



POLICY MANUAL

POLICY NUMBER: HUMAN RESOURCES-007

SUBJECT: OVERTIME POLICY FOR EXEMPT EMPLOYEE GROUP

**POLICY STATEMENT:
(Purpose/Objective)**

Purpose

To provide fair and equitable compensation to employees that are required to work beyond their regular hours of work.

Guiding Principle

While striving to deliver high quality services, programs and facilities, overtime shall be kept to a minimum and will not form a regular part of the work schedule.

Objectives

The City recognizes that the operation of the City includes overtime as a part of the workplace, and as an "Employer of Choice" will be guided by the following objectives in determining the need for and amount of overtime:

1. Ensure that the employees' health and well-being are maintained.
2. Provide the employees with a fair and appropriate compensation reflective of the amount of overtime worked.
3. Allow the organization to operate in an effective and efficient manner.

RELATED POLICY PROCEDURES/GUIDELINES:

Definition

“Authorized” shall be defined as approval received from the employee’s manager or supervisor.

“Exempt Employee Group” shall be defined as those City employees that are not part of a collective agreement with a trade union.

“Lieu time” shall be defined as authorized time taken off during regular working hours with no reduction in salary.

“Management exempt staff” shall be defined as those employees in the Exempt Employee Group that are not subject to the overtime pay provisions of the *Employment Standards Act*.

“Non-management exempt staff” shall be defined as those employees in the Exempt Employee Group that are subject to the overtime pay provisions of the *Employment Standards Act*.

“Overtime” shall be defined as authorized time worked either consecutive or non-consecutive to regular hours of work, but the following shall not be considered as overtime:

1. Travel time to and from training seminars or conferences outside regular work hours.
2. Work through morning or afternoon break periods,
3. The time worked, in addition to regular work hours, is of a duration of less than 30 minutes in any one day.

Assignment of Overtime

1. The City shall provide each existing or new employee who accepts a position that is part of the non-management exempt staff with a copy of an Excess Hours of Work Agreement as well as all required information documentation as required by the *Employment Standards Act*.
2. Overtime, when necessary, shall be distributed as fairly as possible among those employees performing the work and must be pre-approved by the immediate supervisor.
3. Employees may be requested, by their immediate supervisor, to work overtime. Such a request shall take into consideration any prior personal commitments of the employee.

4. Where, when and how overtime work is carried out is up to the discretion of the employee's immediate supervisor.
5. Directors are to have regard to the guiding principle of minimizing overtime when preparing departmental work plans.
6. All overtime and lieu time must be approved by the employee's supervisor and logged in the appropriate category in the City's employee time and attendance record keeping system.
7. The City's employee time and attendance record keeping system will be the official record keeping system for the City.

Modified Hours of Work Arrangement

1. Modified hours of work arrangements will play a significant role in the City's reduction of overtime hours.
2. When employees are required to work in excess of their regular work week, their supervisor will encourage them to use a modified hours of work arrangement.
3. A modified hours of work arrangement allows an employee who works hours in excess of their regular work week to take compensating time off, calculated at straight time.
4. The compensating time off must be used within two weeks of the occurrence of the hours worked in excess of their regular work week.
5. A modified hours of work arrangement must be authorized by the employee's supervisor in advance of the excess time being worked and the supervisor's approval shall not be unreasonably withheld.
6. The authorized modified hours of work arrangement applies to both non-management and management exempt staff.
7. Any time that forms part of an authorized modified hours of work arrangement shall not be recorded as overtime in the City's employee time and attendance record keeping system.
8. Any time that an employee earns through an authorized modified hours of work arrangement shall not be used in the calculation of either paid compensation for overtime or accumulation of lieu time.

Paid Compensation for Overtime – Non-Management Exempt Staff

Hourly Wage Non-Management Exempt Staff

1. All authorized hours worked up to and including forty four (44) hours after an employee's regular work week shall be paid at the employee's regular hourly rate.
2. All authorized hours worked in excess of forty four (44) hours after an employee's regular work week shall be paid at one and a half ($1\frac{1}{2}$) times the employee's regular hourly rate.

