1. What is the formula used to calculate the regular rate of pay for overtime purposes?

The formula is all FLSA earnings divided by all FLSA hours. FLSA hours for overtime is based on the total hours worked (more than 40 hours per workweek), including hours worked on holidays in a work week. Paid time off taken, such as sick time, vacation time and compensatory time, will not count toward the overtime calculation. In addition, holiday benefit hours do not count towards overtime when the number of hours worked on the holiday equal or exceed the holiday benefit hours. The university adheres to the definition of regular rate of pay under the Fair Labor Standards Act, 29 CFR 207. The regular rate of pay includes shift and weekend differentials as well as any non-discretionary bonus that are earned during the workweek.

2. An employee has multiple positions and receives a non-discretionary bonus from just one of the positions. Will the non-discretionary bonus be included in the regular rate of pay for overtime on all the positions?

Yes, the formula is all FLSA earnings, which would include the non-discretionary bonus divided by all FLSA hours.

3. In order for an employee to receive shift differential pay, they must work at least four continuous hours within shift time period (or across multiple shifts). What happens should the employee take a meal break within the four continuous hours?

When the employee uses the meal clock out code, it will not interrupt the four continuous hours required for the shift differential pay. The meal break itself will not count towards the four continuous hours.

4. Are there rounding rules related to the calculation of partial hours worked?

Yes, there are rounding rules. Details can be found at https://admin.resources.osu.edu/workday/workday-for-employees/time-entry-processes.

EXAMPLES CALCULATING THE REGULAR RATE OF PAY FOR OVERTIME

5. An employee has one position paid at a base hourly rate of $15.00. The employee works 45 hours in a work week. How is the regular rate of pay for overtime calculated?

The employee will receive five hours of overtime. The steps to calculate the regular rate of pay are:
   a) Straight time of 45 hours x $15.00/hour = $675.00
   b) $675.00 divided by 45 hours = $15.00
   c) $15.00 x 0.5 = $7.50/hour

The total gross will be $675.00 + $37.50 (5 overtime hours x $7.50/hour) = $712.50

6. An employee has multiple positions with one position paid at a base hourly rate of $15.00 and the second position paid at a base hourly rate of $18.00. The employee works 25 hours in one work week for position one (e.g. five hours daily Monday through Friday) and works 25 hours in the same work week for position two (e.g. five hours daily Monday through Friday). How is the regular rate of pay for overtime calculated?

The employee will receive 10 hours of overtime. The steps to calculate the regular rate of pay are:
   a) Straight time of 25 hours x $15.00/hour = $375.00
   b) Straight time of 25 hours x $18.00/hour = $450.00
7. An employee has multiple positions with one position paid at a base hourly rate of $15.00 and a second position paid at a base hourly rate of $18.00. The employee works 25 hours in one work week on position one Monday through Wednesday and works 25 hours in the same work week for position two Thursday through Saturday. How is the regular rate of pay for overtime calculated?

The employee will receive 10 hours of overtime all from position two. The steps to calculate the regular rate of pay are:

a) Straight time of 25 hours x $15.00/hour = $375.00
b) Straight time of 25 hours x $18.00/hour = $450.00
c) $375.00 + $450.00 = $825.00
d) $825.00 divided by 50 hours = $16.50
e) $16.50 x 0.5 = $8.25/hour

The gross pay for position one will be 25 hours x $15.00 = $375.00
The gross pay for position two will be 25 hours x $18.00 = $450.00 + $82.50 (10 overtime hours x $8.25/hour) = $532.50
The total gross pay is $375.00 + $532.50 = $907.50

8. An employee has multiple positions with one position paid at a base hourly rate of $15.00 and a second paid at a base hourly rate of $18.00. The employee works 40 hours in one work week on position one Monday through Thursday, works five hours on Friday for position two and three hours on Saturday for position one. How is the regular rate of pay for overtime calculated?

The employee will receive eight hours of overtime – three from position one and five from position two. The steps to calculate the regular rate of pay are:

a) Straight time of 43 hours x $15.00/hour = $645.00
b) Straight time of 5 hours x $18.00/hour = $90.00
c) $645.00 + $90.00 = $735.00
d) $735.00 divided by 48 hours = $15.31
e) $15.31 x 0.5 = $7.66/hour

The gross pay for position one will be 43 hours x $15.00 = $645.00 + $22.98 (3 overtime hours x $7.66) = $667.98
The gross pay for position two will be 5 hours x $18.00 = $90.00 + $38.30 (5 overtime hours x $7.66/hour) = $128.30
The total gross pay is $667.98 + $128.30 = $796.28
9. A non-bargaining unit employee’s (academic campus) normal schedule begins at 8a.m. and ends at 5p.m. and is paid a base hourly rate of $16.35. On Wednesday of the work week, the employee works until 7p.m. The remaining days of the work week, the employee works the normal schedule of 8a.m. to 5p.m.

