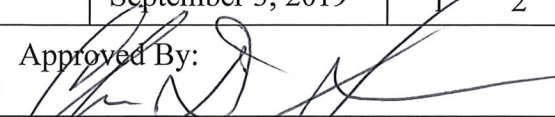
 Town of Swansboro	Personnel Policy		The Pay Plan Fair Labor Standards Act and Overtime Compensation	
	Number: Article III; Section 12	Revisions:	Effective Date: September 3, 2019	Page of 1 2
	Supersedes:		Approved By: 	

ARTICLE III. THE PAY PLAN

Section 12. Fair Labor Standards Act and Overtime Compensation

Employees of the Town can be requested and may be required to work in excess of their regularly scheduled hours as necessitated by the needs of the Town and determined by the Town Manager.

The Town will comply with the Fair Labor Standards Act (FLSA). The Town Manager shall determine which jobs are "non-exempt" and are therefore subject to the Act in areas such as hours of work and work periods, rates of overtime compensation, and other provisions.

Employees are expected to work during all assigned periods exclusive of breaks or mealtimes. Employees are not to perform work at any time that they are not scheduled to work, unless they receive approval from their immediate supervisor, except in cases of emergency.

Non-exempt employees: Non-exempt employees will be compensated at a straight time rate for hours up to the FLSA established limit for their position. For most positions the limit is 40 hours in a 7 day period; for law enforcement officers the limit is 171 hours in a 28 day period and for fire suppression personnel the limit is 212 in a 28 day period.

Hours worked beyond the FLSA established limit will be compensated in either time off or pay at the appropriate overtime rate (time-and-one-half). An employee must actually work over 40 / 171 / 212 hours to earn overtime compensation. Non-exempt employees may not accrue a compensatory time balance of more than 40 hours. Supervisors and Department Heads will work to ensure that employees take time off during the workweek to keep the balances below 40 hours.

Compensatory time earned by employees should be monitored by the department head and should be scheduled for use by the employee within 30 days from the date it is earned. All such compensatory time earned must be used within 30 days from the close of the fiscal year in which it was earned.

In determining eligibility for overtime in a work period, only hours actually worked shall be considered; in no event will vacation, sick leave, comp time, or holidays be included in the

computation of hours worked for FLSA purposes. Nonexempt employees separating from employment shall be paid for their compensatory time balances.

Whenever practicable, department heads will schedule time off on an hour-for-hour basis within the applicable work period for non-exempt employees, instead of paying overtime. Employees wishing to use accrued compensatory time must make a written request to the Department Head and approved by the Town Manager. When time off within the work period cannot be granted, overtime worked will be compensated – pay or time off at a time and a half rate -- in accordance with the FLSA.

In declared disasters or other emergency situations, non-exempt employees will be compensated at their usual overtime rate of time and one half for hours worked in excess of forty (40) hours per week. Fire and Law Enforcement personnel are based off of the Fair Labor Standards Act.

Exempt employees: Exempt employees are not entitled to overtime pay, and therefore are not eligible for compensatory time off in lieu of overtime. However, nothing in this policy shall be interpreted to prevent a Department Head, the Town Manager, or designee from allowing an exempt employee to occasionally take time off when the exempt employee has worked an extraordinary number of hours or similarly exceeded the expected norm.

In declared disasters or other emergency situations, exempt employees will be compensated at an overtime rate of time and one half for hours worked in excess of forty (40) hours per week.

Employees of the Town can be requested and may be required to work in excess of their regularly scheduled hours as necessitated by the needs of the Town and determined by the Department Head. In any extended declared emergency situation, salaried employees will be switched from salary to hourly wages for the duration of the emergency period, in compliance with FLSA.