

# Calculating overtime when the workweek doesn't correspond to pay periods

## **Q. We pay our workers every two weeks. How should we calculate overtime?**

**A.** A nonexempt worker's eligibility for overtime is calculated based on the number of hours he or she works in a "workweek." In contrast, workers are paid for the hours they work during the payroll period established by their employer. The workweek and the payroll period are two distinct concepts.

The workweek is a fixed period of seven 24-hour periods, and does not need to coincide with the calendar week or the employer's payroll period. An employer may establish any seven-day period as its workweek. For calculating overtime, it is the workweek that controls, not the payroll period.

For example, if an employer's workweek runs from Sunday to Saturday but the payroll period ends on a Wednesday during the week in question, a nonexempt employee who works Monday through Saturday for eight hours each day will be paid for 24 hours in the payroll period that ends on Wednesday. The worker will then be paid for another 24 hours of work in the next payroll period (for working Thursday through Saturday). However, the employee also will need to be paid overtime for the eight hours she worked on Saturday because she worked for 48 hours in the workweek (even though 24 of those hours were worked during a prior payroll period).

The seven-day workweek for overtime is also true if you pay employees every two weeks. If an employee works 36 hours in the first workweek and 44 hours in the second, the employee is entitled to four hours of overtime pay, even though she only worked 80 hours during the payroll period.