

# Overtime Reporting

February 12, 2026

# Agenda

2025 Qualified Wages

Overtime Reporting Law

Updating Position Exempt/Non-Exempt Status

- Mass Load
- Mass Change

Correcting Prior 2026 Payrolls (Adjustments)

Properly Reporting Overtime

- Standard OT
- Blended OT

FAQ



# 2025 Overtime

## Tucker (Demo) Schools Historical Pay Amount Report With Hours

Employee	Pay Date	Applies For Retirement	Pay Type	Description	Rate	Units	Hours Worked	Amount	Specific Accounts Charged
Employee King, Billie Martha ANON1004									
<b>Position Description: Secretary</b>									
King, Billie Martha	4/18/2025	<input checked="" type="checkbox"/>	Overtime	constantly	25.00	10.00	10.00	\$ 250.00	001-1110-112-0000-000000-101-00-000
								<u>\$ 250.00</u>	
								<u>\$ 250.00</u>	
<b>Grand Total</b>								<b>\$ 250.00</b>	

This report provides the employee's hours worked and gross pay. The employee or person preparing their taxes will need to calculate the half-time portion of time-and-a-half overtime.



# Law Changes

As of January 1, 2026, employers are required to track and report qualified overtime on W2's

Employees may deduct qualified overtime up to \$12,500 for single filers/\$25,000 for married filing jointly

The reportable overtime amount will appear in Box 12 of the W2 with code TT



# What is qualified overtime compensation?

Overtime paid to an individual required under section 7 of the Fair Labor Standards Act (FLSA).

Individuals eligible for overtime under FLSA must receive overtime pay for hours worked in excess of 40 hours in a work week. The amount reported to the IRS is the premium portion.

If an employee is eligible for overtime under FLSA, but the employer pays more than is required under FLSA, the qualified overtime compensation is limited to the portion of overtime that is required by FLSA.



# Position Exemption Status- Mass Change

There is an Exempt and Non-Exempt Load Definition.

## [Mass Change Definitions](#)

Positions

Include Archived

			Number <sup>^ 1</sup>	Last Name	First Name	Pos # <sup>^ 2</sup>	Position Description	Job Status
							cook	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ANON1006	Moody	Jimmy	5	Cook	Inactive
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ANON1006	Moody	Jimmy	6	Cook	Active
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ANON1047	Frazier	Whitney	1	Cook	Active
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ANON1047	Frazier	Whitney	3	Cook	Inactive
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ANON1055	Barton	Levi	2	Cook	Inactive
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ANON1197	Carter	Holly	5	Cook	Inactive
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ANON123	Whitehead	Marty	4	Cook	Inactive

Choose mode:  Maintenance Mode  Execution Mode

Load Definition:

NOTE: Use column filtering or advanced queries above to select  
**93 Position objects will be modified.**

Script Definition (Normal Mode)

Property	New Value
<input type="text" value="overtimeClassification"/> <input type="button" value="v"/>	<input type="text" value="NON_EXEMPT"/>
<input type="text" value=""/> <input type="button" value="v"/>	<input type="text" value=""/>
<input type="text" value=""/> <input type="button" value="v"/>	<input type="text" value=""/>

# Position Exemption Status- Mass Load

employee.number	number	positionDescription	overtimeClassification
ANON1000	5	Custodian	NON_EXEMPT
ANON101	2	Custodian	NON_EXEMPT
ANON1047	5	Custodian	NON_EXEMPT
ANON1047	6	Custodian	NON_EXEMPT
ANON1055	1	Custodian	NON_EXEMPT
ANON1087	2	Custodian	NON_EXEMPT
ANON1087	3	Custodian	NON_EXEMPT

Required Headings are above

Overtime Classification column is case sensitive

- EXEMPT
- NON\_EXEMPT



# Adjustments for Prior Payrolls

If you have prior payrolls that need adjusted, where you didn't use OT for the system to calculate, you can go to Core > Adjustments

Adjustment Journal + >

Create New    
 Close

Employee  
Hurst, Brent Carl - ANON1000

Payroll Item  
Type: Federal Tax, Code: 001

Type  
W2 Overtime

Transaction Date  
2/9/26

Amount  
50.000

Description  
Overtime input as Misc  
 Imported

**To Date Options**

- Month To Date
- Quarter To Date
- Year To Date
- Fiscal Year To Date



# Overtime Entries

## Pay Type: Overtime

- System is configured for the '0.5' of overtime to appear on employee W2s.

