

Advanced Payroll Calculation Options

Piece Rate / Commission Effective Overtime Rates

Federal FLSA regulations require that overtime is calculated dynamically each week based on the employee's base pay **plus** any "non-discretionary" earnings (piece rate, commission, spiffs, earned bonuses, etc.). As an example, an employee working 45 hours at \$10/hr plus a \$200 piece-rate would be paid overtime at \$17.22/hr instead of \$15/hr ... $(45 \times 10 + 200) / (45 \times 0.5 + 5 \times 10) / 5$. This calculation is further complicated when an employee is paid with multiple pay rates.

Based on a single employee complaint or random targeting of the client's industry, the US DOL can initiate surprise audits. Employers must prove proper calculations or pay up to 3x the total underpaid wages for all active & termed employees over the last 3 years. TAG completely automates this calculation to eliminate this risk.

Prevailing Wages & Fringe Benefits (Certified/Davis Bacon Jobs)

TAG will pay the certified job/task hours at the appropriate "prevailing wage" rate and generate the WH-347 report. In addition, TAG can offset the cost of any employer paid benefits (health, PTO, retirement, etc.) against the required fringe benefit payments. This adds up to an average savings of \$6,000 per employee annually.

Pay Differentials

Clients can pay employees using multiple rates and WC codes based on the job, shift, task, time, and day of week. TAG can pay specific hours using percentages, dollar increases, or even job-specific rate tables.

Thresholds

The system warns about any unexpected results, such as employees that are...

- paid more than x% over their average pay
- approaching overtime
- not paid during the payroll
- missing deductions or receiving a deduction catchup (emails can be sent to employee)
- any custom warning that can be calculated

Recurring Earnings, Deductions & Direct Deposit

Recurring pay codes can be set up with

- MTD, QTD, YTD, LifeTD, and custom maximums
- MTD, QTD, YTD, and custom goals – eg. the last PR of the month will catch-up a shortfall
- Catchup thresholds – for missed deductions (can be limited to installments)
- Specific week blocks and future date changes
- 3rd party vendor payments via check or ACH

Tip Minimum Wage Catchup (Restaurants)

Minimum wage can be calculated based on the worked state/city worked and compared against tips to determine effective minimum wage.

Goal Seek

User can run "what-if" calculations and pre-calculate a gross-to-net, net-to-gross, or goal-seek specific deductions like 401k or tax withholding.

Multi-Tax Jurisdictions and Reciprocity

Taxes are calculated based on the combination of the employee's resident city/state and job city/state based on state/local reciprocity laws.

Overtime Rules

TAG's T&A system supports federal, California, union, and custom overtime calculations based on the state and job classification. Overtime can be allocated to jobs based on

- % of hours worked (eg. overtime based on distribution of hours worked during week)
- day of the week order (overtime put to jobs worked towards end of week)
- "offending shift" (overtime put to weekends and longer days)

Banquet Tip & Group Bonus/Piece Distribution

Client can enter a grand total amount that can be distributed to the employees based upon predefined logic. A common use would be "banquet tips" where a tip amount is allocated to eligible employees based on hours worked. Another example includes the allocation of a production payment/bonus that adjusts the employees' base pay-rates.

Union Dues/Benefits

Union dues and benefit deductions can be calculated based the complex rules required by union contracts.

Mandatory Sick Pay

There are currently 127 different state/city sick accrual laws. When TAG calculates your company PTO/Sick accruals each payroll, we also calculate any mandatory sick time based on the city/state worked adjusting the accruals to keep you in compliance.

ACA Calculations

TAG generates the 1095C ACA report for any clients using TAG's benefits system. Since we manage both the payroll and benefits information, TAG can minimize any "pay or play" penalties by using the most advantageous safeharbor calculations (W2, expected pay, etc.)



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