

Category: 300

Number: 338

Subject: **COMPENSATORY TIME ACCRUAL AND USAGE FOR FLSA EXEMPT AND NON-EXEMPT EMPLOYEES**

1. **PURPOSE:** The purpose of this policy is to set forth and clarify policies and procedures for the accrual and usage of compensatory time, by Saginaw County employees, including union and non-union, FLSA (Fair Labor Standards Act) exempt and non-exempt which complies with all laws, statutes, and/or ordinances which may be applicable.
2. **AUTHORITY:** The Saginaw County Board of Commissioners.
3. **APPLICATION:** The rules and regulations herein set forth apply to all employees paid by Saginaw County, pursuant to Policy # 301.
4. **RESPONSIBILITY:** The Controller/CAO shall be responsible for the implementation of this policy.
5. **DEFINITIONS:**
  - 5.1 **Compensatory Time.** Hours accumulated, by working beyond a 40-hour work week, or an eight-hour work day, and used as prepaid time off.
  - 5.2 **Exempt Employee.** Generally, a managerial, administrative or degreed professional employee, who is exempt from the Fair Labor Standards Act.
  - 5.3 **Non-Exempt Employee.** Generally, a technical or non-degreed professional employee, who is not exempt from the Fair Labor Standards Act.
  - 5.4 **Flexible Time Schedule.** A Flexible Time Schedule is a work schedule which, for a period of time, allows for more efficient operations in a department. Examples of a Flexible Time Schedule would be four, 10-hour days, or working a Saturday instead of a Friday.
6. **POLICY:**
  - 6.1 **Compensatory Time for FLSA Non-Exempt Employees.** Non-Exempt Employees are not authorized to accrue or use compensatory time, except when specifically provided for in a collective bargaining agreement. When circumstances call for overtime work by a Non-Exempt employee, Department Heads must instead reschedule an employee's duties so that compensatory time is not accrued, or, pay overtime. This will prevent departments from accruing an unfunded liability which would require "pay-off" at the employee's termination of employment.

6.2 Compensatory and Overtime for FLSA Exempt Employees. Exempt Employees are salaried employees and are expected to meet the demands of their position without overtime compensation or compensatory time, despite the number of hours actually worked. There shall be no accrual or usage of compensatory time for this classification of employee. Conversely, if an exempt employee works more than two (2) but less than eight (8) hours per day, they are not required to charge their Paid Time Off (PTO) bank. When an exempt employee works less than two (2) hours, they must charge their PTO Bank for a full, eight-hour day. In rare circumstances, a Department Head may approve "overtime" pay for an exempt employee. However, overtime schedules and payments must be pre-approved, in writing, by the Department Head, and must be budgeted in the current year's budget.

6.3 Flexible Time Schedules for Exempt Employees. Exempt Employees may work under a "Flexible Time" schedule, at the discretion of their Department Head, and in a manner determined by the Department Head. Flexible Time is calculated on a one-for-one basis, in a single biweekly, pay period. There is no accrual of flexible time, and none will be recognized upon termination of employment. Flexible time has no cash value.

7. ADMINISTRATIVE PROCEDURES:

7.1 Personnel Division. The Personnel Division in the Office of the Controller shall have the responsibility for establishing, maintaining, and coordinating all necessary personnel records. The Division shall advise and assist Department Heads on all personnel transactions and records systems and procedures.

7.2 Department Heads. Department Heads shall initiate and process "time worked" transactions affecting their employees in accordance with established systems and procedures.

7.3 Record Review. Department Heads shall review time records regularly to ensure that time worked is being credited and compensated pursuant to this policy.

8. CONTROLLER/CAO LEGAL COUNSEL REVIEW: The Controller/CAO has determined that this policy as submitted to the Board of Commissioners contains the necessary substance in order to carry out the purpose of the policy. County Civil Counsel has determined that this policy as submitted, contains content that appears to be legal activities of the Saginaw County Board of Commissioners.

Approved as to Substance:  
Saginaw County Controller/CAO

Approved as to Legal Content:  
Saginaw County Civil Counsel

ADOPTED/AMENDED: April 23, 2002