

DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES
Bureau of Human Resources
January 26 1996

HUMAN RESOURCES MEMORANDUM 4-96

TO: All Agency/Department Heads/Directors of Administrative
Services/Personnel Officers/Equal Employment Opportunity
Officers

SUBJECT: Compensatory Time Accumulations

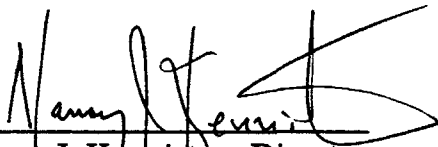
The purpose of this Memorandum is to ensure that the accumulation of compensatory time off that is provided to overtime eligible employees in lieu of cash payment for working overtime complies with the limits set forth by the Federal Fair Labor Standards Act (FLSA).

Most agreements governing the accumulation of compensatory time provide a maximum accumulation of 240 or 300 hours. Generally, employees who reach this maximum accumulation must reduce their 240-hour or 300-hour maximum or be paid in cash for any additional compensatory time off earned. However, these same agreements allow an employee who has reached the maximum to carry over this additional time whenever time off can not be approved for operational reasons. Consequently, some employees have accumulations far in excess of the 240-hour or 300-hour maximum.

Accumulations of compensatory time off that are allowed under this practice may be in conflict with the Federal regulations for employees who are covered by the overtime provisions of the Fair Labor Standards Act. The FLSA regulations provide the following accumulations of compensatory time off in lieu of cash payment for overtime worked:

1. A maximum of 480 hours of compensatory time may be accrued for employees engaged in public safety, emergency response or seasonal activity. Once this maximum is reached, any overtime hours worked in excess of the 320 hours of overtime worked to accumulate 480 hours must be paid for in cash.
2. A maximum of 240 hours may be accrued by all other employees. Once this maximum is reached, any overtime hours worked in excess of the 160 hours of overtime worked to accumulate 240 hours must be paid for in cash.

In accordance with the 480-hour and 240-hour limits to compensatory time accumulations that are allowed in lieu of cash payment for overtime worked under the FLSA, departments and agencies must review all compensatory time accumulations of employees who are covered by the FLSA overtime provisions to identify accumulations that are in conflict with these limits. When excesses to the FLSA limits are found, the department must pay the affected employees in cash for their excess hours unless by mutual agreement the affected employee prefers and the employing department can accommodate time off with pay immediately.



Nancy J. Kenniston, Director
BUREAU OF HUMAN RESOURCES

INTER-DEPARTMENTAL MEMORANDUM
Bureau of Human Resources

March 8, 1996

TO: All Agency/Department Heads/Directors of Administrative Services/Personnel Officers/Equal Employment Opportunity Officers

FROM: Nancy J. Kenniston, Director
Bureau of Human Resources

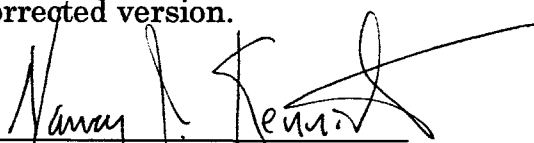
SUBJECT: Corrections To Human Resources Memorandum 4-96,
Compensatory Time Accumulations, dated January 26, 1996

Two corrections must be made to the subject memorandum. These corrections are explained below.

A correction must be made to clarify that, under the FLSA, the number of overtime hours that public safety, emergency response or seasonal activity employees are allowed to work to accrue compensatory time is 320 (not 360). This number of overtime hours translates to 480 compensatory time hours ($1.5 \times 320 = 480$), and this is the maximum compensatory time allowed for this group of employees under the FLSA. Once the maximum of 480 hours of compensatory time is accrued, any additional overtime hours worked by this group must be paid in cash.

A correction must be made to the last sentence. As worded, this sentence is an inaccurate statement. Since this sentence is not essential to the message of Memorandum 4-96, it is removed without modification or replacement.

The corrected version of Memorandum 4-96 (March 8, 1996) is attached. Please replace your January 26, 1996 version of Memorandum 4-96 with the corrected version.



Nancy J. Kenniston, Director
BUREAU OF HUMAN RESOURCES

DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES
Bureau of Human Resources
January 26 1996

HUMAN RESOURCES MEMORANDUM 4-96

TO: All Agency/Department Heads/Directors of Administrative Services/Personnel Officers/Equal Opportunity Employment Officers

SUBJECT: Compensatory Time Accumulations

The purpose of this Memorandum is to ensure that the accumulation of compensatory time off that is provided to overtime eligible employees in lieu of cash payment for working overtime complies with the limits set forth by the Federal Fair Labor Standards Act (FLSA).

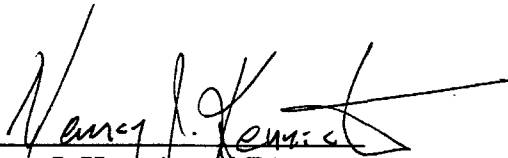
Most agreements governing the accumulation of compensatory time provide a maximum accumulation of 240 or 300 hours. Generally, employees who reach this maximum accumulation must reduce their 240-hour or 300-hour maximum or be paid in cash for any additional compensatory time off earned. However, these same agreements allow an employee who has reached the maximum to carry over this additional time whenever time off can not be approved for operational reasons. Consequently, some employees have accumulations far in excess of the 240-hour or 300-hour maximum.

Accumulations of compensatory time off that are allowed under this practice may be in conflict with the Federal regulations for employees who are covered by the overtime provisions of the Fair Labor Standards Act. The FLSA regulations provide the following accumulations of compensatory time off in lieu of cash payment for overtime worked:

1. A maximum of 480 hours of compensatory time may be accrued for employees engaged in public safety, emergency response or seasonal activity. Once this maximum is reached, any overtime hours worked in excess of the 360 hours of overtime worked to accumulate 480 hours must be paid for in cash.

2. A maximum of 240 hours may be accrued by all other employees. Once this maximum is reached, any overtime hours worked in excess of the 160 hours of overtime worked to accumulate 240 hours must be paid for in cash.

In accordance with the 480-hour and 240-hour limits to compensatory time accumulations that are allowed in lieu of cash payment for overtime worked under the FLSA, departments and agencies must review all compensatory time accumulations of employees **who are covered by the FLSA overtime provisions** to identify accumulations that are in conflict with these limits. When excesses to the FLSA limits are found, the department must pay the affected employees in cash for their excess hours unless by mutual agreement the affected employee prefers and the employing department can accommodate time off with pay immediately. Under most agreements, the State has the option to pay cash for up to one-half of an employee's accumulated compensatory time.



Nancy J. Kenniston, Director
BUREAU OF HUMAN RESOURCES