Salary Calculation Examples

In the examples below, the amounts and rates shown are for example purposes only. Actual rates, amounts, etc. for the University can be found at [http://osp.ua.edu/Proposal_administration.html](http://osp.ua.edu/Proposal_administration.html).

Example 1: A faculty member wants a GRA for the summer who will not be taking summer classes
- Monthly salary is $1,500 for 3 months = $4,500
- GRA health insurance for 3 months = $300
- 7.7% fringe for 3 months ($4,500 x .077) = $347
- Total requested for summer = $5,147

Example 2: A faculty member wants a GRA for the summer who will be taking a summer class each term for 3 hours each
- Monthly salary is $1,500 for 3 months = $4,500
- GRA health insurance for 3 months = $300
- Tuition for one 3 hour course is ($1,260 x 1.05) x 2 summer semesters - $2,646
- Total requested for summer = $7,446

Example 3: A faculty member wants to request $5,000 in summer compensation
- Total Compensation Requested = $5,000
- Fringe Rate = 32%
- $5,000/1.32 = Salary Requested
- Salary Requested = $3,788
- $5,000-$3,894 = Benefits Requested
- Benefits Requested = $1,212

Example 4: A faculty member has $5,000 available for a GRA summer position
- Summer GRA Health Insurance = $300
- Salary = ($5,000-$300)/1.077 = $4,364
- Fringe expenses = $4364 x .077 = $336
- Total requested = $5,000

Calculation of Fringe Benefits from total compensation requested:
- Total Compensation Requested ÷ Fringe Rate = Salary Requested (GRAs must also factor in Health Insurance, see example 4)