

Office of the State Comptroller PAYROLL BULLETIN

Subject	Performance Advances, Longevity Payments, Awards and Merit Payments for Employees Covered by the Budget Director's Rules and	Bulletin No. P-489		
	Regulations for Management/Confidential	Date		
	Employees	August 6, 1986		

A new system for performance evaluation and new rules for payment of performance advances, longevity salary increases or lump sums and performance awards for Management/Confidential employees and other employees excluded from collective bargaining units have been adopted by the Directors of the Budget and the Governor's Office of Employee Relations, effective July 1, 1986.

The revised performance evaluation system applies to all full-time and part-time annual-salaried (graded or equated to grade) employees, except those in the exempt class and in grade 668 positions, designated management/confidential (NU 06), employees of PERB (NU 66) and certain civilian employees of the Livision of Military and Naval Affairs excluded from a bargaining unit (NU 46).

Information describing the new annual evaluation system has been distributed by the Governor's Office of Employee Relations. Under the new system, all employees who have completed at least six payroll periods of service in their grade will be evaluated on July 1. Employees who have the required service and are on leave with or without pay on July 1 will be assigned a rating of "Effective". Employees who do not have the required service will not be evaluated until July 1 of the following year.

NOTE:

Salary increases equivalent to performance advances for M/C employees who occupy positions in the exempt jurisdictional class or allocated to grade 668 are processed in accordance with Special Salary Plans as approved for individual agencies by the Director of the Budget. Payment of awards based on longevity and performance for these employees requires prior Budget approval as explained in Budget Bulletin D-1066, dated June 17, 1986.

A. PERFORMANCE ADVANCES-ALL GRADES

Employees whose salary is below the job rate of their July 1, 1986 grade and who have completed six payroll periods of service and are rated higher than "Unsatisfactory" are eligible for performance advances. The April 1, 1986 Management/Confidential Salary Schedule is attached to Bulletin P-472, dated March 12, 1986.

Advance amounts vary depending on the rating assigned and the number of payroll periods of service completed as follows:

Rating	% of grade range
Outstanding Highly Effective or Effective Needs Improvement Unsatisfactory	25 to 33-1/3%* 25% 16-2/3% 0
Number of payroll periods of service completed**	Part of Advance amount payable
24 - 26 18-23	Full 3/4
12-17	1/2
6-11	1/4
1–5	No evaluation, no advance

*The Division of the Budget will allocate sufficient funds to permit the maximum payment (33-1/3% of grade range) to 20% of the total eligible employees in each agency. If an agency rates a larger percentage of its employees in the highest category, then advance amounts will be proportionately reduced as explained in the calculations in Budget Bulletin D-1065, dated June 17, 1986, but will not be less than 25% of the grade range.

**Any complete payroll period during which an employee is on leave without pay (including lost time) or leave with less than full pay (including sick leave at half-pay) is excluded when determining if an employee meets the service requirement.

Employees who occupy the 10-month position of Education Director receive service credit for July and August. Service deductions as explained above occur only for the period of September 1 to June 30.

In implementing the system, the 1986 evaluation period and resulting payment will be as follows:

For an employee last rated on July 1, 1985, the evaluation period and advance amount will be based on the service rendered over the full year.

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For an employee last rated on October 1, 1985, the evaluation period and pro-rated advance will be based on the service rendered between October 1, 1985 and June 30, 1986.

For an employee who received no rating, the evaluation period and advance will be based on the service rendered between the date of appointment or promotion and June 30, 1986.

For an employee who laterally transferred and who received payment of an advance in the former unit between July 1, 1985 and June 30, 1986, the evaluation period and advance will be based on the service rendered between the previous evaluation date and June 30, 1986

For an employee who laterally transferred and who received no advance in the former unit since July 1, 1985, the evaluation period and advance will be based on service rendered in both positions over the full year.

The service requirement must be fulfilled by the payroll period which includes June 30. Refer to Attachment A for advance amounts based on ratings and service.

The following general rules apply in determining eligibility for performance advances:

- a. The definition of job rate has been changed to (1) the salary as shown on the graded salary schedule or (2) the maximum "capped" salary for a position as established by the Director of the Budget.
- b. Employees who have the required service and are permanently separated on July 1 and who are subsequently reinstated will be assigned a rating of "Effective".
- c. Service in positions allocated to the same grade or in unallocated (except seasonal) positions equal to the same grade counts as service in a grade.
- d. Service in a higher grade or in an unallocated position equated to a higher grade or in a Trainee position from which the employee would upon completion of the Traineeship advance to a position in the same grade or a higher grade counts as service in a grade.

