-14 Policies and Procedures for

Calculating Work Order Shop Rates

1. Purpose: This ANGETL prescribes the policies and procedures for calculating work order shop rates of the in-house ANG CE maintenance staff.

2. Effective Date: 24 June 2014

3. Supersedes: ANG ETL 05-1, dtd 10 February 2005

4. Reference: ANGI 32-1001, Para 2.2.9, 2.2.13 and 3.4

5. Description and Implementation:

- 5.1. This ANGETL defines the policies and procedures for calculating and reviewing/reverifying work order shop rates.
- 5.2. NGB/A7 functional manager is: Appendix 21: NGB/A7RP, Resource Division DSN 612-8199.
- 6. Calculating Shop Rates: Work order shop rates for in-house state craftsman employees should be calculated by taking the highest paid craftsman's wages and benefits, and the lowest paid craftsman's wages and benefits, add them together, divide by 2 to get the average, then divide that number by 2080 (number of hours worked in one year/40 hour week x 52 weeks in a year = 2080), and that final number is your average hourly shop rate.

Example: An Electrician state employee/craftsman's annual wage is \$40,000 + \$17,000 for benefits = \$57,000. A General Repair Worker state employee/craftsman's annual wages are \$30,000 + \$12,000 for benefits = \$42,000. \$57,000 + \$42,000 = \$99,000 divided by 2 = \$49,500. And finally, \$49,500 divided by 2080 hours = an average hourly shop rate of \$23.80.

- 7. Review\Verification of Shop Rates: Using the calculation formula shown in the previous paragraph, shop rates should be reviewed and re-calculated annually, at the beginning of each federal fiscal year. Shop rates should be re-calculated during the fiscal year only when necessary due to significant changes in wages. Significant change is defined as an increase or decrease of more than 25 percent of the baseline calculations caused by craftsman turnover or attrition.
- 8. The point of contact for this issue is SMSgt Jeff Coles, NGB/A7RP, Commercial (240) 612-8199, DSN 612-8199, jeff.coles@ang.af.mil.

PETER A. SARTORI, Colonel, USAF

Director of Installations and Mission Support

Attachment:

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