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| CITY OF SIDNEY EMPLOYEE POLICY MANUAL | 4.0 PAY AND BENEFITS | 4.15 OVERTIME AND COMPENSATORY TIME EFFECTIVE DATE: _____ REVISION DATE: _____ |
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Non-Exempt Overtime Pay

Non-exempt employees (an employee in a position not meeting the definition of *exempt* as defined by the Fair Labor Standards Act, Montana Minimum Wage and Overtime Compensation Act) may receive overtime compensation for hours worked in excess of 40 hours per week at the rate of 1½ times the regular hourly rate of pay. Employees shall obtain pre-approval from their Department Head, for permission to work in excess of forty hours per workweek. Pre-approval for department head personnel shall be obtained from the Mayor. When computing overtime, holidays and paid leave time taken during the work week will be considered as time worked. Absences while in a leave status (e.g., annual leave, sick leave, personal leave, etc.) shall be considered hours worked for the purpose of calculating overtime payments or compensatory time earned.

Non-Exempt Compensatory Time

Non-exempt employees may receive compensatory time off in lieu of overtime payment if this is mutually agreed upon in writing between the employee and the department head. Compensatory time for non-exempt employees shall be earned at the rate of 1½ hours for each hour worked in excess of 40 hours per week. A total of 480 hours may be accumulated by employees engaged in public safety and seasonal activities. A total of 240 hours may be accumulated by all other employees. Compensatory time is compensated only for hours actually worked. However, employees held at a work site are entitled to compensation. It is the responsibility of the Department Head to assign useful, productive work. If none is assigned, the employee's right to compensation will not be affected. Employees who have accrued compensatory time and request use of this compensatory time shall be permitted to use the time off within a reasonable time after making the request, if the use does not unduly disrupt the operations of the City. Compensatory time may be transferred with the employee to another department provided the new department head agrees (in writing). An employee shall, upon termination of employment, be paid for unused accumulated compensatory time. Employees shall use compensatory time before vacation and sick time and any unused accrued compensatory time shall be paid out in December paychecks unless otherwise approved.

Exempt Employees

Exempt employees are identified using the criteria listed in The Federal Labor Standards Act (FLSA). Exempt employees do not receive overtime pay. If authorized by the Mayor, exempt

employees may receive compensatory time off for hours worked in excess of 45 hours per week at the rate of one hour for each hour worked in excess of 45. Exempt employees may accrue a maximum of 90 compensatory hours. The department head shall give prior written authorization for all hours worked in excess of 45 per week. No compensation for unused compensatory time shall be allowed at any time.

Holiday time of eight hours for any paid holiday shall not count toward hours worked. However, absences while in a leave status (e.g., annual leave, sick leave, personal leave, etc.) shall be considered hours worked for the purpose of calculating compensatory time.

The department head shall have the authority to approve overtime and compensatory time. No employee shall work overtime or compensatory hours without the prior knowledge and written approval of the department head. An authorization form will be required for overtime and compensatory hours worked.

No time off or compensatory time is allowed for elected officials and attorneys.

Record Keeping

Department heads shall ensure that all overtime and compensatory time earned and used is recorded appropriately on the employee's time card as it occurs. The use of accumulated compensatory time must also be reported on the employee's time sheet. Department heads shall designate on the employee's time sheet if overtime is to be paid or compensatory time accumulated.

Relevant Information: Fair Labor Standards Act (FLSA); **Code of Federal Regulations (CFR), Title 29 – Labor**

Decedent's Warrant or Paycheck Reissuance

Employees may file a designation of a person who, notwithstanding any other provision of law, is entitled, on the death of the employee, to receive all warrants or paychecks that would have been payable to the decedent. The employee may change the designation from time to time. A designated person shall claim the warrants or paychecks from the city clerk, and on sufficient proof of identity, the city clerk shall reissue the warrant or paycheck in the name of the designated person and deliver the warrant or paycheck to the designated person.