

Overtime (OT) Comp Plan Ending | March 2024

Overview

Overtime Compensation Update: Effective in May, all overtime pay earned in a particular workweek will be paid on the regular pay period in which wages were earned and will no longer be banked as OT Comp to be used later. Any balances of previously unused OT Comp will be frozen as of April 26, 2024, and the banked OT Comp balances will be paid on checks dated May 31, 2024. Any OT Comp use must be in ALT and approved by 2 PM on Thursday, April 25, 2024, so that it can be processed before these changes take place. Future dated OT Comp after April 25 will need to be changed to another leave type as the hours will be paid out, and that plan will be deactivated effective Friday, April 26, 2024.

There will be adjustments made to the existing timesheet templates to correct the formulas that currently add the hours worked to the OT Comp row, and the hours will be added to the OT Paid column instead.

Direct any questions to leaveadmin@usf.edu and [UCO Payroll CERTS@usf.edu](mailto:UCO_Payroll_CERTS@usf.edu)

OT Comp FAQ

Why is this being implemented?

This change is being implemented to enhance the consistency of overtime (OT) being paid versus banked, thus improving the employee experience by ensuring that OT is compensated as it is worked. Additionally, this adjustment precedes the implementation of Oracle Time and Labor. By aligning our processes beforehand, we aim to streamline the payment of Fair Labor Standards Act (FLSA) rates without the need for unnecessary customizations or configurations.

Are the timesheet templates going to be updated soon?

Yes, the timesheets are being modified to automatically categorize OT worked into the 'paid' column rather than the banked column.

Is the OT paid going to be charged to the employee's normal distribution?

Yes, unless Payroll receives a combo code override, the employee's normal distribution will be utilized for charging OT payments.

When is the query going to be sent with the OT Comp hours?

The Attendance and Leave portion of CHR will not send a query. However, Leave Coordinators have the capability to run the query and conduct necessary audits before the implementation, which is scheduled for next month.

How will this OT Comp payout be made?

The earnings to be paid will be processed using the earnings code OVC. The clearing out of the Alternative Labor Tracking (ALT) balances will also occur in the same paycheck. The payment will be made as a lump sum and will be taxed at the supplemental flat tax rate for Federal withholding.

This payment will be issued on the third check of the month in May, which does not include insurance deductions, and will be combined with the employee's normal salary payment.

Please reach out to HR or Payroll if you have any further questions or concerns regarding this update.