

Overtime Miscalculation

- Miscalculation started in 2015 and corrected in 2018
- Impacts 59 Employees / 6 Departments
- Financial Impact of less than \$50k

Benefit Explanation

- Overtime can be allocated as pay or compensation time (comp time) at the rate of 1.5
- Employees elect either money or comp time
- The amount of comp time is capped for each hourly employee

What happened?

- Step 1: Employee works additional time and eligible for overtime
- Step 2: Payroll Tech enters additional time at 1.5 hours in payroll system
- Step 3: Payroll system calculated at 1.5 times
- Step 4: Employee is paid for 1.5 hours with a multiplier of 1.5 rate

Cause of Miscalculation

- Comp hours are converted to 1.5 at the point they are worked and entered in the time system
- Once employees reached the maximum cap of comp time each hour over the max was then converted to pay using 1.5 times the employee's base rate for each hour.

Corrective Steps

- Corrected the payroll calculation
- Notified employees who were impacted significantly
- Continuing to analyze overtime usage
- Currently examining options to reimburse the City for overpayments
- Seek overtime reform during employee negotiations and changes to the personnel policy manual