



Administrative Regulations

Office of the Mayor

Title: OVERTIME AND COMPENSATORY TIME

A.R. Number: 4.5 **Effective Date:** October 8, 2022 **Page 1 of 3**

Supersedes: Overtime, Compensatory Time, and Deduction in Pay for Exempt Employees Insurance Coverage

A.R: 4.5 DATED: February 1, 2007

I. PURPOSE

The purpose of this Policy is to ensure compliance with the Fair Labor Standards Act (FLSA), the Virginia Overtime Wage Act, and all other related laws and regulations.

II. POLICY

It is the policy of the City of Richmond (City) to ensure payment of wages and deductions from pay occur only in circumstances permitted by all applicable laws and regulations governing the pay of exempt and non- exempt employees.

III. PROCEDURES

1. Appointing Authorities or their designee may authorize overtime work when necessary to meet City emergencies or other operating requirements.
2. Exempt employees are not eligible for overtime compensation. However, Appointing Authorities or their designee may, at their discretion, grant excused time off where circumstances permit. Such excused time is not charged, not accrued, and shall not be transferable to other City agencies.
3. If overtime work is performed by a non-exempt employee, the employee shall receive overtime pay at a rate of not less than one and one-half times the employee's regular rate of pay for each hour worked over 40 hours in a workweek, unless otherwise provided by law. Vacation, sick, holiday, compensatory time, or other leave time are excluded as hours worked for the purposes of computing overtime. Non-exempt employees who are police officers or engaged in fire protection may be subject to different rules.
4. Non-exempt employees shall not work overtime without prior approval. Examples of overtime work include, but are not limited to:
 - Starting work prior to the beginning of the regularly scheduled work shift
 - Working through the lunch period
 - Working late and/or working beyond the regularly scheduled work hours

If a non-exempt employee works overtime with or without prior approval, the City shall pay any overtime earned for the extra work hours. Employees shall immediately notify their supervisor of any work outside their normally scheduled hours that has not been previously approved. If an employee works overtime without prior approval, the employee may be subject to disciplinary action, up to and including dismissal from City service. Actual time worked each day, including time outside an employee's scheduled work hours whether authorized or not, shall be reflected in the



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payroll system. Employees should immediately advise the Department of Human Resources if they are told by anyone not to enter the actual hours worked.

5. The FLSA provides that employees engaged in fire protection or law enforcement may be paid overtime on a "work period" basis. A "work period" may be from seven (7) consecutive calendar days to twenty-eight (28) consecutive calendar days in length. Employees can work up to a 28-day overtime cycle but shall remain in compliance with the FLSA and State Code.
6. Departments shall monitor the amount of overtime to ensure that overtime claimed by employees is not fraudulent and that employees are compensated properly in accordance with the FLSA and Virginia Overtime Wage Act.
7. Department management may, at their discretion, adjust the work schedules of non-exempt employees when the employee has or will work hours outside of their regular schedule during that workweek.
8. Appointing Authorities or their designee may allow compensatory time off for eligible non-exempt employees at a rate of not less than one and one-half hours for each overtime hour worked. If an agreement concerning compensatory time off in lieu of overtime pay has been reached, law enforcement and fire protection employees may accrue up to 240 hours of compensatory time; all other non-exempt employees may accrue up to 120 hours per calendar year. The 240-hour limit on accrued compensatory time represents not more than 160 hours of actual overtime worked, and the 120-hour limit represents not more than 80 hours of actual overtime worked.

Compensatory time shall be monitored and used by December 31 of each year. Any remaining compensatory balances will be paid out on the first paycheck in January. Accrued compensatory time should be allowed to be used within a reasonable time of the request, as long as it does not unduly disrupt the operations of the agency.

9. Upon separation, any unused accrued compensatory time shall be paid in accordance with current FLSA regulations.
10. If an employee believes they have not been paid correctly, including not receiving overtime pay or an improper pay deduction has been made, the employee should immediately notify their supervisor and timekeeper. If it is determined that an employee was not paid correctly, their pay will be corrected, and the City will take any steps it deems appropriate to ensure proper compliance in the future.



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IV. DEFINITIONS

The following words, when used in conjunction with this Policy, shall have the following meaning:

Compensatory time - time off provided to non-exempt employees in lieu of monetary overtime compensation, calculated at one and one-half hours for each overtime hour worked.

Exempt - a position that is not subject to the overtime provisions of the FLSA.

Non-exempt - a position that is subject to the overtime provisions of the FLSA. Employees work and are compensated on an hourly basis. Employees are not classified as "salaried" non-exempt.

Overtime - hours worked in excess of 40 hours during a standard workweek. The FLSA also provides for a longer "work period" for law enforcement and fire protection personnel.

Workweek - the standard workweek begins at 12:00 a.m. Saturday morning and ends at 11:59:59 on the following Friday.

V. AUTHORITY

Fair Labor Standards Act
The Virginia Overtime Wage Act

VI. REGULATION UPDATE

The Department of Human Resources shall be responsible for modifications to this Policy.

RECOMMEND APPROVAL:

CHIEF ADMINISTRATIVE OFFICER/DESIGNEE

APPROVED:

MAYOR