

Simple Overtime Processing for CenterPoint Payroll

Document #:	3413	Product:	CenterPoint® Payroll
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The simple overtime calculation can be used if you have hourly employees getting paid one hourly rate of pay. When time sheets are imported the hours over the overtime threshold are moved from the time sheet to an Overtime Earning and calculated at the rate on the employees overtime earning, often that is time and a half.

If you need to pay daily overtime, need to calculate an average rate for Overtime, if you use multiple overtime earnings, if your overtime periods do not align with your pay periods, or if your payroll does not have a 7 or 14-day work date range, please see the topic [Advanced Overtime Processing for CenterPoint Payroll](#).

Follow the steps below to set up and calculate simple overtime pay:

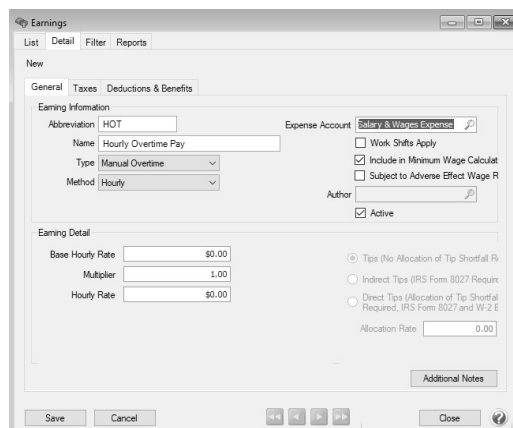
[Step A: Create/Review the Manual Overtime Earning](#)

[Step B: Review/Assign the Manual Overtime Earning to Employees](#)

[Step C: Processing a Payroll with Calculated Overtime](#)

Step A: Create/Review the Manual Overtime Earning

- In **Setup > Payroll Details > Earnings**:
 - » If you are creating a new manual overtime earning, click **New** to create a new overtime earning code. This earning will be used to pay employees for their overtime pay.
 - » If you have an existing manual overtime earning, click **Edit** to verify that the type and expense account and that the earning is active.
- In the **Abbreviation** box, enter up to ten characters of information that you can easily identify the earning by. For example, HOT for Hourly Overtime Pay .
- In the **Name** box, enter up to 35 characters of required information that describes the earning.
- In the **Type** box, select **Manual Overtime**.
- In the **Method** box, select **Hourly**.
- In the **Expense Account** box, select the expense account for this earning. All pay calculated using this earning will be charged to this expense account.
- The **Active** check box will automatically be selected.



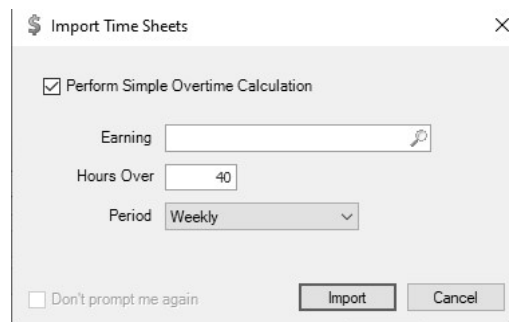
- At the Do you want to add the earning to employees, click **Yes**, select the employees to add the earning to, move them to the right side of the screen, and then click **Add**.

Step B: Review/Assign Overtime Earning to Employees

- Select **Setup > Employees**, select the employee that the overtime earning should be added to or reviewed for, and then click **Edit**.
- If you created a new earning, select **Setup** menu, select **Employees**, select the employee that the overtime earning should be added to, and then click **Edit**.
- Click the **Earnings** tab.
- On the lower-left side of the screen, make the overtime earning active by selecting the **overtime earning** you created/reviewed in Step A.
- Enter/verify the **Base Rate** and **Multiplier** to use to calculate the overtime rate.
- Click **Save**.
- Repeat steps 1-8 for each employee or if you want to update multiple employees at once:

Step C: Processing a Payroll with Calculated Overtime

- Enter time sheets in **Processes > Time Sheets** or **Processes > Payroll > Time Sheets**. Time sheets should total the hours worked including overtime, using the employee's regular hourly earning. They can be entered as a total or broken down by day or shift. You do not need to add any time sheets with the Overtime earning. For additional information see the [Processing a Pay Run using Time Sheets](#) document.
- Select **Processes > Pay Employees >** or **Processes > Payroll > Pay Employees**. Click **New**.
- Enter the pay run information on the **1. Select Employees** tab as usual.
- Click the **Import Time Sheets** button.
- Select the **Perform Simple Overtime** calculation to move the hours over the overtime threshold from the time sheet to the overtime earning specified for the employee(s) in the pay run. The setting will be saved as a preference and recalled for future time sheet imports. If you do not select the check box, the Don't prompt me again selection will display and if selected, the Import Time Sheets will not display.



- Select the overtime **Earning** that overtime hours should be calculated for employees assigned the earning.
- Enter the threshold number of **Hours Over** that should be moved to the overtime earning for overtime rate of pay calculation.
- In the **Period** box, select **Weekly** or **Bi-Weekly**. If you pay biweekly and choose 40 hours and weekly here, it will calculate overtime for any hours over 40 for each week. If you select 80 hours and biweekly, overtime will only calculate if the total hours for the two week period is over 80, even if employees work more than 40 hours in a single week.
- Click **Import**.
- Select the **Enter Pay** tab and continue the pay run as usual. The example below displays an overtime calculation for weekly hours over 40. There are 6 hours of overtime at a rate of \$15 (the base rate of 10.00 multiplied by 1.5) for a total of \$90 of overtime. The last time sheet has been reduced from 8 hours to 2 hours of regular hourly pay.

CenterPoint Payroll - SimpleOT - (Pay Employees)

File View Processes Reports Reporting Tools Setup In-House Support Window Help

Back List Pay Employees Filter Reports

Company Alpine Sports Pay Date 5/7/2021 Pay Run Number 00054

1. Select Employees 2. Enter Pay 3. Special Adjustments 4. Totals 5. Prepayment Reports 6. Print Checks

Employee Last Name, First Name / Net Pay
 Acute, Sam J / 42.94

Weeks Worked 1

Gross Earnings	450.00	Total Hours	46.00	Total Offered	46.00
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Regular Earnings 90.00

OT Period	Earning Δ	Hours	Rate	Amount	Detail
Commissions	0.00	0.00	0.00	0.00	
Hourly Pay	0.00	10.00	10.00	0.00	
Overtime - Hourly	4.00	15.00	30.00	90.00	
Paid Time Off - H	0.00	0.00	0.00	0.00	
Payroll Advance	0.00	0.00	0.00	0.00	
Vacation - Hourly	0.00	10.00	0.00	0.00	

Time Sheet Earnings 400.00

OT Period	Earning Δ	Date	Hours	Rate	Amount
Hourly Pay		04/26/2021	9.00	10.00	90.00
Hourly Pay		04/27/2021	10.00	10.00	100.00
Hourly Pay		04/28/2021	9.00	10.00	90.00
Hourly Pay		04/29/2021	10.00	10.00	100.00
Hourly Pay		04/30/2021	2.00	10.00	20.00

Overtime Earnings 0.00

Deductions 34.56

Employee Taxes	62.56
Employee Benefits	12.25
Employer Taxes	40.99

Leave Available

Leave	Δ	Available	Used
Paid Time Off		47.10	0.00
Vacation		26.64	0.00

Detail Calculate Recall Options

Save Cancel Done