

Overtime Compensation

Policy Option 1

Non-exempt salaried employees will be paid at the rate of one and one-half times their regular hourly rate of pay for all time worked in excess of 40 hours in any one workweek.

Note: Some state laws require overtime after eight hours in one day for public employees.

Overtime is never at the employee's discretion. It shall only be incurred and paid at the request of the company through the employee's supervisor/manager. Supervisors/managers shall ensure that no unauthorized overtime hours are worked.

Policy Option 2

Non-exempt employees will be paid at the rate of one and one-half times their regular rate of pay for the following:

- Hours worked in excess of 40 in a single workweek.
- Hours worked on official company holidays.

Note: Be sure to correlate this statement with your policy on holidays and holiday pay.

Non-exempt employees will receive double their regular rate of pay for:

- Hours worked in excess of 12 in a single workday.
- Hours worked in excess of eight on the seventh workday and following consecutive workdays.

Note: State law on these matters is assumed, unless the employer desires this higher overtime pay even though no requirement exists.

If a non-exempt employee receives shift premium, his or her regular rate of pay includes that premium.

Exempt employees may be eligible for overtime compensation, in appropriate circumstances, for hours worked in excess of a 40-hour workweek. However, managers are encouraged to recognize necessary exempt overtime by allowing compensatory time off to be taken at a time and under conditions mutually agreed upon between the exempt employee and his or her manager. Overtime compensation for exempt employees, other than compensatory time off, must be approved in advance by the [VICE PRESIDENT]. Managers making such a request should provide the [VICE PRESIDENT] with a written memorandum stating the reasons for such overtime, the maximum hours requested, and the dates that overtime shall be worked.

Note: See general definitions of exempt and non-exempt employees, Employment Classifications.

Policy Option 3

Non-exempt employees under the Fair Labor Standards Act are eligible for overtime for all hours worked in excess of 40 in any work week. We hope you will comply with any requests to work overtime. All overtime must be approved in advance by [specify official (e.g., your Area Manager)]. Overtime is paid at the rate of one-and-one-half times (1-½x) your regular hourly rate of pay. No lunch, sick, holiday or vacation time is included in calculating overtime.

Policy Option 4

Overtime compensation at a time and one half rate shall be provided to all non-exempt employees when hours worked exceed forty hours in a work week. Compensatory time off at a time and half rate may be provided in lieu of cash overtime payments upon prior agreement.

- ❑ In establishing a 40 hour work week, annual leave, sick leave, storm days and holidays shall be counted as actual hours worked.
- ❑ The work week begins at 12:01 A.M. on Sunday and ends at 12:00 A.M. Saturday. The employee's supervisor may establish a different work week for a position with approval from the appropriate vice president and the Human Resources Director.

Human Resources is responsible for periodic review of positions to insure proper identification as exempt or non-exempt pursuant to definitions provided within the Fair Labor Standards Act.

Overtime provisions are not applicable to exempt employees as identified by federal wage and hour criteria. The supervisor, however, may arrange time off in recognition of required, continuous or excessive hours for employees exempt from overtime. In order to be considered "exempt" from the overtime provisions of the Fair Labor Standards Act, an employee must be in a position that can be substantiated to be of an executive, administrative, or professional nature. Whether an employee is exempt depends on duties, responsibilities and salary. Contact Human Resources for assistance in determining exempt status.

Overtime hours may be approved on the basis of emergency circumstances or when it is impractical to maintain an additional temporary work force adequate to handle peak loads. Overtime hours must be authorized by the employee's supervisor. Overtime work shall be assigned on an equitable basis. Work, which is not requested by a supervisor, but is permitted, must be counted as hours worked.