



Office Memorandum

Date: February 16, 2016 (**Revised April 5, 2016.** In Differential Earn Codes table, the row for Shift Differential 1.15 is removed.)

To: Agency HR, Payroll, and Accounting Staff

From: Ann O'Brien, Assistant Commissioner
 Dorilee Leland, Acting Compensation Manager
 Mary Muellner, Director, Statewide Payroll Services

Subject: New Earn Codes for Overtime Differential

Below are new earn codes for overtime differentials that all agencies must use beginning with the February 10, 2016 pay period. These earn codes are designed to simplify recording of overtime differentials and to ensure consistency across agencies. For some agencies, the use of these codes may require a change in practice, and may require retraining employees on how to enter their hours worked.

Description	Per Unit Rate	'Regular' Earn Code	Multiplication Factor	'Overtime' Earn Code	Multiplication Factor
Corrections Trade Diffrentl .60	0.60	C60	1.00	X60	1.50
Equipment Pay 1.25	1.25	H12	1.00	X12	1.50
Equipment Pay 1.15	1.15	H15	1.00	X15	1.50
Equipment Pay 1.50	1.50	H17	1.00	X17	1.50
Equipment Pay .55	0.55	H55	1.00	X55	1.50
Equipment Pay .95	0.95	H95	1.00	X95	1.50
Delivery Van Driver .25	0.25	I25	1.00	X25	1.50
Shift Differential 1.00	1.00	S10	1.00	Y10	1.50
Shift Differential .40	0.40	S40	1.00	Y40	1.50
Shift Differential .50	0.50	S50	1.00	Y50	1.50
Shift Differential .55	0.55	S55	1.00	Y55	1.50
Shift Differential .60	0.60	S60	1.00	Y60	1.50
Shift Differential .65	0.65	S65	1.00	Y65	1.50
Shift Differential .70	0.70	S70	1.00	Y70	1.50
Training Differential .50	0.50	T50	1.00	Z50	1.50
Training Differential .65	0.65	T65	1.00	Z65	1.50

How Overtime Differential earn codes should be used

Each of the codes being introduced today should be used when an employee is working overtime on a shift that also qualifies for a differential.

When an employee earns differentials during both their ‘regular’ hours and ‘overtime’ hours, these new differential earn codes will be used for differentials that occur during the ‘overtime’ portion of a shift.

- These codes should only be used to capture the ‘overtime’ portion.
- The number of hours entered for any of the overtime differential earn codes should reflect the actual overtime hours worked on the differential.

For example:

	Wednesday	Thursday	Friday	Saturday	Sunday	Monday	Tuesday
OTR	2		3			2	4
REG	8	8	8			8	8
S65	8	8	8			8	8
Y65	2		3			2	4

Agency HR, Payroll, and Accounting staff should carefully review this information. For earn code questions contact Lynda Hanly at 651.201.8074 or lynda.hanly@state.mn.us.

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF.