

		Policy # 203
Subject: Overtime Compensation		
Responsible Department: Personnel Services		
Effective Date: 08/1976		Revision Date: 07/1988
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1. Purpose

To define overtime and delineate the conditions governing compensation at overtime rates. To clarify the relationship between overtime, the worked, and paid and unpaid leaves of absence.

2. Authority

Fair Labor Standards Act (FLSA) The FLSA determines if an employee is covered or exempt from the Act. Covered employees are paid in accordance with the FLSA.

Labor agreements negotiated with recognized employee organizations provide the applicable authority for represented employees.

Personnel Ordinance Section 2.78.510(b), 2,78.525, 2.78.535, 2.78.540(a), and .278.545 provide the applicable authority for unrepresented employees.

3. Scope

This applies to County employees.

4. Policy

Effective April 15, 1986 all public entities have been subject to the provisions of the federal Fair Labor Standards Act (FLSA). Refer any questions about FLSA coverage or exemption to the Employee Relations Division, Department of Personnel Management.

Sacramento County’s policy is to discourage overtime work except when overtime is required to serve the public. The standard work schedule for

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regular full time employees is eight hours per day and forty hours per week. The County may temporarily modify scheduled work hours and work days to meet the needs of the service.

- If the needs of the service require a temporary adjustment or modification of normal working hours and/or days, only those paid hours which exceed eight in a day or forty in a week are considered overtime.

These policies and procedures also cover employees in eligible classes assigned to permanently modified work schedules. Examples of modified work schedules include, but are not limited to, flexible hours, rotating shifts, and four-ten schedules.

- Where eight hours is indicated throughout these policies and procedures, the agreed upon number of hours in a permanently modified work schedule is intended, where applicable.

DEFINITIONS

A four-ten schedule is a four day work week of fixed and regularly recurring ten hour shifts.

Overtime is defined by the county as paid time in excess of eight hours per day or forty hours per week (or other, modified work schedules, where applicable). Overtime is defined by the federal Fair Labor Standards Act as any time worked over forty hours in a designated seven day work week.

Overtime compensation may be a payment or compensating time off. The rate of compensation may be at straight time or time and half.

STANDARDS OF APPLICATION

Covered and Exempt Classes:

The Department of Personnel Management determines which classes are covered and which are exempt from the federal Fair Labor Standards Act (FLSA).

- Covered classes are subject to FLSA provisions, but are subject to County policy for compensation of overtime. Exempt classes are not subject to FLSA provisions, but are subject to County policy for compensation of overtime.

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Compensable Time:

The Fair Labor Standards Act (FLSA) only provides for compensation of time worked over forty hours in a designated seven days work week. County policy provides for compensation of paid time over eight hours per day or forty hours per week (or other, modified work schedules, where applicable).

Rates of Compensation:

An employee in a class covered by the Fair Labor Standards Act (FLSA) is compensated for overtime according to FLSA provisions.

FLSA require employers to calculate a weighted hourly rate based on the employee's total remuneration for the designated seven day work week. Time and a half is calculated on an hourly rate that includes various forms of remuneration.

FLSA limited the total amount of compensating time off (CTO) a covered employee can accrue before the time must be used or converted to a cash payment.

For public safety personnel with the power to arrest, the total allowable is 480 hours.

For all other employees the total allowable is 240 hours.

When overtime is compensated with CTO at time and half, 160 overtime hours worked equal 240 CTO hours; 320 overtime hours worked equal 480 CTO hours.

County policy limits the length of time any employee may retain compensation time off (CTO) accruals before the time must be used or converted to a cash payment.

CTO will be converted to a cash payment or deleted automatically through the existing payroll system when it become a year old. The type of conversion depends on the employee's job class.

The form and rate of payment are determined according to County policy as outlined in the Personnel Ordinance for unrepresented employees and in negotiated labor agreements for represented employees, in accordance with the FLSA.

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Overtime may be compensated with a cash payment or compensating time off (CTO). The rate of payment may be at straight time (one hour compensation for each hour overtime worked) or time and half (one and one half hours compensation for each hour of overtime worked).

In some cases the form of compensation, cash payment or CTO, may be made in accordance with the Personnel Ordinance or applicable labor agreement.

