

STANDARD PROCEDURE

CITY OF WILSON

HUMAN RESOURCES POLICY MANUAL

SUBJECT	NUMBER	Rev. Date	EFFECTIVE DATE	SUPERSEDES	PAGES
Overtime Policy	B-6			Eff. 1/1/2017	Page 1 of 2
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1.0 Purpose

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 non-exempt, 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.
- 4.2 **Exempt Employee:** The term “exempt” is used to categorize employees performing certain types of work for which FLSA regulations do 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 Employee:** The term “non-exempt” is used to categorize employees who are subject to FLSA regulated overtime compensation pay or compensatory time in lieu of overtime at a factor of 1.5 times the employee’s regular rate of pay for time worked over the hours included in a standard work week or work cycle.
- 4.4 **Overtime:** Overtime compensation is paid to all non-exempt employees in accordance with federal and state wage and hour restrictions. **Overtime pay is based on actual hours worked.** Time off for sick leave, vacation leave and compensatory time will not be considered as hours worked for purposes of calculating overtime.
- 4.5 **Standard Work Week:** The standard work week for the City of Wilson is 40 hours; it begins at 12:00 a.m. Tuesday and ends at 11:59 p.m. on the following Monday. Other work cycles are designated by specific departments and are based on scheduled hours worked (i.e., Police, Fire)
- 4.6 **Compensatory (comp) Time:** The term “comp time” is used to categorize hours awarded at a rate of 1.5 times hours worked in excess of the standard work week in lieu of overtime pay. Comp time, like other annual leave, must be recorded at the time earned. Use of comp time should be requested in advance so that use will not disrupt departmental operations. Sixty (60) hours is the maximum accrual allowed for comp time at the City of Wilson. As long as an employee’s accrued comp time is at the allowed maximum, all subsequent overtime must be paid at the overtime rate of 1.5 times the employee’s regular rate of pay until the accrued balance falls below the sixty (60) hours maximum.

5.0 Procedures

- 5.1 Exempt/non-exempt status will be determined by the City of Wilson’s Position Classification System in accordance with FLSA regulations and will be made available in the City’s pay plan.
- 5.2 While managers are encouraged to limit the amount of overtime, it is recognized that at times overtime is a

necessity. When the need arises, management expects employees to work overtime hours as requested. Advance notice will be given to employees whenever possible; however, occasions may arise which require unanticipated overtime that does not permit advance notification.

- 5.3 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.
- 5.4 Exempt employees will not be compensated for hours worked in excess of their standard work week/cycle. However, if emergency conditions result in the need for exempt employees to work excessive hours during critical operations, the City Manager may authorize overtime compensation for exempt employees for work performed under these circumstances. This exception will be determined on an as needed basis.
- 5.5 **Overtime eligibility will apply only for hours actually worked in excess of the standard work week or work cycle.** Sick leave, vacation leave and compensatory time taken will not be counted as hours worked for overtime purposes.
- 5.6 Compensatory time, in lieu of overtime pay, may be awarded at a rate of 1.5 times the hours over the standard work week or work cycle, in accordance with FLSA guidelines, up to a maximum accrual of sixty (60) hours. Employees may be permitted to use comp time within a reasonable period after submitting a request to their supervisor per departmental guidelines, if doing so does not unduly disrupt the operations of the department.
- 5.7 When determining “hours worked” for overtime purposes for a non-exempt employee, it is the policy of the City to include the following:
 - Holidays designated by the City of Wilson;
 - Time paid to employee during their use of leave in the following categories (per applicable policy, as approved by the supervisor):
 - School support
 - Jury and court
 - Military leave
 - Medical/dental appointments
 - Bereavement (Funeral) Leave
- 5.8 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.
- 5.9 All recorded overtime and/or compensatory time will be paid at the time an employee separates from City Service.