The employee worked 42 hours total in the work week; therefore, the employee is eligible to receive two hours of overtime. In addition, on Wednesday, the employee worked four continuous hours (3p.m. – 7p.m.) that fall within the academic campus second shift period. Therefore, the employee will automatically receive four hours of shift differential pay paid at $1.00/hour.

The steps to calculate the regular rate of pay are:

a) Straight time of 42 hours x $16.35/hour = $686.70
b) Shift time of 4 hours x $1.00/hour = $4.00
c) $686.70 + $4.00 = $690.70
d) $690.70 divided by 42 hours = $16.45
e) $16.45 x 0.5 = $8.23/hour

The total gross pay is $686.70 + $4.00 shift differential + $16.46 (2 hours x $8.23/hour) = $707.16

10. An employee’s base hourly rate is $11.00. She receives a $50.00 non-discretionary bonus for work completed in a single work week. During that same week, she works 44 hours. How is the regular rate of pay for overtime calculated?

The employee worked 44 hours total in the work week; therefore, the employee is eligible to receive four hours of overtime.

The steps to calculate the regular rate of pay are:

a) Straight time of 44 hours x $11.00/hour = $484.00
b) Non-discretionary bonus of $50.00
c) $484.00 + $50.00 = $534.00
d) $534.00 divided by 44 hours = $12.14
e) $12.14 x 0.5 = $6.07/hour

The total gross pay is $484.00 + $50.00 non-discretionary bonus + $24.28 (4 hours x $6.07/hour) = $558.28

FLEXIBLE SCHEDULES

11. An employee works extra hours on Monday through Thursday (36 total) to take Friday off. Because the employee worked 36 hours, the department would like to allow the employee to submit only four hours of vacation.

The employee should enter the number of hours required to bring them up to the total number of regularly scheduled hours for the work week. In this case, assuming the employee is regularly scheduled to work 40 hours per week, the employee should submit just four hours of vacation.

Note that the employee and manager will need to ensure that the time entered is appropriate as Workday will not provide real-time warning/error messages when the time entered does not match the scheduled hours for the work week. There will be a report on the manager dashboard that may provide information on potential discrepancies.
12. An employee calls in sick on Monday but works extra hours on Tuesday through Friday (36 total) to make-up some of the time off on Monday. Because the employee worked 36 hours, the department would like to allow the employee to submit only four hours of sick time.

The employee should enter the number of hours required to bring them up to the total number of regularly scheduled hours for the work week. In this case, assuming the employee is regularly scheduled to work 40 hours per week, the employee should submit just four hours of sick leave.

Note that the employee and manager will need to ensure that the time entered is appropriate as Workday will not provide real-time warning/error messages when the time entered does not match the scheduled hours for the work week. There will be a report on the manager dashboard that may provide information on potential discrepancies.

13. A non-bargaining unit employee’s (academic campus) normal schedule begins at 8a.m. and ends at 5p.m. On Wednesday of the work week, the employee works until 7p.m. On Friday of the same work week, the employee leaves two hours early.

The employee worked 40 hours total in the work week; therefore, the employee is not eligible to receive overtime. However, on Wednesday, the employee worked four hours (3p.m. – 7p.m.) that fall within the academic campus second shift period. Therefore, the employee will automatically receive four hours of shift differential pay paid at $1.00/hour.

14. A non-bargaining employee who works on campus and whose normal schedule is 8a.m. to 5p.m. stays until 7:30p.m. to help with an event.

The employee will receive a shift differential as they will have worked a minimum of four hours (3p.m. until 7p.m.) within the shift time frame of 11a.m. to 7p.m. (academic campus) or 3p.m. to 8a.m. (Medical Center).

**ON-CALL AND CALL-BACK**

15. An employee has a base hourly rate of $20.00 and their normal schedule begins at 5a.m. The employee is called in at 2a.m. to work and finishes the work at 4a.m.

