

STANDARD PROCEDURE

CITY OF WILSON

PERSONNEL MANUAL

SUBJECT	NUMBER	REV	EFFECTIVE DATE	SUPERSEDES
Overtime Policy	B-6		January 1, 2010	Working Hours (B-6)

Approved By: Grant Goings
City Manager

1.0 Purpose

The purpose of this is to establish a policy governing overtime for City of Wilson employees within the requirements of the Fair Labor Standards Act (FLSA).

2.0 Policy

Employees will be compensated in accordance with the Fair Labor Standards Act (FLSA) and City of Wilson policies.

3.0 Scope

All employees, exempt and nonexempt, are governed by this policy.

4.0 Definitions

- 4.1 Fair Labor Standards Act (FLSA): The FLSA is the federal law which governs overtime. The law is administered by the Wage and Hour Division of the US Department of Labor. The law protects employees by providing basic guarantees for overtime and minimum wages. All City employees are required to comply with this federal law.
- 4.2 Exempt: The term “exempt” is used to categorize employees performing certain types of work for which FLSA does not apply. Exempt status is determined by federal law. The City of Wilson is not required to pay overtime compensation to exempt employees.
- 4.3 Non-exempt: The term “non-exempt” means employees who are subject to FLSA overtime compensation pay or compensatory time at a rate of time and one-half of the employee’s regular rate of pay for time worked over the hours included in a standard work week.
- 4.4 Overtime: Pay at a rate of time and one-half for hours worked in excess of the standard work week. The standard work week for the City of Wilson is 40 hours which begins 12:00 a.m. on Tuesday and ends 11:59 p.m. on Monday. Other work periods are designated by departments and based on scheduled hours worked (i.e. Police, Fire).
- 4.5 Compensatory Time: Hours awarded at a rate of time and one-half for hours worked in excess of the standard work week in lieu of overtime pay. Compensatory time, much like annual leave, must be recorded at the time earned and requested in advance so that use will not disrupt departmental operations. Sixty (60) hours is the maximum accrual allowed for compensatory time. As long as an employee has a maximum accrual of compensatory time, all future overtime should be compensated in overtime pay until the balance falls below the 60 hour maximum.
- 4.6 Standby: The time during which a non-exempt employee is required to report to a City work location.

5.0 Procedures

- 5.1 Exemption status will be determined by the City of Wilson’s Position Classification System in accordance with FLSA regulations and standards and will be made available in the City’s pay plan as well as on the City of Wilson website.
- 5.2 While department managers are encouraged to limit the amount of overtime paid, it is recognized that overtime is at times a necessity. When the need arises, management expects employees will work overtime hours when requested. Advance notice will be given to employees whenever possible; however, occasions may arise which necessitate unanticipated overtime work that does not permit advance notification. Employees should try to

accommodate such needs of the workplace. Managers will make every effort to notify the employee as soon as possible when overtime work is required. Overtime arrangements will be authorized in advance by the supervisor. Overtime will be budgeted in accordance with normal budgetary procedures; however, department managers may be asked to provide written explanation if overtime use shows a trending pattern or becomes excessive.

- 5.3 Exempt employees will not be compensated for hours worked in excess of their standard work week. However, if emergency conditions result in the need for exempt employees to work excess hours during critical operations, the City Manager may choose to compensate exempt employees for work performed during extreme circumstances. This will be determined on an as needed basis.
- 5.4 Non-exempt employees will be compensated with overtime pay at a rate of time and one-half of the employee's regular rate of pay for hours worked in excess of 40 hours. Overtime will begin once an employee actually works an excess of 40 hours; therefore, sick and/or annual leave taken during the work week will not be counted as hours worked for overtime purposes. Compensatory time, in lieu of overtime pay, may be awarded at a rate of time and one-half in accordance with the conditions outlined above up to the maximum accrual of 60 hours. Employees should be permitted to use compensatory time within a reasonable period after making the request, if doing so does not "unduly disrupt" the operations of the department.
- 5.5 When determining hours worked for overtime purposes for a non-exempt employee, it is the policy of the City to count the following as hours worked:
 - Holidays designated by the City of Wilson;
 - Time paid to employees during their use of leave in the following categories: school support, jury and court, compensatory time, military, funeral, and medical/dental appointments; and,
 - Break periods of less than 30 minutes
- 5.6 Accurate payroll records including all hours worked, charges to accrual accounts, overtime and compensatory time will be maintained at the department level in accordance with payroll/personnel system requirements.
- 5.7 All recorded overtime and/or compensatory time will be paid at the time an employee separates from City service.