

**STANDARD PROCEDURE**

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Overtime Policy	B-6	08/01/2024	01/2017	Page 1 of 2
Prepared By: Human Resources		Approved By: Will Aycock, Enterprise Services Director		

**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 Scope**

All employees are covered under this policy.

**3.0 Definitions**

- 3.1 **Fair Labor Standards Act:** The FLSA is the federal law which governs overtime. The law is administered by the Wage and Hour Division of the U.S. Department of Labor. The law protects employees by providing basic guarantees for overtime and minimum wages.
- 3.2 **Exempt Employees:** The term “exempt” is used to categorize employees performing certain types of work for which FLSA overtime regulations do not apply. Exempt status is determined by federal law. In accordance with the law, the City of Wilson is not required to pay overtime compensation to exempt employees.
- 3.3 **Non-exempt Employees:** 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.
- 3.4 **Overtime:** Overtime compensation is paid to all non-exempt employees in accordance with federal and state wage and hour regulations. **Overtime pay is based on actual hours worked.**
- 3.5 **Standard Work Week:** The basic 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. the following Monday. Other work cycles are designated for specific departments based on scheduled work hours/rotations. (Police, Fire, and Water Treatment and Wastewater have specified standard work weeks).
- 3.6 **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.
- 3.7 **Standby Time:** Time during which an employee is required to be available to report to work if needed. Non-exempt employees must be compensated for this time per FLSA guidelines.

**4.0 Policy**

- 4.1 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.
- 4.2 While managers are encouraged to limit the amount of overtime, it is recognized that at times overtime is necessary. 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.
- 4.3 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

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CITY OF WILSON

PERSONNEL MANUAL

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or a designee may authorize overtime compensation for exempt employees for work performed under the circumstances. This exception will be determined on an as needed basis by authorized personnel.

- 4.4 **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 Sixty (60) hours is the maximum accrual allowed for comp time at the City. 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 comp time accrued balance falls below the sixty (60) our maximum.

**5.0 Procedures**

- 5.1 Comp time, like other annual leave, must be recorded at the time earned. Use of comp time should be requested in advance per departmental guidelines for leave notification so that use will not disrupt departmental operations.
- 5.2 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.
- 5.3 Employees will be paid for standby time for all time actually worked during the standby period, and in accordance with standby pay guidelines designated by the department. Compensatory time will not be given for standby time.

**6.0 Administrative Guidelines**

- 6.1 Overtime will be budget in accordance with normal budgetary procedures; however, department leadership may be asked to provide written explanation if overtime use shows a trending pattern or becomes excessive.
- 6.2 Accurate payroll records, including all hours worked, charges to personal leave accrual accounts, overtime and compensatory time will be maintained at the department level in accordance with payroll/personnel system requirements.
- 6.3 All recorded overtime and/or compensatory time will be paid out at the time an employee separates from the City service, in accordance with applicable payroll processes.