

Help!!!! It's the....

28 day cycle

Cass County Government

What is the 28 day cycle?

- The 28-day schedule is a work schedule allowed under an FLSA exemption which lets public employers figure overtime compensation for law enforcement, fire employees, and correctional officers on the basis of work periods longer than the one-week.



Payroll Calculation: FLSA Covered

- Generally, employees are covered as follows:
 - Regular (40 hr/7 day period)
 - Law Enforcement & Correctional Officers(160 hr/28 day period)
 - Firefighters (212/28 day period)
- With that said.....most of us understand overtime in a 40 hour work week.....BUT, what about the 28 day cycle?



The 28 day cycle on a monthly payroll cycle

- Cass County Government processes payroll on a monthly basis.
- THEREFORE:
- Employees are paid at the end of each month for the total number of “work hours” in a month and overtime is calculated at the month end payroll. Ex: Even though officers may work more than an 8 hour shift, the monthly payroll is calculated using 8 hour days on a Monday-Friday schedule.

Pay Periods and Pay Checks



- When employees get paid on a monthly basis, they are being paid for all days worked in the calendar month.
- This means, in most cases, you are being paid for at least one day that you have not yet worked.
- Ex: If you were scheduled to work on April 29 and 30, you would have been paid for those two days on the 28th

28-Day Cycle Hours



- The most confusing part of the 28-day cycle is that the cycles do not generally coincide with the calendar month, payroll period, or year.
- The main point to remember is that LE are generally salaried employees and some 28-day cycles will work in excess of 160 hours resulting in overtime.

Overtime Calculations

- In order to understand overtime calculations, the first step is to understand the scheduling cycles.
- Under FLSA regulations, law enforcement positions operate on a 28 day cycle for determining hours worked.
- The LE employee is scheduled to work 160 hours every 28 days. The normal 40 hour work week does not apply. Some weeks the employee may work upwards of 60 hours, yet other weeks may only work 36 hours.
- All of these hours are considered “straight time” as long as the employee is working their regular shifts within a 28 day cycle.

Let's Talk Overtime: for 28 day cycle employees

- Law enforcement (LE) officers accrue overtime by working more than 160 hours based on a 28-day cycle period as compared to a 40 hour/week employee who will accrue overtime based on working over 40 hours in a seven day period.
- Over time straight for LE calculates as hours worked in excess of 160 hours in the 28 day cycle.
- Premium hours (1/2 time) calculate for hours worked in excess of 171 hours in the 28 day cycle.
- The primary difference between a 40 hour work week and the 28-day cycle is the time frame in which the overtime hours are earned, 40 hour week vs. 160 hours in 28 days. Due to their shift rotations, they may not retain the same actual hours each week.



Overtime Calculations

- SO...Only when a LE works more than 160 hours in a designated 28 day period will they earn overtime pay.
- Hours over 160 are paid at “**straight time**”, until the employee has worked 171 hours within a 28 day cycle. Straight time means hour for hour at the employees hourly rate of pay.
- Hours worked in excess of 171 hours, are considered “**premium pay**”, which is an additional one-half times the employee’s standard hourly pay.
- Remember that premium pay only goes into effect after the employee has actually worked 171 hours. Paid leave does not count towards “hours worked”. Those hours are always paid at straight time.

Overtime Calculations

- Overtime pay is figured and credited on the last day of a 28 day cycle.
- Depending on when the 28 day cycle ends, the employee may see overtime credited on their paycheck, or the employee may be paid for overtime earned on the next paycheck that is issued, if they have earned enough hours for OT.

EXAMPLE:

- If the 28 day cycle ends after the time when paychecks are issued, the employee will be paid for overtime the following month.
- If during a 28 day cycle, there is an issue resulting in officers working extra hours, the OT may calculate before the end of the 28 day cycle if more than 160 hours are earned prior to the end of the cycle.

Payroll Calculations: Holiday Formula

- **Paid Holiday-(PH):** is a day of exemption from work for which employees are paid as if they had worked. Employees receive the same number of holiday hours that they normally would have worked that day.
 - **HNL-(Holiday Not Worked):** are hours paid at straight time that are not included in the calculation of hours worked or paid. This code is used to allow employees to be paid for holidays that fall on their regularly scheduled day off. HNL



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Payroll Calculations: Overtime Calculations

- Holiday hours worked must be coded with holiday overtime earning codes to allow for correct calculation of overtime for officer's working on the holiday versus using time off (annual or sick leave) and officer's not scheduled to work the holiday.'
- When an officer works the holiday, they are paid hour for hour of both the holiday pay as well as hours worked. (Ex: 10 hours worked=10 hours holiday pay).

