

Compensatory Time for Exempt Employees



Effective Date: 11/14/2023

POLICY SCOPE:

Under certain prescribed conditions, exempt employees of Town departments may receive compensatory time off. Under the Fair Labor Standards Act, exempt employees are not eligible for overtime pay and providing compensatory time off is at the sole discretion of the Town. The purpose of this policy is to set forth guidelines for the Town's Compensation time for exempt employees who are required to work more than their normally scheduled hours for special projects, special events or during weekends or any normally scheduled time off.

APPLICABILITY:

This policy shall apply to all Town of Stow full-time regular, exempt employees. Employees whose positions are governed by collective bargaining agreement are subject only to those portions of this policy that are not specifically regulated by law or agreement.

DEFINITIONS:

Exempt employee is an individual who is exempt from overtime because they are classified as an executive, professional, or administrative and meets specific criteria for exemption.

POLICY DESCRIPTION:

Exempt employees are generally expected to work the hours needed to complete their work (even in excess of the typical work week), but some local jurisdictions may allow exempt employees to accumulate comp time.

Comp time for exempt employees is voluntary, so there is no "time and a half" requirement for exempt employees. Exempt employees may accrue comp time on a 1:1 basis (i.e., one hour of overtime worked results in one hour of comp time accrued), and employers are not required to pay out accrued comp time to exempt employees at the time of separation.

Compensatory time shall be earned for emergencies and required attendance at evening meetings or special events. Staying late to "catch-up" on work does not qualify for compensatory time. However, time worked after the end of the workday to the beginning of an evening meeting you are required to attend, does qualify for compensatory time.

PROCEDURES:

To be credited with compensatory time, the appropriate department head or supervisor must sign the timesheet authorizing Payroll to grant compensatory time off to an exempt employee. (Department Heads do not need their timesheets signed off by the Town Administrator) Department Heads and Employees should record the appropriate time worked and time taken on the timesheet. An employee who has accrued compensatory time and requests use of the time must be permitted to use the time off within **three (3) months** after making the request or at the discretion of the Town Administrator. Employees using comp time must request approval to use comp time five (5) days prior to date requested off unless it is being used in the week it was earned, the five (5) days notice is waived. The request may be denied if the use of amount of compensatory time will "**unduly disrupt**" the department's operations.

All compensatory time earned by exempt employees in any workweek must be taken during the three-month period following the end of the workweek during which the compensatory time was earned. Compensatory time must be used prior to using vacation or personal time.

Compensatory time accrued is subject to an **accrual limitation equal to one week**, either thirty-seven and one half (37.5) hours or forty (40) hours. Employees cannot accrue compensatory time of more than thirty-seven and one half (37.5) hours or forty-hours (40) respectively in a fiscal year. Compensatory time may not be carried over into the next fiscal year without authorization of the Town Administrator. With the permission of the Town Administrator, compensatory time may be granted in excess of thirty-seven and one half (37.5) hours or forty (40) hours per year, due to unusual or emergency situations.

Should an employee earn and use the time within the same pay period it does not count towards the maximum accrual limitation.

Compensatory time must be used in the fiscal year it was earned. Any comp time earned in June must be used and cannot be cashed out. With the approval of the Town Administrator, comp time earned in June of a fiscal year can be carried over but must be used by July 31st of the following fiscal year.

If any employee leaves employment, they will be compensated for their compensatory time on the books, up to the maximum accrual of one week.