

**OVERTIME POLICY FOR
GENERAL NON-EXEMPT EMPLOYEES**

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I. PURPOSE

The policy specifically addresses:

- WHO is eligible to receive compensation for overtime;
- WHEN an employee's work is considered "overtime";
- HOW overtime is calculated; and
- WHAT procedures must be followed.

II. DEFINITIONS

- Employees

Employees covered by this policy are non-exempt general employees. Non-exempted general employees are those employees who have a seven-day work period under the Fair Labor Standards Act (hereafter "FLSA") who are not designated 7(K) employees, and who do not qualify for the executive, administrative, professional, recreational exemptions or non-exempt 7-K, under the FLSA.

- Regular Rate

Compensation of overtime will be calculated according to requirements of the FLSA. Examples of payments which are included in the calculation of the "regular rate" in addition to base salary are: educational incentive pay, out of class pay, and retroactive pay increases.

- Compensatory Time-Off

Hereafter referred to as "comp. time", may be taken in lieu of cash compensation for overtime accrued, in accordance with this policy. Comp. time will accrue at the rate of 1-1/2 times the employee's regular rate of pay.

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III. POLICY

A. Eligibility for Overtime

When the number of hours actually worked exceeds forty hours in the designated seven-day work week, and those hours have been approved by the supervisor, the excess hours are considered overtime.

B. Hours Worked

1. Time spent by employees which will be counted as hours worked for purposes of determining overtime liability under the FLSA include:

- Rest breaks of fifteen minutes or less.
- Standby time where employee is required to respond within a half an hour. (“controlled standby”).
- Hours, over and above the designated number of hours authorized in a work period, during which an employee is engaged in required attendance at lectures, meetings.

2. Time spent by employees which will not be counted as hours worked for purposes of determining overtime liability under the FLSA include:

- Paid leave (this includes, but is not limited to, vacation, holiday, sick leave, and comp. time).
- “Uncontrolled” standby time which includes, but is not limited to situations where employees are on standby duty with a pager and/or are required to leave word with the employer as to where he/she can be reached by telephone.
- Meal periods when relieved of duty.

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- Travel time between home and work.
- 3.** Time spent traveling is counted as hours worked under the following circumstances:
- Travel during the work day is considered hours worked if the employee is traveling from one job site to another job site during the normal work day as part of the employee's principal job activity.
 - Out-of-town travel, which does not require an overnight stay, is considered hours worked if the time an employee spends traveling from home or work to an out-of-town destination is at the request of the City. However, travel time ceases when the employee reaches the destination and calculation does not include time spent traveling between home and an airport or railroad station, not time spent stopping for meals.
- 4.** Time spent in attendance at lectures, meetings or training programs is counted as hours worked under the following circumstances:
- Attendance at the lecture, meeting, or training program is involuntary as where the training is required by the employer for continued employment.
- 5.** Time spent in attendance at lectures, meetings or training programs is not counted as hours worked if the following four criteria are met:
- Attendance is outside the employee's regular working hours; and
 - Attendance is voluntary; and
 - The lecture, meeting, course, or training program is not directly related to the employee's job as where the purpose is to prepare the employee for advancement through upgrading the employee to a higher skill; and

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- The employee does not perform productive work while attending the lecture, course, meeting, or while participating in the training program.

C. Overtime Procedures

Employees who incur overtime are subject to the following conditions and procedures:

- Approval - Supervisors approval to work overtime must be obtained prior to working additional hours.
- Calculation - Based upon hours actually worked in excess of 40 hours in a 7-day week period.
- Rate - Compensation will be at 1 x 1-1/2 employee's regular rate of pay.
- Accrual - On weekly basis.
- Method of Compensation - Either monetary or comp. time off.
- Recordkeeping - Overtime should be accurately recorded on a pre-approved time card. The City will not be liable for overtime incurred which is not officially recorded.

IV. COMPENSATORY TIME OFF

If comp. time is to be used to compensate an employee for overtime, it is calculated at the following rate(s) and method(s) of accrual, and with the following maximum allowable hours carried on the books.

- A.** For those actual hours worked in excess of 40 hours in any given work week, comp. time may be accrued at:
- Rate = 1 x 1-1/2 hours for each hour worked

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- Accrued = Weekly
- Cap = Maximum comp. time balance allowed is 90 hours; any overtime worked above this cap will be monetarily compensated.
- Separation of Employment = When a non-exempt employee leaves the City (for either voluntary or involuntary reason), the City will “buy-out” or compensate the employee for overtime accrued in accordance with this policy at the rate of 1-1/2 times the employee’s then regular rate of pay.

B. Approval of Use of Comp. Time

Supervisors must approve comp. time when it is accrued and before it is taken. This occurs by obtaining supervisor signature/initials on the compensatory time log. Supervisors further acknowledge approval of the use of comp. time when they sign the time sheets submitted bi-weekly for payroll purposes thereby completing the official record of employee time.

The comp. time log should be submitted to and initialed by the supervisor on, at least, a bi-weekly basis when an employee submit time cards for payroll.

C. Logging Comp. Time Accrual and Usage

Comp. time accrual and usage must be recorded on a compensatory time log. This record notes the following:

- Work Period in which overtime comp. time is accrued and/or used;
- Reason for overtime/comp. time accrual;
- Number of Hours accrued/used;
- Balance of comp. time on record;
- Supervisor’s Approval (signature).

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The employee must also record comp. time as it is accrued and used on his/her time card by using the appropriate special hours code (CT).