Time Cards

As we said earlier, payroll is processed by anticipating the hours you will work in the calendar month, and then paying you for those hours.



Pay Explanation



- So.....Let's review
- Most full-time LE are considered salaried employees, and therefore do not technically get paid on an hourly basis.
- However, their hourly rate of pay is used determined overtime rates.
- The employee's salary rate is set so that their base pay can be determined before any adjustments for leave or overtime are considered.

Pay Example

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1 .	2 .	3	4	5 .	6 .
7	8	9	10 .	11 .	12	13
14	15 .	16 .	17	18	19 .	20 .
21 .	22 .	23	24 .	25 .	26	27
28	29 .	30 .	31			

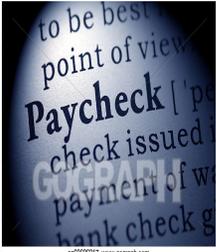
- Person one begins their work schedule on the 1st, and works the following schedule: (Schedule noted by red dots on calendar).
- This person has worked 15, shifts of 12.30 hours in the month.
- Assuming the 28 day schedule begins on the first of the month, the employee worked 160 hours in the cycle, and just over 184 hours in the month (15 shifts).

Pay Example

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

- Person two began working their schedule on the 3rd,
- And worked the following schedule:

- Person two worked 14 shifts of 12.30 hours in the month.
- Again, assuming the 28 day cycle began on the 1st, this person worked 160 hours in the cycle, and just over 172 hours in the month (14 shifts).



Pay Example

- Since the 28 day cycle started on the 1st of the month and ended on the 28th

WHAT IT MEANS:

- Each person worked all of their regular shifts, however neither incurred overtime, and both will be paid their normal monthly salary. One of them, however, worked one additional shift in that month.
- Therefore, assuming they are being paid a monthly salary at the end of the month, their overtime will not be reflected in the month end paycheck rather it will be paid out in the next paycheck.

Pay Example

- Since neither employee accrued overtime in the 28 day cycle, and both worked all of their scheduled shifts, they will both be paid their monthly salary at the month end.
- Their pay stub will reflect a base pay that is equal to $1/12^{\text{th}}$ of their annual salary, or the equivalent of 173.33 hours at their normal hourly rate.
- Assuming both earn a \$40,000 annual salary (which works out to \$3,333.33 per month, or \$19.23 per hour), each employee will have the same gross monthly salary.

Overtime/Scheduling Cycles

- Now, lets go back to the two monthly calendars for January and February.
- The start and end of each 28 day scheduling cycle is marked.

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

Overtime/Scheduling Cycles

- Any Overtime paid out will be calculated by adding up the total hours worked within a 28 day cycle.
- For Person One, the total shifts worked is 13 (13 x 12.30 = 159.9 hours) for the January 28 day cycle, so no overtime will be paid in January. Sixteen shifts were worked in the February cycle (16 x 12.30 = 196.8) so they would earn 36.8 of overtime straight and 25.8 of premium hours.

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

Overtime/Scheduling Cycles

- Now, let's assume that this person works two additional shifts, on January 17th and 18th, for 8 hours each day.

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Sun	Mon	Tue	Wed	Thu	Fri	Sat
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Overtime/Scheduling Cycles

- Since this person worked 16 additional hours, they need to be paid additional wages.
- We already know they were scheduled for 160 hours in the cycle, so their total hours worked in the 28 day cycle ending Jan 28th will be 176 hours.
- However, if this person took a day of personal leave during this same 28 day cycle, they would lose their premium hours. For example: If they took 8 hours of sick or annual leave, it would drop their actual hours worked back to 168. So they would still earn the 8 hours of OT straight but would forfeit the premium hours as they were not over 171 hours worked.



Overtime/Scheduling Cycles

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
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So what this means is that when the employees are paid at the end of January, they will be paid overtime straight of 16 hours for working the 2 extra shifts. Plus since they worked over 171 hours, they will be paid 5 hours at the premium or half time rate for the hours over 171.

28-Day Cycle Hours

- Over the course of thirteen cycles in a calendar year, it averages out to 173.3 hours per month.
- $160 \times 13 = 2080$ hours total
- $173.3 \times 12 = 2080$ hours total



QUESTIONS?????

