

ARIZONA STATE FORESTRY DIVISION
Policies and Procedures

Subject: Compensation and
Overtime

Issued: September 23, 2008
Effective: September 23, 2008

Purpose

To set forth guidelines for the administration and compensation of overtime.

Guidelines

Definitions:

- Overtime is accrued for all hours worked in excess of 40 hours during the established workweek
- The established workweek will be a seven day period beginning at 12:01 a.m. Saturday through 12:00 midnight Friday.
- When determining eligibility for overtime, the number of hours worked will be limited to hours actually worked and will exclude any time off for paid leave or compensatory time. Paid holidays will be included in the determination of eligibility if the employee actually worked the day immediately preceding or immediately following the paid holiday. An employee must have accumulated forty (40) hours of eligible time prior to earning any overtime. The State payroll system (HRMS) will ensure that prior to receiving any overtime, that the minimum of forty hours, without leave time, requirement has been met.
- Compensation for overtime can be in the form of compensatory time or a cash payment, dependent upon the circumstances.
- Appropriate rate of pay is determined by the employee's exempt or non-exempt status, under the Fair Labor Standards Act (FLSA). Non-exempt employees will be compensated at the time and one-half rate for all overtime earned. Exempt employees will be compensated at the hour per hour rate, except as modified in paragraph F.5.

Use of Overtime:

- Supervisors will be expected to reduce or eliminate the need for overtime by:
 - Rescheduling low-priority work
 - Planning for and/or controlling variations in peak workloads
 - Implementing work improvement methods which reduce the required man-hours per unit of work
 - Assigning work in a manner that makes the most effective use of available resources
 - Scheduling leave so that appropriate staffing levels are maintained
- Overtime should be used only when there are no other practical or available means of completing the work
- When possible, a supervisor will schedule equivalent time off during the same workweek for an employee who has been required to work beyond the workday or on a scheduled day off so that hours worked in the workweek will not exceed 40. (Example: An employee works 10 hours on Monday. If the employee is scheduled to work only six hours on Wednesday and eight hours the remaining three workdays, no overtime liability is incurred.

Assignment of Overtime:

- When overtime is required and there is more than one employee of the same classification and in the same agency unit qualified to do the work, overtime will be authorized in the following order:
 - To those who request it
 - On a rotational basis among those who are willing to work overtime
 - On a rotational assignment basis in the absence of the first two alternatives

Approval of Overtime:

- The respective supervisor is responsible for implementing the overtime policy and must authorize all overtime hours. It is imperative that each supervisor carefully monitor holiday weeks, use of scheduled sick leave and annual leave in order to avoid cash payment for overtime since this is not a budgeted item. Anytime an employee is owed payment for more than 40 hours but has physically worked less than 40 hours; the extra hours must be compensated in cash. For example, if there is a holiday on Monday and the employee works 12 hours on Wednesday and 8 hours all other days, he/she is owed compensation for 44 hours but has only physically worked 36 hours. Therefore, the 4 extra hours worked on Wednesday must be compensated with a cash payment. The supervisor can avoid this cash payment in two ways. First, they can not allow the employee to work extra hours that week or they can require that the employee work 4 less hours on Tuesday, Thursday, or Friday of that week
- The Division Director may approve overtime for a program area for a stipulated period of time when the anticipated overtime is regular and recurring

Compensation for Overtime:

- FLSA, State Statute and Personnel Rules are the basis for determining the type of overtime compensation, if any, the employee will receive
- State employees, those covered as well as those not covered by Personnel Rules, will fall into one of three compensation categories: overtime pay, compensatory leave or no compensation
- The FLSA code applicable to an employee's position will determine the type of compensation to which the employee is entitled. The FLSA codes are listed on the "Alpha (Title) Listing of Class Code File." (See attached listing.)
- Non-Exempt (NE) Employees hired on or before April 15, 1986, may continue to be compensated for overtime in the same manner as they have been to the present. Employees hired after April 15, 1986, may elect to receive additional pay or compensatory hours. The cash payment or compensatory time accrued at a rate of time-and-one half for all overtime hours worked
- Exempt employees (EX), except as excluded in paragraph 6 below, shall receive compensatory time accrual on an hour-per-hour basis for authorized overtime hours worked, unless assigned to a specific fire when they may receive cash payment at a rate of time-and-one half for all overtime hours worked
- Employees in the following positions are excluded from receiving either overtime pay or compensatory time:
 - Elected positions.
 - Appointed positions (A.R.S. Section 38-211).
 - Senior Managers (i.e. State Forester / Deputy State Forester)
- Overtime will be compensated by the accrual of compensatory time, at the appropriate rate, unless prior approval to authorize an exception for cash payment is granted by the Deputy State Forester or State Forester. Cash payment should be approved only after considering the current workload and staffing levels, the amount of overtime, the duration of and/or the recurring need for overtime, current compensatory time balances and the availability of funds

Firefighting Activities:

