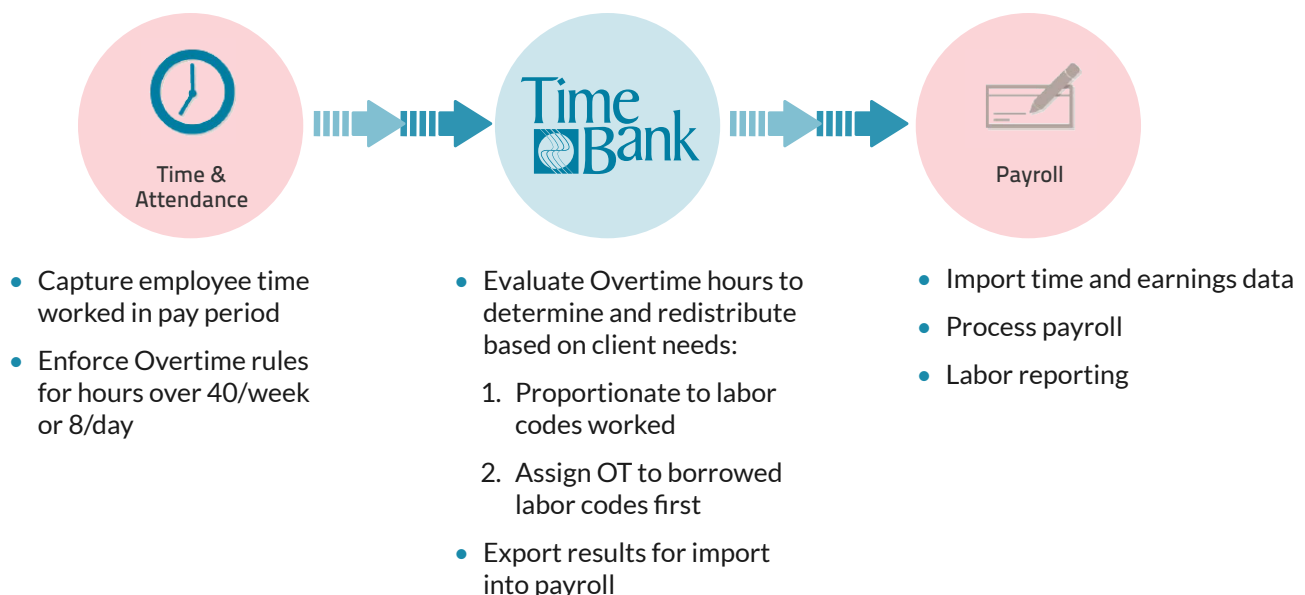# IDI Integration Solutions:
Overtime Redistribution Solution

IDI's **Overtime Redistribution** solution is designed for companies that want overtime hours/earnings allocated. With many time and attendance platforms, the employee overtime hours are designated to the labor codes (e.g. Department, Job, etc) when the overtime was incurred in the day or week. The IDI integration application can be configured to reassign the labor distribution for the overtime hours determined by the time and attendance system. Two commonly requested methods are:

1. Allocate the overtime in proportion to labor codes worked during the week. E.g. if employee worked 50% of their regular time in Job A and 50% in Job B, the overtime hours from time and attendance would be reallocated by the IDI solution equally to Job A and Job B regardless of where the system assigned the overtime hours.

2. Redistribute the overtime to any temporary transferred labor accounts first and the employee's home or primary labor account second. The premise behind this policy is that some companies want to burden the overtime to the "borrowing" departments or jobs first since the employee may not have been in overtime status if they just performed their primary work during the pay cycle.

In either of the above scenarios, IDI's integration is configured to extract the employee's straight time, overtime and any non-worked time (e.g. Vacation, Sick, PTO) from time and attendance and reassign the overtime hours worked department or cost number as part of the import into payroll. It is expected that all premium overtime hours are identified by the time and attandance system. The same logic can be applied to doubletime or other premium hours.

Data/System Flow

Time & Attendance
- Capture employee time worked in pay period
- Enforce Overtime rules for hours over 40/week or 8/day

Time Bank
- Evaluate Overtime hours to determine and redistribute based on client needs:
  1. Proportionate to labor codes worked
  2. Assign OT to borrowed labor codes first
- Export results for import into payroll

Payroll
- Import time and earnings data
- Process payroll
- Labor reporting

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Processing Frequency:

- Once per pay period (end of pay period)

Payroll Admin User Steps

1. Run Time Bank (double click icon)
2. Import Time Bank file into payroll system

   - Review results and process payroll

Overtime Redistribution Examples

Option 1: Allocate the overtime hours labor distribution in proportion to labor codes worked during the week. With this method, all worked departments receive a proportional share of overtime.

Example

Employee home department is 888

Data from Time & Attendance:

Date Worked	Hours Type	Hours	Department
7/30	Regular	8.00	777
7/31	Regular	8.00	777
8/1	Regular	8.00	888
8/2	Regular	8.00	888
8/2	Regular	2.00	999
8/3	Regular	6.00	888
8/4	Overtime	3.00	888*
8/4	Overtime	1.00	999*

* assigned by time and attendance

Total hours:

2 Regular hours to Department 999

22 Regular hours to Department 888

16 Regular hours to Department 777

3 Overtime hours to Department 888

1 Overtime hours to Department 999

Total hours worked = 44

Time Bank Calculation

Department 999 hours = 6.82% of worked time (3/44)

Department 888 hours = 75% of worked time (33/44)

Department 777 hours = 18.18% of worked time (8/44)

Overtime allocation of the 4 hours assigned by time and attendance to worked departments:

Department 999 = 6.82%x4 = 0.27 hours

Department 888 = 56.12%x4 = 2.28 hours

Department 777 = 36.36% x 4 = 1.45 hours

Transactions to Payroll:

2 Regular hours and .027 Overtime hours to Department 999

22 Regular hours and 2.28 Overtime hours to Department 888

16 Regular hours and 1.45 Overtime hours to Department 777

Total hours worked = 44

Option 2:

Redistribute the overtime to any temporary transferred labor accounts first and the employee's home or primary labor account second. With this method, total worked hours by worked department remains the same. Only the designation of regular or overtime is changed.

Sample Time Bank calculation to reassign the 4 overtime hours to temporary departments starting at the end of the pay week:

1 hour of overtime to department 999 is in a transfer department and is not reassigned.

3 hours of overtime to department 888 is in the home department and is to be reassigned to non-home departments for as many non-home regular hours are available.

2 Regular hours in department 999 on 8/2 are reassigned as 2 regular hours in department 888 and 2 overtime hours in department 999.

1 Regular hour in department 777 on 7/31 are reassigned as 1 regular hour in department 888 and 1 overtime hour in department 777.

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Other Commonly Requested Time Bank Solutions for Prior Period OT Adjustment Clients

Below is a list of IDI solutions outside of the Variable Rate Overtime solution described above. Please contact IDI to learn more about these frequently requested solutions:

- **Salary Allocation:** Allocating exempt employee salary earnings proportionate to projects/jobs/grants/funds worked in the pay period

- **Retro/Prior Period Fair Labor Standards Act (FLSA):** Calculating overtime adjustments based on a non-discretionary payment (e.g. bonus or commission) paid in current month but applied to prior month's overtime earnings to comply with FLSA guidelines.

- **Straight Time Overtime:** Assigning the proper Overtime earnings code to payroll when an employee has over 40 hours charged in time system due to PTO or other non-worked time. This solution helps pay the employee 1.5x OT when they had "worked" hours over 40 and Straight Time (1.0x) OT when had over 40 hours due to PTO or other non-worked time.