

EXECUTIVE ORDER: No. 96-62

EFFECTIVE DATE: March 25, 1996

SUBJECT: Overtime, Comp Time, and Bonus Extra Time Policy for
FLSA Exempt Employees

AUTHORITY: Fair Labor Standards Act (FLSA), ORS 279.340-Metro Code
Sections 2.02.010 and 2.02.310

This Order defines terms and requirements, and establishes procedures for administering and recording accrual and use of overtime and comp time by FLSA non-exempt employees and bonus time by FLSA-exempt employees. To the extent that this Order is found inconsistent with applicable collective bargaining agreements, federal or state laws or rules, such rules or agreements will control.

I. DEFINITIONS

A. Non-Exempt Employees

A non-exempt employee is anyone who is not exempt from federal overtime and compensation time regulations in the FLSA. Employees in classifications with an * in the Compensation Plan have been designated non-exempt under federal regulations 29 CFR 541 et seq.

B. Exempt Employees

As currently defined by FLSA exemptions, employees in classifications without an * in the Compensation Plan have been designated exempt employees. An exempt employee's salary is both the minimum and maximum compensation for time worked by the employee.

C. Workday

"Workday" means the regularly scheduled eight-hour workday from 8:00 a.m. to 5:00 p.m. with one hour off for lunch except where shifts are scheduled or flexible hours are approved by the supervisor. "Flexible hours" or "shift work" in this context are those hours scheduled and approved as an alternative to the regular 8:00 a.m. to 5:00 p.m. workday.

D. Workweek

The regularly scheduled 40-hour workweek beginning 12:01 a.m. on Sunday, and ending at 12:00 midnight on Saturday. This workweek applies to all employees except as follows:

For employees in the Environmental Services Division of Regional Environmental Management who work a regular schedule other than Monday through Friday, starting on the same day each week (for example, a Tuesday through Saturday schedule), the assigned workweek for purposes of calculating overtime shall begin on the day and time that the employee is scheduled to report to work immediately following their normally scheduled break, whether the break is taken or not, and shall end 168 consecutive hours later. Each of these employees shall have a memo in their personnel file designating their assigned workweek.

The workweek shall be used for calculating overtime pay for non-exempt employees.

E. Overtime for Non-Exempt Employees

Time worked by a non-exempt employee in excess of the scheduled workday or workweek for full-time employment shall be paid at one and one-half times the employee's regular rate. Full-time employment is eight hours in one day and/or 40 hours in one week or 10 hours per day if an employee is scheduled and approved for a four-day workweek. Exempt salaried employees, by definition, do not receive overtime.

F. Comp Time

1. Upon prior agreement with a non-exempt employee that overtime need not be paid, non-exempt employees shall receive one and one-half hours of comp time off for every hour worked in excess of eight hours per day (10 hours per day for four-day workweek employees) or 40 hours per workweek.
2. Exempt employees shall neither receive nor accumulate comp time. Exempt employees do not have to formally account for their hours except for the impact those hours

have on performance as determined by their supervisor and except for time spent on union activities by represented exempt employees who are permitted to do certain union activities on company time under a union agreement. Timekeeping for exempt employees is for the purpose of allocating employee salaries among Metro functions for budget purposes only. Bonus time off for exempt employees is authorized under this Order for fairness only during special project periods when the workload is substantially increased beyond normal business hours.

G. Bonus Time Standards for Exempt Employees

Some extra work hours beyond a usual workday or workweek, and some unrecorded personal hours off are part of the job expectations for a salaried exempt employee. Professionals, managers, and administrative employees are hired by the job, not by the hour. It is understood that an exempt employee may have to work on occasion beyond business hours to attend meetings and complete essential tasks. It is up to department managers to accommodate a reasonable balance of flexible working hours. But, recorded time off is not appropriate.

Scheduled time worked by an exempt employee greatly in excess of usual business hours on special projects, days off meetings, or extraordinary circumstances, however, may qualify for recorded bonus time. To be credited for later bonus time off, special projects must be approved in advance by the Department Director or designee.

Uniformity among departments is desired for administering bonus time off. Therefore, the following circumstances are necessary for departments to authorize accumulation or use of bonus time beyond usual scheduling flexibility. Work qualifying for bonus time must be of a special or unique nature on important projects requiring extraordinary extended hours and/or days off work which necessitate extended time worked beyond usual business hours. Bonus time shall not be used for evening meetings during the week because such duties are part of the job expectations for professional, executive and administrative employees.

