



Office of the State Comptroller  
**PAYROLL BULLETIN**

Subject  Calculation of Overtime Adjustments based on DEFER LSP Payment	Bulletin No.  P-827
	Date  September 22, 1994

These instructions supplement those regarding the calculation of an Overtime Adjustment as explained on Page 6 of Bulletin P-824 (September 1994 Deferred Lump Sum Payment), dated August 10, 1994.

Employees who were demoted during the four payroll periods and whose DEFER LSP payment was calculated on the demoted salary (Ex. an employee who was demoted in Period 24L, 25L or 26L in the Institution cycle or Period 25L, 26L or 27L in the Administration cycle), are entitled to have their entire overtime adjustment calculated using the increase in the overtime rate based on the Period 26L(I) or 27(A) salary increased by 4%. The resulting overtime adjustment will be higher than the method described on Page 6 of Bulletin P-824.

**EXAMPLE**

An employee was demoted in Period 27L(A) and, at that time, paid a basic annual salary of \$22,322; the overtime rate calculates to \$16.74 per hour.

The DEFER LSP was calculated on \$22,322 increased by 4%, or \$23,215; this overtime rate calculates to \$17.41 per hour.

The difference between the two overtime rates is \$.67 per hour.

Multiply the overtime difference by the total number of hours of overtime that the employee received payment for during the entire four payroll periods.