



Irregular Hours

Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](https://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

The University of Tennessee
Municipal Technical Advisory Service
1610 University Avenue
Knoxville, TN 37921-6741
865-974-0411 phone
865-974-0423 fax
www.mtas.tennessee.edu

Table of Contents

Irregular Hours	3
-----------------------	---

Irregular Hours

Reference Number: MTAS-2095

Computing Regular Rate of Pay - Irregular Hours

The regular rate for an employee who works irregular hours but is paid a salary on a fixed monthly basis is computed by converting the wages into weekly figures. The regular rate is computed for each week by dividing the weekly wage by the hours actually worked in a week. Overtime must be paid each week without offsetting it from other weeks in which fewer than 40 hours were worked unless the employer is proceeding under the 207(k) exemption for public safety officers or the 207(j) provision for hospitals and nursing homes. 29 C.F.R. § 778.114(b).

Example:

An employee is paid a monthly salary that in February translates to a weekly salary of \$500. However, the employee works irregular hours. In week one, the employee works 40 hours. No overtime is due and the employee is paid \$500. In week two, the employee works 50 hours. The employee's regular rate for week two is \$10 (\$500 divided by 50), and he is entitled to a \$50 half-time overtime premium ($\$10 \times \frac{1}{2} \times 10$). The employee's total compensation for week two equals \$550. In week three, the employee works 40 hours and is entitled to no overtime. In week four, the employee works 48 hours, resulting in a regular rate of \$10.41 per hour (\$500 divided by 48). The employee is entitled to a half-time overtime premium of \$41.64 ($\$10.41 \times \frac{1}{2} \times 8$). The employee's total compensation for week four is \$541.64. The employee's salary plus overtime premiums for the month total \$2,091.64.

DISCLAIMER: The letters and publications written by the MTAS consultants were written based upon the law at the time and/or a specific sets of facts. The laws referenced in the letters and publications may have changed and/or the technical advice provided may not be applicable to your city or circumstances. Always consult with your city attorney or an MTAS consultant before taking any action based on information contained in this website.

Source URL (retrieved on 02/25/2020 - 8:49pm): <https://www.mtas.tennessee.edu/reference/irregular-hours>



Municipal Technical Advisory Service
INSTITUTE for PUBLIC SERVICE