

Personnel Rule 3.6 – Overtime Compensation

3.6.0 Authority

SMC 4.04.040 and subsequent revisions thereto, Administration

SMC 4.04.050 and subsequent revisions thereto, Rule-making authority

SMC 4.20.230 and subsequent revisions thereto, Overtime work defined

SMC 4.20.240 and subsequent revisions thereto, Overtime work—When authorized

SMC 4.20.250 and subsequent revisions thereto, Overtime work—Rates of pay

SMC 4.20.280 and subsequent revisions thereto, Compensatory time off in lieu of overtime pay

SMC 4.20.315 and subsequent revisions thereto, Overtime for eligible professional, administrative and executive employees

SMC 4.20.325 and subsequent revisions thereto, Overtime-related meal compensation

RCW 49.46.130 Minimum rate of compensation for employment in excess of forty hour work week—Exceptions

Fair Labor Standards Act of 1938 as amended, 29 USC 201 through 219

3.6.1 Definitions

- A. "Appointing authority" shall mean the head of an employing unit authorized by ordinance or City Charter to employ others on behalf of the City, or a designated management representative. The term includes and can be used interchangeably with department head, department director, superintendent, and chief.
- B. "Call back" shall mean the return of an employee at the direction of his or her appointing authority or designated management representative after the employee has left the worksite for the day, in order to perform an overtime assignment.
- C. "Compensatory time off" shall mean time off in lieu of overtime wages, earned at the same rate as overtime wages would be.
- D. "Extraordinary overtime" shall mean unplanned and/or unscheduled work necessitated by fire, flood, or danger to life or property; or work so urgently necessary that its nonperformance will cause serious loss or damage to the City.
- E. "FLSA" shall mean the Fair Labor Standards Act, which regulates minimum wage and overtime compensation requirements.
- F. "Hourly employee" shall mean an employee who is compensated on an hourly basis for each hour of work performed, including time worked beyond 40 hours in a workweek.

- G. "Ordinary overtime" shall mean all overtime work that is not by definition "extraordinary overtime."
- H. "Overtime" shall mean hours worked over and above the overtime threshold.
- I. "Overtime threshold" shall mean a combined total of 40 straight-time hours of work and/or paid leave, per workweek. Hours worked beyond the overtime threshold must be compensated at the appropriate overtime rate of pay.
- J. "Regular rate of pay" shall mean an overtime rate of pay equivalent to an employee's total straight-time pay for one workweek divided by 40.
- K. "Workweek" shall mean a designated block of 168 hours within which an employee's work schedule is contained.

3.6.2 Application of this Rule

- A. The provisions of this Rule apply to regularly appointed employees whose titles are identified as not ineligible for overtime compensation in the City's Salary Schedule and Compensation Plan.
- B. For regularly appointed employees who are represented under the terms of a collective bargaining agreement, this Rule prevails except where it conflicts with the collective bargaining agreement, any memoranda of agreement or understanding signed pursuant to the collective bargaining agreement, or any recognized and established practice relative to the members of the bargaining unit. These individuals are subject to all applicable federal, state and City laws.
- C. This Rule does not apply to individuals who are employed under the terms of a grant that includes compensation provisions that conflict with this Rule.
- D. This Rule does not apply to individuals hired by the City on a temporary, intermittent or seasonal basis, or for a work schedule of fewer than 20 hours per week, nor does it apply to individuals hired under contract to the City. Federal, state and local laws regarding overtime provisions may apply, however.
- E. Appointing authorities may establish written policies and procedures for the implementation and administration of this Rule to facilitate the management of the personnel system within their employing units, provided that such procedures do not conflict with the provisions of this Rule.

3.6.3 Authorization

Overtime work must be assigned. Only the appointing authority or a designated management representative shall authorize employees to work more than 40 hours in a workweek. Employees who work more hours than they are regularly scheduled to work without authorization may be subject to disciplinary action.