- e. Service in graded positions or unallocated positions equated to grades in any of the negotiating units and in management/confidential positions counts as service upon movement into a management/confidential position.
- f. Employees who have a change in grade resulting from reallocation of their position receive credit for service in the lower grade toward eligibility for performance advances in the higher grade.
- g. Employees on Workers' Compensation Leave or military leave receive service credit for the time spent on such leave.
- h. Employees reinstated with a Back Salary Award receive service credit for the time covered by the Award; any period that the employee was awarded less than full Back Salary effects service credit for that period.
 - NOTE Where the employee was off the payroll during the entire evaluation period, the service credit would be based on an assumed "Effective" rating. If the employee performed service during part of the evaluation period and the agency has a clear basis, the rating may be raised or lowered accordingly.

Recalculation of Salary for Employees who have been promoted

Employees who have been appointed or promoted to a higher grade position during the period are, as in the past, due a recalculated promotion salary. The advance amounts in each grade are pro-rated and based on 25% of the range of the lower grade and the appropriate percentage based on the July 1 rating in the higher grade.

If the employee had at least 24 payroll periods of creditable service in both grades, he or she is entitled to a pro-rated advance based on the number of periods of service completed in the higher grade and the corresponding percentage of advance in the lower grade. For example, if the service in the higher grade entitles the employee to a 1/4 advance, then a 3/4 advance is due in the lower grade. If the employee does not have 24 periods of combined service, then each advance amount is pro-rated based on the payroll periods of service in each grade.

Due to the different April 1986 raises ($5\frac{1}{2}\%$ for grades M/C 17 and below and 5% for grades M/C 18 and above) and the job rate limitation when applying a performance advance, a salary reconstruction must be done to compute a promotion recalculation salary. (Refer to Attachment B for 25% advance amounts based on the grade ranges for the 1985-86 salary schedule and the Job Rates.) An example of this reconstruction method follows:

A grade M/C-14 employee was promoted to an M/C-18 position on March 6, 1986. The employee had continuous service since July 1, 1985 and on July 1, 1986 following 9 periods of M/C-18 service, was rated "Outstanding". The period of M/C-18 service entitles the employee to 1/4 of an advance in that grade; therefore, 3/4 of an advance is due in the lower M/C-14 grade.

Reconstruction

Prior to promotion, the employee's M/C-14 salary was \$24100.

\$28683 July 1986 M/C-18 promotion recalculation salary

B. LONGEVITY PERFORMANCE AWARDS-GRADES 603-617

The Budget Director's Rules and Regulations implement the provisions of Chapters 306 and 307 of the Laws of 1985 providing for the payment of a longevity salary increase or lump sum based on performance to certain M/C employees who occupy positions allocated or equated to grades 603-617 on March 31, 1986.

Employees who have completed 5 or more years of continuous service at a salary equal to (or within 98% of) the job rate, or maximum, of the grade of their position occupied on March 31, 1986 and who, on July 1, 1986, are rated "Effective" or higher are entitled to a longevity performance award which may be a salary increase or lump sum payment as follows:

(1) an annual salary increase of \$750, retroactive to April 1, 1986 (Period #1L); the resultant salary may not exceed the April 1, 1986 Job Rate for the M/C grade plus \$1500

or

(2) a lump sum payment of \$500 to those whose salary exceeds the April 1, 1986 Job Rate plus \$1500.

Continuous service as used in determining eligibility for these longevity awards is paid service (including part-time annual-salaried service and sick leave at half pay) or time on Workers' Compensation leave or Military leave without pay.

For employees whose salary falls within 98% or more of the job rate on March 31, 1986 and who receive a performance advance payment on July 1, 1986, the amount of the advance must be deducted from any longevity salary increase or lump sum otherwise payable.