- Appropriate rate of pay is determined by the employee's FSLA exempt or non- exempt status. Non-exempt employees will be compensated at the time and one-half rate
- Exempt employees shall be compensated at the hour-per-hour rate for authorized overtime hours worked, unless assigned to a specific fire when they may receive cash payment at a rate of time-and-one half for all overtime hours worked
- All employees of the State Forestry Division working fire fighting activities will be compensated in cash at their appropriate rate
- The emergency firefighting activities eligible for compensation shall also include dispatching, wildfire surveillance and monitoring using aircraft
- Exempt employees who provide general program oversight and/or overall support, but who are not directly supporting fire fighting operations are not eligible for the time and one-half compensation rate. These individuals will be compensated at the hour for hour rate
- An employee who is assigned to a fire will make the following annotation on their time sheet, "ASSIGNED TO FIRE", or "ASSIGNED TO INCIDENT". This will assist the finance office in determining what the correct rate of compensation should be
- All-Risk Emergency Incidents (Joint Powers Agreement, Incident Command System and State Emergency assignments:
 - Included in this policy are assignments which fall under the Joint Powers Agreement (Federal tasking for in state and out of state fire suppression), the incident command system for non-wild land fire suppression activities or the tasking by another state agency based upon a declared state emergency.
 - The State Forester authorizes payment of cash to employees who are assigned to these All-Risk Activities. Compensation will be in cash for all overtime hours worked

Payment of Cash:

- Cash overtime shall be paid in the same or next pay period after which it is earned. The amount of payment shall be based upon the employee's regular hourly rate of pay for the workweek in which overtime is earned. The regular hourly rate of pay is determined by dividing the total wages paid for hours worked in any workweek by the total number of hours worked in the workweek.

Use of Compensatory Leave:

- During normal work periods, compensatory leave should be used by the employee in the same or next pay period after it is earned unless the employee and the section manager mutually agree upon a later date.
 1. Employees shall obtain advance approval from the supervisor to accrue or use compensatory time. **If the employee's comp time totals over 99 hours, ompensatory time must be used before annual leave is used.**
 2. Employees requesting to use accrued compensatory time shall be allowed to do so within a reasonable period after the request, unless use of time would unduly disrupt agency operations.
 3. The maximum amount of compensatory time that can be accrued is 99 hours. Comp time balances in excess of 100 hours must be pre-approved by the Senior Management.
 4. Field staff must not work more than 12 hours in one day (does not apply to firefighting).
 - Upon termination of employment, each employee will be compensated at their current rate of pay or the average of their regular rate of pay over the past three years, whichever is higher, for all unused compensatory leave up to the maximum of 80 hours
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- Sample computations of overtime pay:
Work Week is Saturday thru Friday.

Sat	Sun	Mon	Tue	Wed	Thurs	Fri			
X	X	8	9	8	8	8	41 hours worked		
									<u>0 leave hours</u>
									41 Total hours

Paid 40 hours straight time and has 1 hour overtime.

Sat	Sun	Mon	Tue	Wed	Thurs	Fri			
X	10	8	0	8	8	6	40 hours worked		
								8S	<u>8 hours sick leave</u>
									48 Total hours

Paid 48 hours straight time (8 hrs. charged to sick leave).

Sat	Sun	Mon	Tue	Wed	Thurs	Fri			
X	X	8	6	10	8	8	40 hours worked		
								2A	<u>2 hrs annual leave</u>
									41 Total hours

Paid 42 hours straight time (2 hrs. charged to annual leave).

Sat	Sun	Mon	Tue	Wed	Thurs	Fri			
10	8	8	X	8	X	8	42 hours worked		
									<u>0 leave hours</u>
									42 Total hours

Paid 40 hours straight time and has 2 hours of overtime.

Sat	Sun	Mon	Tue	Wed	Thurs	Fri			
8	X	0	0	8	8	8	32 hours worked		
								8A 8H	<u>8 annual leave</u>
									<u>8 holiday leave</u>
									48 Total hours

Paid 48 hours straight time (8 hrs charged to annual leave and 8 hours charged to Holiday leave).

- Monday is a holiday and the employee works on Monday.

Sat	Sun	Mon	Tue	Wed	Thurs	Fri			
8	X	8	8	8	8	8	48 hours worked		
									<u>0 leave hours</u>
									48 Total hours

Paid 40 hours straight time, has 8 hours of overtime, and gets 8 hours credited to annual leave because the Employee worked on the holiday.

- In the above examples, eligible overtime hours would be paid either:
 - Cash payment or compensatory time accrual at a rate of time-and-one-half for non-exempt employees, or
 - Straight time compensatory time accrual for employees exempt from FLSA (EX).

Travel Time

- Hours worked shall include reasonable travel time for authorized travel required to perform the job.