3.6.4 Rate of Compensation

- A. Ordinary overtime.
Hourly employees will be compensated at the rate of 1½ times their regular rate of pay for all hours and fractions of hours worked beyond the overtime threshold in a workweek for ordinary overtime.

- B. Extraordinary overtime.
Hourly employees will be compensated at the rate of 2 times their regular rate of pay for all hours and fractions of hours worked beyond the overtime threshold in a workweek for extraordinary overtime.
- C. Regular rate.
The overtime rate for an hourly employee who receives straight-time compensation at 2 or more pay rates during a workweek shall be calculated based on his or her regular rate of pay.
- D. Call back.
When an hourly employee is called back to work after the end of his or her normal workday or on a scheduled day off, the minimum compensation shall be for 2 hours.
- E. Holiday pay.
 - 1. An hourly employee whose normal work schedule does not include work on an officially recognized holiday but who is required to work on the holiday shall receive his or her straight-time rate of pay for the holiday. In addition, the employee shall receive 2 times his or her straight-time rate of pay for hours worked on the holiday.
 - 2. An hourly employee whose normal work schedule includes work on an officially recognized holiday shall receive his or her straight-time rate of pay for the holiday. In addition, he or she shall receive 1 ½ times his or her straight-time rate of pay for hours worked on the holiday.
 - 3. An hourly employee who works on an officially recognized holiday may, at the discretion of the appointing authority or designated management representative, take another day off in lieu of the holiday, as long as such day off falls during the same workweek as the holiday. The hours worked on the holiday shall be compensated at the employee's straight-time rate of pay except that any hours over the overtime threshold shall be paid at the proper overtime rate of pay.

3.6.5 Compensatory Time Off

By mutual agreement of the affected employee and the appointing authority or designated management representative, an hourly employee may choose to receive compensatory time off in lieu of wages for overtime hours worked. An employee's use of compensatory time off requires his or her supervisor's approval.

- A. Compensatory time off shall be earned at the same rate as overtime wages; e.g., 1 ½ hours of compensatory time off for each hour of ordinary overtime worked. Compensatory time off shall be paid at the rate at which it was earned or at the rate in effect at the time the employee takes the time off, whichever is higher.
- B. An employee may request, and the appointing authority or designated management representative must approve, cash-out of any or all of his or her compensatory time balance at any time.
- C. The FLSA provides that an hourly employee may not accumulate more than 240 hours of compensatory time off. The appointing authority may establish such

lower accumulation threshold as the business needs of his or her employing unit may require.

- D. Compensatory time off balances must be cashed out upon separation. At the discretion of the appointing authority, an employing unit is not required to allow an employee who is appointed from another employing unit to transfer his or her compensatory time off balance. The employing unit in which the employee accumulated the balance shall cash it out as provided in Rule 3.6.5 (A).
- E. An hourly employee who is appointed, or his or her position reclassified, to a salaried position may, at the discretion of the appointing authority, retain and use his or her compensatory time balance for 12 months following such action.

3.6.6 Overtime Meal Compensation

A. Eligibility.

A full-time hourly employee who is assigned to work for a minimum of 2 hours beyond his or her normal workday, or is assigned to work on a regular day off for a reasonably continuous period of time equivalent to the length of his or her normal workday, shall be compensated for 1 meal. A part-time employee who is assigned to work for a minimum of 10 hours on a normal workday, or is assigned to work for 8 hours or longer on a regular day off, shall be compensated for 1 meal. The meal must be purchased during the overtime assignment, or within a reasonable period of time following the end of the assignment.

B. Reimbursement.

If the employee purchases the meal, he or she must provide a receipt to his or her supervisor no later than the beginning of the next regular workday to be reimbursed therefor. Reimbursement for a meal, including tip but excluding alcoholic beverages, shall not exceed the cost for such meal as set by the City's Finance Director. If the employee is unable to provide a receipt for the meal, he or she shall be eligible for compensation of \$20 per authorized meal.