

## Overtime Pay Instructions for Dual Employment

Non-exempt employee overtime requires additional consideration if:

- (A) A non-exempt employee is working in a dual employment situation (dual employment = having more than one university appointment that causes the employee to regularly work more than 40 hours/week). In this situation, any hours worked over 40 in a week will need to be paid a premium overtime rate that is adjusted to include both appointments.

**OR**

- (B) A non-exempt employee is working in two part-time appointments, with two different salary rates, that total 100% or less when combined. Dual employment is not technically occurring, but the two appointments still cause complexity if the employee works over 40 hours in a week when looking at both appointments together. In this situation, any hours worked over 40 in a week will need to be paid at a premium rate that is adjusted to include both appointments.

### Process

***If an employee falls into one of the above two categories, the PPS preparer must take the following steps to ensure the employee is being appropriately paid:***

#### 1) Figure out if overtime has occurred.

The departments involved should understand...

- (a) ... *that it is important for both departments to share timecard information.* Ideally, the home department needs to develop a way to share timecard information with the secondary (dual employment) department. HR suggests that the departments work together to determine the best way to share this information (by emailing hours worked, faxing timecards, etc.) It is also suggested that this sharing occur at the very end of the month, with the plan to have the employee receive the OT pay on the paychecks cut for the 5<sup>th</sup> or 19<sup>th</sup> of the month. It is important for both the home and the secondary departments to confirm how many hours the employee worked, so that both departments know if overtime has been earned.
- (b) ... *that either the home dept or secondary dept may be responsible for paying overtime at an adjusted rate, depending upon the specific situation.* If the employee has a full-time appointment and HR approves working over 100% in a secondary appointment, then the secondary department will always be paying the adjusted overtime rate. However, if the employee has instead reduced their primary appointment and is working two part-time appointments, overtime will only be earned if more than 40 hours/week are worked. In that case, either the home or secondary dept may be responsible for pay overtime.

#### 2) Calculate the adjusted regular rate.

- (c) **Step One:** *Compute the total weekly salary.* (Home appt hrs x rate + Secondary hrs x rate = Total)

____ hrs X \$____/hr + ____ hrs X \$____/hr = \$____ + \$____ = \$____
--

Example: Joe would like to work two appointments. He and his home dept agree to temporarily reduce his full-time job (earning \$22.56/hr) to half time. He now works 20 hrs/week in his primary appointment and 20 hrs/week as a Senior Writer (earning \$24.62/hr). This example follows situation "B" above.

Joe has worked two extra hours as a Senior Writer this week. The total weekly salary is:

$$(20 \text{ hrs} \times \$22.56/\text{hr}) + (2 \text{ hrs} \times \$24.62/\text{hr}) = \$451.20 + \$51.64 = \$992.84 \text{ total}$$

- (d) **Step Two:** Compute the weighted avg salary. (Total weekly / hrs worked = Weighted avg salary)

$\text{\$} \underline{\hspace{1cm}} \text{ total weekly salary } \mathbf{div \ by} \ \underline{\hspace{1cm}} \text{ hours worked } = \text{\$} \underline{\hspace{1cm}} \text{ weighted avg salary}$
---

Joe's example, continued:  $\$992.84 / 42 \text{ hrs} = \underline{\$23.64}$  weighted avg salary

- (e) **Step Three:** Use the weighted average salary as the "adjusted regular rate" for purposes of calculating overtime earned that particular work week. The above calculation will need to be done for each work week that overtime is earned.

Joe's example, continued: Joe's adjusted regular rate of pay for that week is \\$23.64. Joe will end up earning 2 hours of overtime pay at a rate of \$35.46/hour ( $1.5 \times \$23.64 = \$35.46$ ).

### 3) Enter the overtime in PPS Payroll Time Reporting.

*If the employee opted to receive premium overtime in actual pay...*

- (f) On the EDAP (additional pay screen), complete the fields as normal. In the "rate" field, fill in the ADJUSTED REGULAR RATE. In the "DOS" field, fill in OTP. (Only use the 2<sup>nd</sup> available DOS field on the payment line). This will calculate the adjusted premium overtime for you. It should equate to 1.5 times the adjusted regular rate.

Joe's example, continued: The department where Joe works as a Senior Writer will input \$23.64 in the "rate" field and OTP in the "DOS" field. Since Joe worked 2 hours over his 20-hour appointment in the lecture job, and this led to him working more than 40 hours that week, that department is responsible for paying the overtime.

*If the employee opted to receive premium overtime in comp time...*

- (g) On the financial leave reporting screen, fill in the overtime hours worked as you would any other comp time situation. Use CTA as the DOS code.

### 4) Check to see that the overtime has been appropriately paid on the next paycheck.

Remember that paying overtime is the responsibility of the department where the overtime is worked. Figuring out if overtime has been earned (Step 1 above) will require close communication between departments.

Joe's example, continued: Joe should receive an extra \$70.92 in his paycheck.

Questions?

Contact the Compensation Analyst for your department for overtime-related questions or Payroll for PPS/payroll questions.