Future Pay Amount

+

Create New    
 Close

Employee *		Compensation: *		
Hurst, Brent Carl - ANON1000		Pos: 2 - Driver (Comp: C - television)		
<b>Future Pay Amount</b>				
Description	Pay Type	Effective Date	Units	Rate
Bus Trip 2/9 - OT	Overtime	<input type="text"/>	5.00	37.500
Gross	<input checked="" type="checkbox"/> Applies For Retirement	Retire Hours	<input type="checkbox"/> Supplemental	Supplemental Tax Option
187.50		5.000		None
FLSA Overtime	Pay Group:			
Included	4 - Violet 19			
<b>Specific Pay Account</b>				

# Blended Overtime Entries

## Blended Overtime

- Two entries needed
- Entry #1 – Pay Type: Misc, pay the '1' part of the time and a half.

Future Pay Amount +

Create New    
 Close

Employee \* Compensation: \*

Hurst, Brent Carl - ANON1000 Pos: 2 - Driver (Comp: C - television)

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**Future Pay Amount**

Description	Pay Type	Effective Date	Units	Rate
Extra Hours - OT	Miscellaneous	<input type="text"/>	5.00	22.000

Gross

Applies For Retirement Retire Hours   Supplemental Supplemental Tax Option

FLSA Overtime

Pay Group:

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**Specific Pay Account**

Rate Type	Expenditure Account	Amount Charged	Leave Projection	Employer Distribution

# Blended Overtime Entries

## Blended Overtime

- Two entries needed
- Entry #2 – Pay Type: Blended Overtime, pay the '0.5' part of the time and a half.
- This is what appears on the W2s.

Future Pay Amount

Create New    Close

Employee \* Compensation: \*

Hurst, Brent Carl - ANON1000 Pos: 2 - Driver (Comp: C - television)

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**Future Pay Amount**

Description	Pay Type	Effective Date	Units	Rate
Extra Hours - OT	Blended Overtime		5.00	11.000

Gross	<input checked="" type="checkbox"/> Applies For Retirement	Retire Hours	<input type="checkbox"/> Supplemental	Supplemental Tax Option
55.00		0.000		None

FLSA Overtime

Included

Pay Group:

4 - Violet 19

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**Specific Pay Account**

Rate Type	Expenditure Account	Amount Charged	Leave Projection	Employer Distribution

# Overtime Entries – Double Time

- Two entries needed:
- Entry #1 – Pay Type: Overtime, pay the '1.5' part of the double time.
- Entry #2 – Pay Type: Misc, pay the '0.5' part of the double time.

\*This is going to show broken out on the employees pay stub so may take more explaining to the employee but adding them together would equal the 'double time.'



# Commonly Asked Questions..

**Is there a default Overtime Classification value on the Position record? What does a blank value mean - Exempt or Non Exempt?**

No, there is no default overtime classification value on the Position Record. Each Position should have the value set accordingly. The overtime classification can be set by going to Position>Overtime Classification. A blank value is treated as Non Exempt.

**Does the Position Overtime Classification value need to be set to Exempt or Non Exempt prior to their first payroll in January?**

No, the Position>Overtime Classification value does not have to be updated before the first pay in January. However, please be sure the Payroll Payments - Future/Current>FLSA Overtime value is set properly beginning with the first pay in January. The Position>Overtime Classification does need to be set properly prior to W2 2026 processing. The system will then use the Position>Overtime Classification flag along with the Payroll Payments - Future/Current>FLSA Overtime value to arrive at the total printed on the W2.



# Commonly Asked Questions..

**What happens in situations where the Position Overtime Classification is set properly, but the Payroll Payments - Future/Current FLSA Overtime field is left blank?**

If the Payroll Payments - Future/Current>FLSA Overtime value is blank, the system will default based on the Overtime Classification selected on the Position screen. This flag will control if the pay amount is included in the W2 overtime calculations for 2026.

**What happens in situations where the Position Overtime Classification is not set properly, but the Payroll Payments - Future/Current entry has the FLSA Overtime value set properly?**

The Overtime Classification field on the Position record determines if the system examines the pay history as shown below:

- If the Position>Overtime Classification field is set to Non-Exempt, then the system looks at the payment history.
  - FLSA value set to Included: Historical pay amounts will be used in the amount reported on the employee's W2.
  - FLSA value set to Excluded: Historical pay amounts will not be used in the amount reported on the employee's W2.
  - If the Position>Overtime Classification field is set to Exempt, then the payment history is not looked at.
- If Position is set to Exempt and information should be included on the employee's W2, then Core>Adjustments using the W2 Overtime will need to be created.



# Commonly Asked Questions..

**Will the FLSA Overtime field be available when using the Core>Attendance>Post to Future and Post to Current option?**

Currently this is not available. This will be a future enhancement.

**Will the FLSA Overtime field be available when using the Core>Attendance>Mass Add?**

Yes, JIRA issue [USPSR-7382](#) is in place to add the ability to set the FLSA Overtime value when creating OT and BOT pay amounts using Core>Attendance>Mass Add in the future.

**Can I run W2 Report and Submission now to verify how overtime is going to look on the employee's W2 in 2026?**

No, the software updates for 2026 reporting have not been implemented yet.



**Questions?**