

# Hourly Average

## How to calculate an hourly average rate:

1. Add together all the compensation (any wages and bonuses) you paid the staff in that category during the month of February. (4 weeks)
2. Divide by the number of total hours worked.
3. Add together the hourly compensation for all staff in one category.
4. Divide by the number of staff.



# Hourly Average

## Example:

To get the hourly rate of wage plus bonus per employee:

You have 3 employees who work as Toddler Assistant Teachers. All received \$1000 bonus in February. February had 4 weeks.

- Employee 1 makes \$13 and works 20 hours a week =  $\$260/\text{week} \times 4 \text{ weeks} + \$1000 = \$2040/80 \text{ hours} = \$25.50/\text{hour}$
- Employee 2 makes \$15 and works 40 hours a week =  $\$600/\text{week} \times 4 \text{ weeks} + \$1000 = \$3400/160 \text{ hours} = \$21.25 \text{ hour}$
- Employee 3 makes \$14 and works 25 hours a week =  $\$350/\text{week} \times 4 \text{ weeks} + \$1000 = \$2400/100 \text{ hours} = \$24/\text{hour}$
- $\$25.50 + \$21.25 + \$24 = \$70.75$
- Divide by 3 employees =  $\$23.58/\text{hour}$