- Travel status is when an employee is conducting necessary business 50 miles or more away from the designated duty post.
- Employees who are regularly required to travel as part of their job will be compensated for all hours worked, including necessary travel time incurred in the performance of their job.
- Travel time, outside of normal work hours, spent in travel to and from one-day special assignments will be counted as hours worked.
- Reasonable travel time incurred for overnight travel will be counted as hours worked.
- When traveling outside of normal work hours by common carrier, travel status begins at the scheduled time of departure. When returning, travel status ends upon arriving at the terminal of the common carrier.
- The following time will not be counted as hours worked:
 - Normal commuting time from home to work duty station and back to home. Whether the employee works at a single fixed location or has different duty posts, the time spent traveling from home to the assigned duty post and back home each day is excluded.
 - Meal time.
 - While in travel status, the time spent outside of normal working hours, when not actually working or traveling.
 - Other time away from the duty post when not required to conduct state business.
- All travel time will be computed by the most direct route based on the mode of travel authorized. Any extra time spent in traveling by private vehicle, when other more direct travel has been authorized, will be charged to leave.

EXAMPLES:

- An employee who works at the Capitol is assigned to attend a two day conference in Tucson; The employee leaves the Capitol at 7:00 a.m. and drives to Tucson, arriving at 9 a.m., attends the conference from 9 a.m. to 5 p.m., and has a one hour lunch break from 12 to 1. The employee stays overnight in Tucson and attends the second day of the conference from 8 a.m. to 5 p.m. (again with a 1 hour lunch break).

At the end of the conference, the employee drives back to Phoenix, arriving home at 7 p.m. Hours of work are as follows:

Hours Worked

Monday		
Travel time	7 a.m. to 9 a.m.	2.0
Conference	9 a.m. to 5 p.m. (less one hour lunch)	7.0
Tuesday		
Conference	8 a.m. to 5 p.m. (less one hour lunch)	8.0
Travel time	5 p.m. to 7 p.m. (less ½ hour normal commuting time)	1.5
Wednesday	normal work day	8.0
Thursday	normal work day	8.0
Friday	normal work day	<u>8.0</u>

Total Hours Worked 42.5

The employee is eligible for 40 regular hours and 2.5 hours at the appropriate overtime rate.

On Monday, all of the travel time is counted because the employee began the travel from the assigned work location. On Tuesday, one-half hour is subtracted from the travel since the employee went directly home.

The time an employee would normally spend commuting to and from work is not counted as hours worked. Had the employee driven to the Capitol on Tuesday, arriving at 7 p.m., and then driven home, the travel time would have ended at 7 p.m.

- Employee is assigned to travel to Washington, D.C. for a conference. The employee leaves home Sunday at 12 noon and arrives at the airport at 12:30 for a 1 p.m. flight. The employee arrives in Washington at 9 p.m. EDT (6 p.m. MST), takes a taxi to the hotel, arriving at the hotel at 10 p.m. EDT (7 p.m. MST). The employee attends the conference Monday, Tuesday, and Wednesday from 9 to 5; lunch is included as part of the conference program. On Wednesday, the employee leaves the hotel at 6 p.m. EST (3 p.m. MST), goes to the airport, catches a 6:30 p.m. flight, arrives at the Phoenix airport at 8:30 p.m. MST, and drives home arriving at 9:30 p.m.

Travel status began at 1 p.m. Sunday with the scheduled departure of the airplane and ended at 8:30 p.m. Wednesday when the plane arrived in Phoenix. The time spent at the hotel when not attending the conference is not work time. Luncheons during the conference are included as work time since they are a part of the conference program.

To simplify computations, travel hours have been converted to MST so that all time is counted as hours actually elapsed. The conference hours and travel time do not actually overlap due to the change in time zones.

Hours Worked

Travel time on	Sunday from	1 p.m. to 7:00 p.m.	(MST)	6.0
Conference time	Monday	9 a.m. to 5:00 p.m.	(EDT)	8.0
	Tuesday	9 a.m. to 5:00 p.m.	(EDT)	8.0
	Wednesday	9 a.m. to 5:00 p.m.	(EDT)	8.0
Travel time on	Wed. from	3 p.m. to 8:30 p.m.	(MST)	5.5
Thursday	normal work day			8.0
Friday	normal work day			<u>8.0</u>

Total hours worked during the week 51.5

The employee is eligible for 40 regular hours and 11.5 hours at the appropriate overtime rate.

Compliance

- It is the supervisor's responsibility to ensure that the overtime policy is carried out. Supervisors should be aware that any time worked, even without prior approval, is subject to time-and-one-half compensation of overtime, if hours worked exceed 40 hours in a given work week.
- Employees eligible for overtime shall not work overtime unless given prior authorization.

Grievance Procedure

Employees will follow the Forestry Division grievance procedure policy for disputes concerning interpretation of this policy.

PROCEDURES/FORMS

- **COMPENSATORY TIME/OVERTIME REQUEST FORM**
 - The use of this form is mandatory. (See attached form.)
 - The employee completes and signs the form, citing the reason why the overtime is necessary.
 - The supervisor or manager signs the form and, if approved, specifies credit to compensatory leave or overtime pay by checking the appropriate box.
 - The completed form must be attached to the Attendance Report to support the overtime entries.

