

	<h1 style="margin: 0;">City of Helena</h1> <h2 style="margin: 0;">Personnel Policy</h2>	Policy number	4-2
		Original Adoption	02-09-1987
		Revision #	10
		Last revision date	October 2015
<b>Section Title</b>	<b>Hours of Work</b>		
<b>Subject</b>	<b>Overtime/Compensatory Time</b>		

### **FLSA Non-exempt Employees**

Employees considered "non-exempt" by FLSA (The Fair Labor Standards Act) must be paid 1-1/2 times their "regular rate" for hours worked in excess of 40 hours in any workweek. Non-worked hours paid for vacation, sick leave or compensatory time will not be counted as hours worked for FLSA overtime calculations.

- All overtime must be pre-approved by the supervisor. Employees may be disciplined if overtime is worked without prior authorization.
- If an employee desires compensatory time instead of overtime pay he/she must request it in writing on a standard time report form. Supervisors may require employees to take overtime pay in lieu of compensatory time or vice versa. Employees will be notified at that time of which method will be used.
- Supervisors must not accept voluntary overtime from employees without paying overtime or granting compensatory time. In other words, if a supervisor is aware that an employee is voluntarily working overtime, the supervisor must direct the employee to stop working or be willing to authorize the overtime.
- All records of compensatory time worked and overtime worked by employees must be indicated on the time report for the period the hours were worked.
- Compensatory time may be accrued. Non-exempt employees may accumulate up to 80 hours of compensatory time unless an exemption is granted by the City Manager.
- Compensatory time and overtime shall be earned, recorded and used in no less than quarter (1/4) hour increments, unless special circumstances are approved by the Human Resources Office.
- Compensatory time may be taken at the request of employees, within a reasonable period after the request is received if the use does not disrupt the operation of the unit. Where the interest of the City requires the employee's attendance, the City's interest overrides the employee's interest to take compensatory time off. The City may require an employee to take accrued compensatory time off during any workweek.
- Accrued compensatory time will only be paid out (1) at the time the employee terminates or is discharged from employment; (2) as specified in the employees labor agreement; (3) for any hours that exceed the maximum allowed accumulation; or (4) on a promotion from a non-exempt to exempt position. The City may, at any time, and at its option, cancel or "cash-out" accrued compensatory time by paying the employee cash compensation for unused compensatory time or by requiring the employee to take the time off.

### **FLSA Exempt Employees**

It is the policy of the City of Helena to allow its employees who are exempt from the Federal Fair Labor Standards Act of 1938 (FLSA, Title 29 USCA, Chap. 8, Sec. 201-219, as amended) to accrue and use exempt compensatory time in compliance with this policy. State and Federal law do not require the City to make the accrual or use of compensatory time available to exempt employees. Exempt compensatory time is not intended to provide any compensation in addition to the salaries established. Rather, it is a means of providing greater flexibility in scheduling time for exempt, salaried employees.

- An employee must obtain approval from his or her supervisor, in advance whenever possible, to work hours which may result in the accrual of exempt compensatory time.
- The employee's supervisor determines whether hours worked by an exempt employee, which exceed 40 in a workweek, will be accrued as exempt compensatory time under this policy. The supervisor may approve or deny the accrual of exempt compensatory time either before or after the hours are worked. Non-worked hours paid for vacation, sick leave or compensatory time will not be counted as hours worked for exempt compensatory time calculations.
- Accrued exempt compensatory time may be taken off by the employee at a mutually agreeable later date during the employee's regular working hours, if the use of the compensatory time does not unduly disrupt the operations of the City and/or department. Where the interest of the City requires the employee's attendance, the City's interest overrides the employee's interest to take exempt compensatory time off. The City may require an exempt employee to take accrued exempt compensatory time off during any workweek.
- Compensatory time shall be earned, recorded and used in no less than quarter (1/4) hour increments, unless special circumstances are approved by the Payroll Specialist.
- A maximum of eighty (80) hours of exempt compensatory time may be accumulated. An employee is prohibited from accumulating exempt compensatory time until the employee's balance, during any given pay period, is reduced below eighty (80) hours, however the employee must continue to report all hours worked for record keeping purposes.
- Employees who are designated as exempt from the overtime provisions shall only be suspended without pay as a disciplinary action for a time period which is in compliance with 29 CFR 541.118a5.
- There shall be no lump sum cash compensation for accrued exempt compensatory time at the time of termination or discharge.
- The City is under no obligation to extend an employee's termination or discharge date to allow an exempt employee to take off accrued exempt compensatory.