The call-back does not immediately precede the normal schedule therefore the employee will receive call-back pay.

a) The hours of 2a.m. until 4a.m. should be entered into timekeeping using the call-back code. It will be paid at the base hourly rate of $20.00 and the hours will count towards overtime, if there is overtime worked in the same work week.

b) The system will automatically calculate two hours needed to pay the minimum four hours required for call-back pay. This will also be paid at the base hourly rate of $20.00. The system will label this with a unique code, and it will not count towards overtime.

c) Beginning at 5a.m., which is the start of the employee’s normal schedule time should be recorded in timekeeping with the regular code.

Note that the employee worked four hours within the shift time frame of 11pm to 7am; however, the hours were not continuous as the employee had a break from 4am until 5am. Therefore the employee will not receive shift differential as they will not have worked a minimum of four continuous hours within the shift time frame.
16. An employee has a base hourly rate of $20.00 and their normal schedule begins at 5a.m. The employee is called in at 2a.m. to work and finishes the work at 5a.m. With the manager’s approval, the employee stays at work through their normal schedule.

The call-back immediately precedes the normal schedule therefore the employee will not receive call-back pay.

a) The hours of 2a.m. until 5a.m. should be entered into timekeeping using the regular code. It will be paid at the base hourly rate of $20.00 and the hours will count towards overtime, if there is overtime worked in the same work week.

b) Beginning at 5a.m., which is the start of the employee’s normal schedule time should be recorded in timekeeping with the regular code.

Note that the employee will receive a shift differential as they will have worked a minimum of four continuous hours (three hours from 2a.m. until 5a.m. and one hour worked from 5a.m. until 6a.m.) within the shift time frame of 11a.m. to 7a.m. (academic campus) or 11p.m. to 8a.m. (Medical Center).

17. An employee has a base hourly rate of $20.00, and their normal schedule begins at 8a.m. and ends at 5p.m. The employee is called in at 2a.m. to work and finishes the work at 7a.m. With the manager’s approval, the employee stays at work, starting an hour earlier than the normal schedule.

The call-back does not immediately precede the normal schedule therefore the employee will receive call-back pay.

a) The hours of 2a.m. until 7a.m. should be entered into timekeeping using the call-back code. It will be paid at the base hourly rate of $20.00 and the hours will count towards overtime, if there is overtime worked in the same work week.

b) The hours worked for call-back exceed the minimum of four so no additional call-back pay is required.

c) Beginning at 8a.m., which is the start of the employee’s normal schedule time should be recorded in timekeeping with the regular code.

Note that the employee will receive a shift differential as they will have worked a minimum of four continuous hours (five hours from 2a.m. until 7a.m.) within the shift time frame of 11a.m. to 7a.m. (academic campus) or 11p.m. to 8a.m. (Medical Center).

18. An employee has a base hourly rate of $20.00 and their normal schedule begins at 8a.m. and ends at 5p.m. The employee is called in at 5a.m. to work and finishes the work at 7a.m. With the manager’s approval, the employee stays at work, starting an hour earlier than the normal schedule.

The call-back does not immediately precede the normal schedule therefore the employee will receive call-back pay.

a) The hours of 5a.m. until 7a.m. should be entered into timekeeping using the call-back code. It will be paid at the base hourly rate of $20.00 and the hours will count towards overtime, if there is overtime worked in the same work week.

b) The system will automatically calculate two hours needed to pay the minimum four hours required for call-back pay. This will also be paid at the base hourly rate of $20.00. The system will label this with a unique code, and it will not count towards overtime.

c) Beginning at 7a.m., time should be recorded in timekeeping with the regular code.

Note that the employee will not receive a shift differential as they will not have worked a minimum of four continuous hours within the shift time frame of 11a.m. to 7a.m. (academic campus) or 11p.m. to 8a.m. (Medical Center).
19. An employee has a base hourly rate of $18.00. The employee works 45 hours in one work week. In addition, the employee is on-call for two hours from 8p.m. until 10p.m. on Wednesday but is NOT able to engage in personal pursuits.

When an employee is on-call but not able to engage in personal pursuits, they must be paid at their normal base hourly rate for the on-call period. This would be entered into timekeeping as regular time, not on-call. The employee is eligible to receive seven hours of overtime.