For employees who are eligible for the $$500\ \text{lump}$ sum, the actual amount of the Award is determined as follows:

- 1. Full-time employees who were on leave with partial pay on March 31, 1986 receive the full payment.
- 2. Full-time employees who are on Voluntary Furlough (Reduced Work Schedule) on March 31, 1986 receive the full payment.
- 3. Part-time employees on March 31, 1986 receive a pro-rated payment based on their part-time percentage on that date.
- 4. Part-time employees on leave with partial pay on March 31, 1986 receive pro-rated payment based on their regular part-time percentage.

Employees who serve the required number of payroll periods to be evaluated and are on leave without pay on July 1 are entitled to these longevity award(s) if they return to the payroll by July 1, 1987.

Eligible employees who are promoted or who die or retire between March 31 and July 1, 1986 are entitled to these award(s).

Eligible employees who resign after March 31 and are reinstated by July 1, 1986 are entitled to these awards.

Employees who were not eligible for the Longevity Performance Awards on March 31, 1986 will become eligible if they return to a lower grade position between April 1, 1986 and March 31, 1987, and would have been eligible for the payment if they had been in the lower position on March 31, 1986 and remain in the lower grade position for at least 6 payroll periods and

- a. the promotion was temporary and the employee has been reinstated to her or his previous position or appointed to another position in the lower grade or
- b. the promotion was permanent, but the demotion occurred:
 - 1. in lieu of lay off
 - 2. as a result of failure of a probationary period
 - 3. voluntarily during the probationary period.

Employees demoted as a result of disciplinary action or who take a voluntary demotion from a permanent position after the completion of the probationary period are not eligible for the payment.

In Determining Eligibility:

Employees who have been continuously occupying the same position without any break in service must have reached a salary within 98% of the job rate of the grade by April 1, 1981. For employees who have a break in service, any service prior to April 1, 1981 during which the employee was receiving a salary within 98% of the job rate or maximum can be counted towards the 5 year requirement.

Attached to this Bulletin is a list of the salaries which an employee must have been receiving in order to be considered to fall within 98% of the job rate for the years 1980 through 1986 (Attachment C). If an employee has interrupted service and may be due credit for a period prior to July 1980, refer to the chart attached to Bulletin P-458, dated December 10, 1985, for the 98% salaries for the years 1977 through 1979.

- 2. Employees who have occupied a higher grade position at anytime in the past will receive credit for all service during which they earned a salary which was within 98% of the job rate of the grade of the position which they occupied on March 31, 1986.
- 3. Employees who had been receiving a salary equal to (or within 98% of) the job rate of the grade who upon promotion to a higher grade received a salary within 98% of the job rate of the new grade will receive credit for service in the current position and for all service in the prior position during which they were receiving a salary within 98% of the job rate of the lower grade.

4. Employees who were receiving a salary equal to (or within 98% of) the job rate of the grade whose positions have been reallocated, whose resulting salary was below the job rate of the new grade but whose salary on March 31, 1986 was within 98% of the job rate will receive credit for all service subsequent to the reallocation and for all service in the position prior to reallocation during which their salary was within 98% of the job rate of the lower grade.

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5. On July 1, 1980 and October 1, 1981, the job rates on the Management/Confidential Salary Schedules were increased by an amount greater than the percentage increases. These increases do not affect eligibility for the Longevity Performance Award for employees who were receiving a salary within 98% of the job rate prior to the effective dates of the new schedules.

The guidelines do not limit the number of employees within an agency who are eligible for these longevity awards; all employees who qualify may receive their award.

C. PERFORMANCE AWARDS - GRADES 603-617 MERIT AWARDS - GRADES 618-667

Employees whose salary, prior to the application of any performance advance due after July 1, 1986, is equal to or within 98% of the job rate are eligible for performance/merit awards if they:

- 1. a. were last evaluated on July 1985 and have 20 payroll periods of creditable service between that date and July 1, 1986
 - b. were last evaluated on October 1, 1985 and have 15 payroll periods of creditable service between that date and July 1, 1986
- and
 2. are rated "Highly Effective" or "Outstanding".

For employees in positions allocated or equated to grades 603-617 the Performance Award is a fixed amount as follows:

Grade	603	\$400	Grade 611	\$600
	604	425	612	625
	605	450	613	65 0
	606	475	614	675
	607	500	615	700
	608	525	616	725
	609	550	617	750
	610	575		

Merit Awards for employees in positions allocated or equated to grades 618-667 will fall within the following ranges:

M/C GRADE	AWARD RANGE
618-662	\$1000 - 2500
663-667	1500 - 3500

Employees receiving a salary prior to July 1, 1986 equal to or greater than the salary shown below for their grade may be eligible for awards.

