Weighted Average Overtime Sample Calculation

Prevailing Wage (i.e., "Public") Hours and Private Hours

For the example week ending 7/27, the employee worked a total of **53** hours. There are **4** hours of daily PWR overtime on 7/25. The 4 hours are subtracted from the 53 weekly hours, leaving **49** hours. Of these 49 hours, **9** are overtime hours over 40* in the workweek.

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Total hours	Hours over 40*
	21	22	23	24	25	26	27		
Private hrs		10	12	9		5		36	53 -4 PWR OT 49 -40 **9**
PWR/ public hrs					12	5		17	

*To determine the number of hours over 40, take weekly hours minus any daily PWR overtime hours, minus 40.

Private rate = **$35.00**; PWR rate = **$41.10 base + $18.30 fringe**

Steps to Calculate Weighted Average Overtime

1. Total number of private hours x agreed rate = $
   Total number of PWR hours x PWR ***base*** rate = $_____
   = $ Total straight-time wages earned;
2. Divide total straight-time wages earned by total hours worked = weighted average rate;
3. Multiply weighted average rate by .5 = half-time rate**;
4. Multiply half-time rate by # hours over 40* = half-time portion of weighted average overtime owed.

**The straight-time portion of overtime due has already been calculated in step #1. Now only the half-time portion of overtime needs to be calculated. Therefore, multiply the hourly weighted-average overtime rate by one-half.

For this example week ending 7/27:

1. 36.00 hours @ $35.00 = $1,260.00
   17.00 hours @ $41.10 = 698.70
   Total: **$1,958.70**
2. $1,958.70 ÷ 53 = $36.96 (weighted average hourly rate)
3. $36.96 x .5 = $18.48 (half-time rate)
4. $18.48 x 9 overtime hrs = **$166.32** weighted average overtime due (half-time portion)

Total Wages Due for the Week

Base Wages Earned	$1,958.70	
WA Overtime over 40	166.32	
Daily PWR Overtime***	82.20	(4 hours @ ($41.10 x .5))
PWR Fringe Benefits	311.10	(17 hours @ $18.30)
Total Wages Earned	**$2,518.32**	

***Just as with step #3 in the example above, the straight-time portion of the 4 hours of daily PWR overtime has already been calculated in the "base wages earned" figure, and only the half-time portion of overtime needs to be calculated. Multiply the PWR base rate by one-half to get the half-time OT rate; then multiply the half-time OT rate by the number of PWR daily OT hours. ($41.10 x .5) x 4 = $82.20

A weighted-average overtime calculation will also need to be done on a daily basis if the employee works at two or more PWR rates during the day and earns overtime for the day. The other option is to pay all overtime hours at the highest of all rates earned.