Salary Non-Management Exempt Staff

1. All authorized hours worked up to and including forty four (44) hours after an employee's regular work week shall be paid at the employee's regular hourly rate based on their annual salary.
2. All authorized hours worked in excess of forty four (44) hours after an employee's regular work week shall be paid at a rate of one and a half ($1\frac{1}{2}$) times the employee's regular hourly rate based on their annual salary.
3. Any authorized hours for which a salary non-management exempt employee receives paid compensation pursuant to Sections 1 and 2 above shall not be used for either an authorized modified hours of work arrangement or in the calculation of lieu time for overtime.

Non-Paid Compensation for Overtime – Non-Management Exempt Staff

Salary Non-Management Exempt Staff

1. A non-management exempt employee has the option to forego paid compensation for any authorized hours in excess of the regular work week up and including forty four (44) hours and for those unpaid hours to be accumulated towards a maximum of ten (10) days of lieu time calculated as follows:
 - .1 The first five (5) days of lieu time calculated at a rate of one (1) authorized hour of work to one (1) hour of lieu time.
 - .2 After the first five (5) days of lieu time, a maximum of five (5) additional days of lieu time calculated at a rate of 2.5 authorized hours of work to one (1) hour of lieu time.
2. The use of lieu time by the employee is subject to the approval of their immediate supervisor or manager.

3. An employee may carryover any unused vacation or unused lieu time totaling a maximum of ten (10) days to the following year, with the approval of the General Manager or City Manager.

Salary Management Exempt Staff

1. All authorized hours worked in excess of their regular work week can be accumulated to a maximum of ten (10) days of lieu time calculated as follows:
 - .1 The first five (5) days of lieu time calculated at a rate of one (1) authorized hour of work to one (1) hour of lieu time.
 - .2 After the first five (5) days of lieu time, a maximum of five (5) additional days of lieu time calculated at a rate of 2.5 authorized hours of work to one (1) hour of lieu time.
2. The use of lieu time by the employee is subject to the approval of their immediate supervisor or manager.
3. An employee may carryover any unused vacation or unused lieu time totaling a maximum of ten (10) days to the following year, with the approval of the General Manager or City Manager

Overtime Monitoring

1. The Director of Human Resources shall prepare an annual report on the overtime hours worked by the Exempt Employee Group in the previous year for the Senior Management Team. The annual report on overtime shall include, but not be limited to, the following:
 - .1 A summation of the overtime worked by the Exempt Employee Group in each department and the reasons for this overtime.
 - .2 An analysis of the overtime trends (corporately, departmentally and individually, where necessary), and an evaluation of the initiatives taken and their success in dealing with the overtime issue.
2. For those departments where there is an excessive amount of overtime worked by either an individual or by the department as a whole, the Senior Management Team may require a report from the Department Director explaining the reasons for the overtime, what actions can be taken to reduce the amount of overtime worked and the implications of taking the identified actions.

3. The Human Resources Department will prepare and keep up-to-date guidelines to provide for the accurate recording of authorized hours of work for the use by all those in the Exempt Employee Group.

Maintenance of Employee Information for Overtime Pay Purposes

1. The Human Resources Department shall maintain a list of the individual positions that are included as part of the non-management exempt staff as defined by this Policy.
2. The Human Resources Department shall maintain the list of positions that are part of the non-management exempt staff through the undertaking of the following actions:
 - .1 When new or existing positions are evaluated or re-evaluated as part of the City's Job Evaluation process, the positions will also be evaluated to determine whether they are subject to or exempt from the overtime pay provisions of *Employment Standards Act*.
 - .2 The Director of Human Resources shall review all positions that are part of the non-management and management exempt staff to determine whether they are subject to or exempt from the overtime pay provisions of the *Employment Standards Act* every two years.

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