The steps to calculate the regular rate of pay are:

a) Straight time of 47 hours x $18.00/hour = $846.00  
b) $846.00 divided by 47 hours = $18.00  
c) $18.00 x 0.5 = $9.00/hour  

The total gross pay is $846.00 + $63.00 (7 hours x $9.00/hour) = $909.00

20. A non-bargaining employee has a base hourly rate of $18.00. The employee works 45 hours in one work week. In addition, the employee is on-call for two hours from 8p.m. until 10p.m. on Wednesday but can engage in personal pursuits.

When an employee is on-call and able to engage in personal pursuits, they must be paid at the on-call rate for the on-call period. This would be entered into timekeeping as on-call. The employee is eligible to receive five hours of overtime.

The steps to calculate the regular rate of pay are:

a) Straight time of 45 hours x $18.00/hour = $810.00  
b) On-call 2 hours x $3.50/hour = $7.00  
c) $810.00 + $7.00 = $817.00  
d) $817.00 divided by 45 hours = $18.16  
e) $18.16 x 0.5 = $9.08/hour  

The total gross pay is $810.00 + $7.00 on-call + $45.40 (5 hours x $9.08/hour) = $862.40

21. A non-bargaining employee has a base hourly rate of $20.00. The employee works 45 hours in one work week. In addition, the employee is called back and works 1.5 hours from 8p.m. until 9:30p.m. on Thursday.

The employee is eligible to receive 6.5 hours of overtime.

The steps to calculate the regular rate of pay are:

a) Straight time of 46.5 hours x $20.00/hour = $930.00  
b) Call-back pay minimum 2.5 hours x $20.00/hour = $50.00  
c) $930.00 + $50.00 = $980.00  
d) $980.00 divided by 45.5 hours = $21.08  
e) $21.08 x 0.5 = $10.54/hour  

The total gross pay is $930.00 + $50.00 call-back minimum + $68.51 (6.5 hours x $10.54/hour) = $1,048.51

HOURS WORKED CROSS SHIFT TIME PERIODS
22. An employee (academic campus) works hours that cross over two shift time periods. For example, the employee begins working at 10p.m. and ends at 2a.m. Will the employee receive shift differential pay for both second and third shift?

Yes, since the employee worked the minimum four continuous hours required to receive shift differential pay. In this case, the employee will receive one hour of second shift differential pay at $1.00 per hour for 10p.m. to 11p.m. and four hours of third shift differential pay at $1.50 per hour for 11p.m. to 2a.m. The system will automatically determine the eligibility for the shift differential based on the time tracking information entered and process the appropriate information into the payroll processing.

23. An employee (academic campus) works hours that cross over two shift time periods. For example, the employee begins working at 10p.m. and ends at 1a.m. Will the employee receive shift differential pay for both second and third shift?

No, the employee did not work the minimum four continuous hours required to receive any shift differential pay.

24. An employee (academic campus) works hours that cross over multiple shift time periods. For example, the employee begins working at 10p.m. on Friday and ends at 8a.m. on Saturday. What shift differential pay will the employee receive?

The employee worked the minimum four continuous hours required to receive shift differential pay. In this case, the employee will receive:

- one hour of second shift differential pay at $1.00 per hour for 10p.m. to 11p.m.
- eight hours of third shift differential pay at $1.50 per hour for 11p.m. to 7a.m.
- eight hours of weekend shift differential pay at $1.50 per hour for 11p.m. to 7a.m.
- one hour of weekend shift differential pay at $1.50 per hour for 7a.m. to 8a.m.

The total differential pay will be $1 + $12 + $12 + 1.50 = $26.50

The system will automatically determine the eligibility for the shift differential based on the time tracking information entered and process the appropriate information into the payroll processing.

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**HOLIDAY BENEFIT AND HOLIDAY WORKED**

25. An employee has a base hourly rate of $15.00 and works five days, including 10 hours on the actual holiday. The employee is scheduled off on the observed holiday.

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</table>
In this situation, the eight hours of holiday benefit does not count towards overtime because the number of hours worked on the actual holiday exceeded the number of holiday benefit hours. The ten hours of time worked on the actual holiday do count towards overtime. Therefore, the employee will receive two hours of overtime. The steps to calculate the regular rate of pay are:

a) Straight time of 42 hours x $15.00/hour = $630.00
b) $630.00 divided by 42 hours = $15.00
c) $15.00 x 0.5 = $7.50/hour

The gross pay will be 42 hours x $15.00 = $630.00 + $15.00 (2 overtime hours x $7.50/hour) + $75.00 (10 holiday worked premium hours x $7.50*) + $120.00 (8 holiday benefit hours x $15.00) = $840.00

*The holiday worked premium is calculated as hours worked x base hourly rate x 0.5. This amount is not included in the calculation of the regular rate of pay for overtime.