Bonus time off must be taken before accrued vacation is used. Bonus time not used within 30 days of the date it is earned, as required by Part III (B) of this order, shall be forfeited. Bonus time not taken by an employee prior to notice of resignation or termination is forfeited.

II. PROCEDURES AND RECORDKEEPING

A. Authorization

Employees shall not work overtime or receive bonus time off work unless authorized by their supervisor.

B. Recordkeeping

1. Overtime for non-exempt employees is authorized on the form in Attachment "A." This is to be completed by the supervisors and signed by both the supervisor and the non-exempt employee in the space provided after all other entries have been agreed upon. These records shall be retained by Payroll for three years.
2. Time Sheets have a section identified as overtime. This shall be used to record non-exempt employee overtime only. When payment for overtime compensation is submitted, use this section to indicate the hours/days total hours and appropriate code. The project or purpose for the overtime work should be noted in the "Description" or last column on the time sheet.
3. Comp Time used or earned by non-exempt employees is recorded on the time sheet and the Time Sheet Control Summary. Accumulated comp time hours and their use are recorded by Payroll.
4. Bonus Time for exempt employees is authorized and recorded only at the department level. It is not recorded on time sheets. These department records shall be available for review by the Executive Officer. Attachment "B" is to be completed and signed by both the supervisor and exempt employee in the space provided after all other entries have been agreed upon. These records shall be retained in the authorizing department for three (3) years.

III. UTILIZATION OF ACCUMULATED OVERTIME OR BONUS TIME

A. Method for Overtime Compensation to Non-Exempt Employees

Compensation must be paid in cash for compensatory time off not used only with prior agreement between the supervisor and non-exempt employee. Compensatory time off must be granted within a

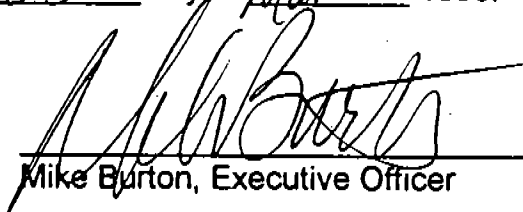
reasonable time when requested by an employee, so long as it will not unduly affect workload needs of the department. Comp time must be taken within six (6) months or it must be paid as overtime. Overtime pay for any accumulated balance of comp time still remaining at June 30 of each year will be paid in full in the pay period ending on June 30 each year. When a non-exempt employee is terminated, the employee shall be paid for any comp time the employee has accrued. This is paid at their rate at the time of termination at one and one-half times the overtime hours actually worked.

B. Method for Bonus Time Off to Exempt Employees

Bonus time off may be awarded to an exempt employee who has accumulated bonus time as approved in Attachment "B."

Bonus time off may not exceed 8 hours taken per week. Accumulation of bonus time may not exceed 40 hours, and in no event shall an employee take more than 40 hours of bonus time per fiscal year. Bonus time must be taken within 30 days of the date that it is earned, or else it is forfeited. Any unused bonus time remaining at the time of notice of termination or resignation shall be forfeited. Under no circumstances shall bonus time be paid as cash wages.

ORDERED this 25th day of March 1996.



Mike Burton, Executive Officer



METRO

Date: March 25, 1996
To: All Employees
From: Mike Burton, Executive Officer
Re: Executive Order No. 96-62

Enclosed is a copy of Executive Order No. 96-62, "Overtime, Comp Time, and Bonus Extra Time Policy for FLSA Exempt Employees." This Executive Order replaces an earlier one which was rescinded during a housekeeping process last year. While it summarizes the policies for the use of overtime and comp time, its primary purpose is to authorize and provide policies for the use of bonus extra time for exempt employees.

My purpose in issuing this Executive Order is to recognize and assist many of our staff who are not eligible for overtime or comp time but who willingly put in extraordinarily long hours when needed to help achieve Metro's purposes. I do not want to see these employees "burn-out" or get run down and, therefore, want to reinstitute the bonus time policies to permit them to take some time off (with their supervisor's approval) and get "recharged" after a major work effort.

Please read this Executive Order carefully. It is technical and detailed to be consistent with labor contracts, Federal and State law, and a number of other personnel and accounting requirements. If you have questions, please contact Nancy Meyer in Human Resources at extension 1571.