Grade	603	\$14498	Grade	617	\$30300
	604	15176		618	30689
	605	15935		619	32308
	606	16774		620	33952
	607	17706		621	35727
	608	18641		622	37630
	609	19656		623	40082
	610	20772		661	43 809
	611	21950		662	48637
	612	23124		663	54013
	613	24433		664	59706
	614	25801		665	66421
	615	27218		666	73260
	616	28694		667	79551

The actual amount of the Award, full or pro-rated depending on the employee's status on July 1, is determined as follows:

- 1. Full-time employees who were on leave with partial pay on July 1, 1986 receive the full payment.
- 2. Full-time employees who are on Voluntary Furlough (Reduced Work Schedule) on July 1, 1986 receive the full payment.
- 3. Part-time employees on July 1, 1986 receive a pro-rated payment based on their part-time percentage on that date.
- 4. Part-time employees on leave with partial pay on July 1, 1986 receive pro-rated payment based on their regular part-time percentage.

For employees whose salary falls within 98% or more of the job rate, any performance advance payment on July 1, 1986 must be deducted from the award amount otherwise payable. The definition of job rate is (1) the salary as shown on the graded schedule or (2) the maximum "capped" salary for a position as established by the Director of the Budget.

Employees who serve the required number of payroll periods and are on leave with or without pay on July 1, are entitled to be evaluated and if appropriately rated receive a performance award, whether or not they return to full pay or active payroll status. Employees permanently separated on July 1 may receive this award.

The Division of the Budget will allocate sufficient funds to permit payment of awards to at least 40% of all eligible employees within an agency, as explained in Budget Bulletin D-1065.

Preparation for Payment

Attached to this Bulletin is a listing for your agency of M/C employees whose salary as of Period #8L is equal to (or within 98% of) the job rate of their grade. The listing also includes those employees with the same salary who have died, retired or become inactive (including LWOP) since Period #26L.

Where an employee occupies an unallocated position which is equated to grade and is eligible for any of these payments, the agency must make certain the equation is shown on an Approved Budget Certificate, a Budget Director's Approval (BDA) form, or CC-4 form on file in OSC or submitted with the PR-75.

Payment of a longevity or award to an employee who occupies a seasonal position requires approval from the Director of the Budget.

Preparation of PR-75 forms

Agencies which have completed their evaluations and ratings may submit PR-75s to process the various payments using the following transaction codes:

A. PERFORMANCE ADVANCES

- 1. To report a performance advance due in the current grade for an active or inactive employee: PERF ADV.
- 2. To report an adjustment in current salary as a result of a performance advance in a previous grade or a promotion recalculation: COR SAL.
- 3. To report an adjustment only for an employee due a performance advance in a former position when the current salary will not change: ADJ SAL PA.
- 4. To report an "Unsatisfactory" rating: UNSAT PERF.

B. LONGEVITY PERFORMANCE AWARDS

- 1. To report a \$750 longevity salary increase: COR SAL with the additional transaction code LONG PAY.
- 2. To report a \$500 longevity lump sum payment: LONG LSP. (If the employee was part-time on March 31, 1986, enter the P-T% on the PR-75.)

C. PERFORMANCE/MERIT AWARDS

1. To report a lump sum performance (grades 603-617) or merit (grades 618-667): PERF AWARD.

NOTE: For an employee whose salary is within 98% or less of the job rate and eligible for a longevity or merit lump sum, report PERF ADV in block 07 and LONG LSP or PERF AWARD, as appropriate in the Additional Transaction Code block.

Should you require assistance in determining correct salary entitlement contact the Salary Determination Unit on 474-1248 or 474-3564.