Hours of Work:

The Fair Labor Standards Act (FLSA), only requires that the time the employee is physically at work be counted to determine overtime. Therefore, under the FLSA paid time off is not counted to determine any overtime payment.

- If employees are performing work before or after scheduled hours of work or performing work during their lunch hour and the employer knows or has reason to believe that the work is being performed, that work must be counted as hours worked.

In contrast to the Fair Labor Standards Act (FLSA), County policy requires all paid work time and paid time off, other than overtime hours worked or standby, be counted to determine overtime.

Standby Assignments: A standby shift for emergency work is eight or fewer hours. Where applicable, employees on standby, whether or not they are called to work, are compensated at the straight time rate for the equivalent of two hours for each standby shift. Any employee who performs emergency work on standby duty is compensated at the overtime rate for any actual hours of work. (Refer to the applicable labor agreement for specific discussions of standby assignments.)

Call Backs: Where applicable, employees who are called back to work receive at least two hours of overtime compensation. If the employee already was assigned to standby, the call back pay is added to the standby pay. (Refer to the applicable labor agreement for specific discussions of call back assignments.)

Outside Work: Time worked for another employer is not counted as part of the employee's forty hour work week at the County. The County of Sacramento will not compensate an employee for any work performed for another employer.

Volunteer Work: An employee may perform different services for the county on a volunteer basis without those additional hours being treated as

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compensable time for purposes of the FLSA. However, if the employee performs services on a volunteer basis which are "the same type of services which the individual is employed to perform" those hours are compensable time.

Time Off

Paid Time Off: Paid time off is not included when applying the FLSA regulations to determine overtime compensation.

- Paid time off includes, but is not limited to:
 - 1) Compensating Time Off (CTO) taken;
 - 2) Educational leave;
 - 3) Family death leave;
 - 4) Holiday leave and holiday in lieu hours taken;
 - 5) Jury duty time off;
 - 6) Military leave;
 - 7) Sick leave
 - 8) Training, whether in-house or outside, which the employee is required to attend;
 - 9) Union time off;
 - 10) Vacation.

Jury Duty Time Off: If, because of the needs of the department, an employee must work while also serving jury duty, jury duty hours will be counted to determine overtime. (For the relationship between jury duty time off, scheduled days off, and shift work, see County Personnel Policies and Procedures No. L-1: Employee Jury Duty.)

Unpaid Time Off: No hours of unpaid time are counted as time worked.

- No leave of absence (LOA) without pay, whether authorized or unauthorized, is counted as time worked.

Cancelled Leaves. Any leave is considered cancelled, whether paid or unpaid, when the employee is required to return to work. These leaves include, but are not limited to, compensation time off (CTO), approved leave of absence (LOA) without pay, unauthorized LOA, and vacation.

When the employee is called back to resume normal working hours, compensation is paid at the hourly rate.

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When the employee is called back from a paid leave at times other than normal working hours, compensation is paid at the overtime rate for hours worked outside the normal schedule.

PROCEDURES:

Employee

Reports all overtime promptly and accurately in the manner prescribed by the County.

Payroll Clerk, Operating Department

Each pay period, reviews a list of all employees in classes covered by the Fair Labor Standards Act (FLSA) who worked overtime. The list is prepared and forwarded by the Personnel Actions Section, Department of Personnel Management.

- Identifies those departmental employees who actually worked over forty hours in a designated seven day work week and are eligible for overtime compensation
- Using the worksheet provided by Personnel Actions, determines whether additional money is due to employee. Calculates the rate of pay each employee is eligible to receive based on a weighted average of the total remuneration each received in the designated seven day work week.
- Completes an Earnings Adjustment Form for each employee who is due additional overtime compensation according to FLSA regulations. Submits the Form to Personnel Actions in time to award the additional compensation during the next pay period.

Personnel Actions Section, Department of Personnel Management (DPM)

Determines which employees are covered by the FLSA and possibly due additional money in accordance with the FLSA.

Forwards a report of those employees to departmental payroll clerk each pay period.

Reviews the calculation and Earnings Adjustment Form submitted by the department for accuracy.

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Process Earnings Adjustment Forms to ensure additional money is awarded the employee in the next pay period.

5. Review Not Applicable