This will be displayed on the employee’s payslip as follows:
30 regular hours
2 overtime hours
8 holiday benefit
10 holiday worked

Note that shift and weekend differentials may apply contingent on when hours are worked on the holiday. Shift and weekend differentials do not apply to the holiday benefit hours.

26. An employee has a base hourly rate of $15.00. During a work week that contains two holidays, an employee works five days and is scheduled to work on a day which is both an observed and an actual holiday.
In this situation, the eight hours of holiday benefit on Thursday does not count toward overtime because the number of hours worked on the actual holiday are also eight. On Friday, the eight hours of holiday benefit do count towards overtime because the holiday benefit hours are greater than any hours worked. Therefore, the total hours towards overtime are 48 and the employee will receive eight hours of overtime. The steps to calculate the regular rate of pay are:

- a) Straight time of 40 hours x $15.00/hour = $600.00
- b) $600.00 divided by 40 hours = $15.00
- c) $15.00 x 0.5 = $7.50/hour

The gross pay will be 40 hours x $15.00 = $600.00 + $240.00 (16 holiday benefit hours x $15.00) + $60.00 (8 overtime hours x $7.50/hour) + $60.00 (8 holiday worked premium hours x $7.50*) = $960.00

*The holiday worked premium is calculated as hours worked x base hourly rate x 0.5. This amount is not included in the calculation of the regular rate of pay for overtime.

This will be displayed on the employee’s payslip as follows:
- 24 regular hours
- 8 overtime hours
- 16 holiday benefit
- 8 holiday worked

Note that shift and weekend differentials may apply contingent on when hours are worked on the holiday. Shift and weekend differentials do not apply to the holiday benefit hours.

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27. An employee has a base hourly rate of $15.00. During a work week that contains two holidays, an employee works five days, which includes both actual holidays. The total number of the holiday work hours for the week exceed the total number of the holiday benefit hours for the week.
In this situation, the employee worked a total of 17 hours on the holidays, which exceeds the total of 16 holiday benefit hours. As a result, the 17 holiday worked hours will be counted towards overtime. Therefore, the total hours towards overtime are 41 and the employee will receive one hour of overtime. The steps to calculate the regular rate of pay are:

a) Straight time of 41 hours x $15.00/hour = $615.00
b) $615.00 divided by 41 hours = $15.00
c) $15.00 x 0.5 = $7.50/hour

The gross pay will be 41 hours x $15.00 = $615.00 + $7.50 (1 overtime hour x $7.50/hour) + $127.50 (17 holiday worked premium hours x $7.50*) + $240.00 (16 holiday benefit hours x $15.00) = $990.00

*The holiday worked premium is calculated as hours worked x base hourly rate x 0.5. This amount is not included in the calculation of the regular rate of pay for overtime.

This will be displayed on the employee’s payslip as follows:
23 regular hours
1 overtime hours
16 holiday benefit
17 holiday worked

Note that shift and weekend differentials may apply contingent on when the hours are worked on the holiday. Shift and weekend differentials do not apply to the holiday benefit hours.

28. An employee has a base hourly rate of $15.00. During a work week that contains two holidays, an employee works five days, which includes both observed and both actual holidays. The total number of the holiday benefit hours for the week exceed the total number of the holiday work hours for the week.
In this situation, the employee worked a total of 14 hours on the holidays, which is less than the 16 holiday benefit hours. As a result, the 16 holiday benefit hours will be counted towards overtime. Therefore, the total hours towards overtime are 40 and the employee will receive no overtime.

The gross pay will be 38 hours x $15.00 = $570.00 + $105.00 (14 holiday worked premium x $7.50*) + $240.00 (16 holiday benefit x $15.00) = $915.00

*The holiday worked premium is calculated as hours worked x base hourly rate x 0.5. This amount is not included in the calculation of the regular rate of pay for overtime.

This will be displayed on the employee’s payslip as follows:
24 regular hours
0 overtime hours
16 holiday benefit
14 holiday worked

Note that shift and weekend differentials may apply contingent on when the hours are worked on the holiday. Shift and weekend differentials do not apply to the holiday benefit hours.

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