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M/C PERFORMANCE ADVANCES (NU 06, 46 AND 66) JULY 1986

Grade and					Grade and				
Range		33-1/3%	<u>25%</u>	16-2/3%	Range		33-1/3%	25%	16-2/3%
603 \$3320	Full 3/4 1/2	\$1107 831 554	\$830 623 415	\$554 416 277	611 \$4710	Full 3/4 1/2	\$1570 1178 785	\$1178 884 589	\$785 589 39 3
	1/4	277	208	139		1/4	393	295	197
604	Full	\$1162	\$872	\$581	612	Full	\$1651	\$1238	\$826
\$348 5	3/4 1/2	872 581	654 426	436	\$4952	3/4	1239	929	620
	1/4	291	436	291		1/2	826	619	413
	1/4	291	218	146		1/4	413	310	207
605	Full	\$1171	\$878	\$586	613	Full	\$1725	\$1294	\$863
\$3512	3/4	879	659	440	\$5175	3/4	1294	971	648
	1/2 1/4	586 29 3	439	293		1/2	863	647	432
	1/4	293	220	147		1/4	432	324	216
606	Ful1	\$1270	\$953	\$635	614	Ful1	\$1791	\$1343	\$896
\$3809	3/4	953	715	477	\$5372	3/4	1344	1008	672
	1/2	635	477	318		1/2	896	672	448
	1/4	318	239	159		1/4	448	336	224
607	Full	\$1322	\$992	\$661	615	Fu11	\$1875	\$1407	\$938
\$3966	3/4	992	744	496	\$5625	3/4	1407	1056	704
	1/2	661	496	331		1/2	938	704	469
	1/4	331	248	166		1/4	469	35 2	235
608	Ful1	\$1374	\$1031	\$687	616	Ful1	\$1952	\$1464	\$976
\$4121	3/4	1031	774	516	\$5856	3/4	1464	1098	732
	1/2	687	516	344		1/2	976	732	488
	1/4	344	258	172		1/4	488	366	244
609	Fu11	\$1427	\$1071	\$714	617	Ful1	\$2048	\$1536	\$1024
\$4281	3/4	1071	804	536	\$6142	3/4	1536	1152	768
	1/2	714	536	357		1/2	1024	768	512
	1/4	357	268	179		1/4	512	384	256
610	Fu11	\$1515	\$1136	\$758	618	Fu11	\$2057	\$1543	\$1029
\$4544	3/4	1137	852	569	\$6169	3/4	1543	1158	772
	1/2	758	568	379		1/2	1029	772	515
	1/4	379	284	190		1/4	515	386	258

Full Advance = 24-26 periods

^{3/4} Advance = 18-23 periods 1/2 Advance = 12-17 periods 1/4 Advance = 6-11 periods

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Grade and Range		33-1/3%	25%	16-2/3%	Grade and Range	33-1/3%	25%	16-2/3%
619 \$6447	Full 3/4 1/2 1/4	\$2149 1612 1075 538	\$1612 1209 806 403	\$1075 807 538 269	662 Full \$10464 3/4 1/2 1/4	\$3488 2616 1744 872	\$2616 1962 1308 654	\$1744 1308 872 436
620 \$6748	Fu11 3/4 1/2 1/4	\$2250 1688 1125 563	\$1687 1266 844 422	\$1125 844 563 282	663 Full \$11595 3/4 1/2 1/4	\$3865 2899 1933 967	\$2899 2175 1450 725	\$1933 1450 967 484
621 \$7032	Full 3/4 1/2 1/4	\$2344 1758 1172 586	\$1758 1319 879 440	\$1172 879 586 293	664 Full \$12741 3/4 1/2 1/4	\$4247 3186 2124 1062	\$3186 2390 1593 797	\$2124 1593 1062 531
622 \$7368	Full 3/4 1/2 1/4	\$2456 1842 1228 614	\$1842 1382 921 461	\$1228 921 614 307	665 Full \$14227 3/4 1/2 1/4	3558 2372 1186	\$3557 2668 1779 890	\$2372 1779 1186 593
623 \$8256	Full 3/4 1/2 1/4	\$2752 2064 1376 688	\$2064 1548 1032 516	\$1376 1032 688 344	666 Full \$15416 3/4 1/2 1/4	\$5139 3855 2570 1285	\$3854 2891 1927 964	\$2570 1928 1285 643
661 \$9430	Full 3/4 1/2 1/4	\$3144 2358 1572 786	\$2358 1769 1179 590	\$1572 1179 786 393	667 Full \$15721 3/4 1/2 1/4	\$5241 3931 2621 1311	\$3931 2949 1966 983	\$2621 1966 1311 656

Full Advance = 24-26 periods 3/4 Advance = 18-23 periods 1/2 Advance = 12-17 periods 1/4 Advance = 6-11 periods

98% Maximum/Job Rate Salaries for determining eligibility for M/C Longevity Performance Award

Apr11 1986	14498	15176	15935	16774	17706	18641	19656	20772	21950	23124	24433	25801	27218	28694	30300
June 1985	13741	14384	15104	15899	16783	17669	18631	19689	20805	21917	23159	24455	25799	27197	28720
Sept 1984	13086	13699	14385	15141	15983	16827	17743	18751	19814	20874	22055	23290	24570	25902	27352
Apr11 1984	12492	13077	13731	14454	15257	16063	16937	17898	18914	19925	21053	22232	23453	24725	26109
Sept 1983	11897	12453	13077	13765	14530	15297	16130	17046	18013	18975	20050	21172	22336	23547	24865
April 1983	11356	11887	12483	13139	13869	14602	15397	16270	17195	18113	19139	20210	21320	22477	23735
Apr11 1982	10815	11320	11888	12513	13209	13907	14663	15495	16375	17249	18228	19248	20305	21406	22604
0ct 1981	9921	10386	10906	11479	12118	12758	13452	14215	15023	15825	16722	17658	18628	19638	20737
Jan 1981	9124	9554	10036	10566	11159	11752	12396	13104	13854	14598	15432	16302	17203	18142	19164
July 1980	8825	9241	9707	10220	10793	11367	11990	12675	13400	14120	14927	15769	16641	17548	18537
	603	604	909	909	209	809	609	610	611	612	613	614	615	919	617

 $\,$ M/C 25% PERFORMANCE ADVANCE AND JOB RATES JUNE 1985 M/C SCHEDULE FOR COMPUTING PROMOTION RECALCULATION

Grade and Job Rate	2	<u>25%</u>	Grade and Job Rate	<u>.</u>	<u> 25%</u>	Grade and Job Rate	<u>.</u>	25%
603 \$14021	Full 3/4 1/2 1/4	\$787 591 394 1 97	613 \$23631	Full \$ 3/4 1/2 1/4	1227 921 614 307	622 \$36568	Full 3/4 1/2 1/4	\$1755 1317 878 439
604 \$14677	Full 3/4 1/2 1/4	\$826 620 413 207	614 \$24954	Full \$ 3/4 1/2 1/4	1273 955 637 319	623 \$38951	Full 3/4 1/2 1/4	\$1966 1475 983 492
605 \$15412	Full 3/4 1/2 1/4	\$833 625 417 209	615 \$26325		1333 1000 667 334	661 \$42574	Full 3/4 1/2 1/4	\$2246 1685 1123 562
606 \$16223	Full 3/4 1/2 1/4	\$903 678 452 226	616 \$27752	Full \$ 3/4 1/2 1/4	1388 1041 694 34 7	662 \$47265	Full 3/4 1/2 1/4	\$2492 1869 1246 623
607 \$17125	Full 3/4 1/2 1/4	\$940 705 470 235	617 \$29306		1456 1092 728 364	66 3 \$52490	Full 3/4 1/2 1/4	\$2761 2071 1381 691
608 \$18029	Full 3/4 1/2 1/4	\$977 733 489 245	618 \$29823	Full \$1 3/4 1/2 1/4	1469 1102 735 368	664 \$58022	Full 3/4 1/2 1/4	\$3034 2276 1517 759
609 \$19011	Full 3/4 1/2 1/4	\$1015 762 508 254	619 \$31397	Full \$1 3/4 1/2 1/4	1535 1152 768 384	665 \$64548	Full 3/4 1/2 1/4	\$3388 2541 1694 847
610 \$20090	Full 3/4 1/2 1/4	\$1077 808 539 270	620 \$32994	Full \$1 3/4 1 1/2 1/4	1607 1206 804 402	666 \$71195	Full 3/4 1/2 1/4	\$3671 2754 1836 918
611 \$21229	Full 3/4 1/2 1/4	\$1117 838 559 280	621 \$34720	Full \$1 3/4 1 1/2 1/4	1675 1257 838 419	667 \$77308	Full 3/4 1/2 1/4	\$3743 2808 1872 936
612 \$22364	Full 3/4 1/2 1/4	\$1174 881 587 294						