OVERTIME POLICY
SUMMARY OF REVISIONS

11-3-65
No overtime work with pay is allowable. Compensatory time off may be permitted for overtime worked at the request of the appointing authority.

2-1-67

3-3-67
Revised policy statement due to amended Federal Fair Labor Standards Act – “The basic policy of the State, that no monetary compensation is authorized for overtime work, will remain in effect for all positions not covered by the amendments to the Federal statute.” “Although the Federal Act provides that overtime is paid for hours worked in excess of 44 per week, the State’s policy is to pay overtime at standard rates for hours in excess of 40. Since the State has adopted a 40-hour workweek, it is more in keeping with our past policies in personnel management to continue the 40-hour workweek rather than extend the standard hours per week to 44.” “It is the policy of the State that overtime work be held to a minimum consistent with the needs and requirements of sound and orderly administration of State government.” “It is the policy of the State to reduce cost by providing compensable time off whenever possible.”

2-68
Approved a plan of paying overtime in those agencies not subject to the Fair Labor Standards Act in order to provide equal treatment to all employees.

10-1-71
Amendment to hours of work and overtime compensation to meet Federal minimum wage for state employees under the Personnel Act who are employed at Universities, college schools and hospitals. They are subject to the minimum wage and time and one half overtime for hours worked in excess of 40 a week. Also amendments for employees not covered by the Federal law in regard to minimum wage, overtime compensation, etc.

2-1-72
General provisions of Federal Wage and Hour applied to all employees as a matter of Commission policy.

5-1-74
Federal Wage and Hour Law was made applicable to all State employees.

Continued on next page
SUMMARY OF REVISIONS, Continued

1-1-75  Special provisions for fireman and law enforcement.

5-1-76  Supreme Court ruled 1966 and 1974 amendments to Wage and Hour Law unconstitutional. Provisions adopted by Commission will still apply.

2-1-77  Provided different employment arrangement for Houseparents who are employed in the care of children in our four schools for the blind or the deaf as regarding Hours of Work and Overtime Compensation.

2-1-78  Added provision that make-up time because of adverse weather would not be considered as work time in computing overtime.

3-17-78  Overtime pay for Highway Patrolmen - Pay all Highway Patrolmen overtime pay for all hours worked in the Federally-funded Highway Safety Project Grant under Section 402c of Public Law 89-564, entitled “55 MPH SPEED AND DWI ENFORCEMENT SELECTIVE ENFORCEMENT”. This is considered as an exception to the policy and not as an amendment to the policy.

8-1-78  Overtime for SBI.

10-1-78  Exception to Overtime Policy - Seasonal and Emergency Operations - DOT. Employees to receive straight-time pay for standard 40 hour workweek, hours worked in excess of 40 but not to exceed 50 hours per week will be compensated for by granting time off on an hour and one-half for hour basis. Compensatory time off will be given at the convenience of the agency, taking into consideration work curtailment due to weather conditions.

5-1-79  Special provisions for registered nurses.

1-1-82  Overtime pay for Forest Firefighters.

10-1-82  Overtime compensation for NRCD seasonal employee.

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<table>
<thead>
<tr>
<th>Date</th>
<th>Revision Details</th>
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<tbody>
<tr>
<td>8-1-84</td>
<td>SBI Overtime policy.</td>
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<tr>
<td>2-19-85</td>
<td>Supreme Court declared State and local governments subject to the Fair Labor Standards Act.</td>
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<tr>
<td>4-15-86</td>
<td>Policy changed to conform to legislation. Revised provisions in Adverse Leave policy to not allow time to result in overtime.</td>
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<tr>
<td>9-1-89</td>
<td>Clarified that FLSA exempt employees are not eligible for overtime pay.</td>
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<td>3-1-94</td>
<td>Changed “pay period” to “calendar month” for giving compensatory time.</td>
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<tr>
<td>12-1-95</td>
<td>Revised to allow compensatory time to accumulate up to a maximum of 240 hours and taken off within twelve months instead of within 30 days. Must be paid at end of 12 months if not taken.</td>
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<tr>
<td>9-1-97</td>
<td>Policy arranged in new format.</td>
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<td>N/A</td>
<td>Memorandum, State Personnel Manual Changes – Revision No. 4, dated 3-17-2000 advised: “This revision of pages 4-203 through 4-106 represents a correction only. The third paragraph on page 104 has been deleted since this is an outdated provision and should have been deleted before the Manual was published. Some of the wording was omitted in the last sentence on page 105. This has been corrected.</td>
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<tr>
<td>12-13-01</td>
<td>A special provision added to allow agencies to pay FLSA exempt employees overtime at straight-time rates when there is a gubernatorial declaration of a state of emergency.</td>
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<td>12-1-02</td>
<td>Under On-Call, first paragraph, last sentence, corrected the “work” to “word.”</td>
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<tr>
<td>3-1-03</td>
<td>Correction of wording in Item No. (2) under Overtime/Comp Time Off Option</td>
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<tr>
<td>8-23-04</td>
<td>Incorporates changes to the Fair Labor Standards Act</td>
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SUMMARY OF REVISIONS, Continued

9-1-06 Clarified that if an employee is retiring, compensatory time may be paid in a lump sum rather than exhausted.

1-1-07 Revised to include North Carolina’s new minimum wage of $6/15


10-1-07 Under the paragraph Compensation:
   a) Deleted sentence stating that overtime worked shall be recorded and compensated in units of one-tenths of an hour
   b) Added Advisory Note stating that before generating compensatory time, the BEACON HR/Payroll System will use hours worked in excess of the employee’s established work schedule to:
      • pay back advanced leave liabilities owed to the State,
      • pay back adverse weather liabilities owed to the State, and
      • offset paid leave hours reported in the same overtime period.

7-24-08 Revised to reflect the change in the Federal minimum wage from $5.85 to $6.55.

7-1-09 (1) Revises minimum wage to $7.25 effective July 24, 2009.
       (2) Adds provisions for “gap hours” – the hours that are in between the maximum hours of work required to meet the work schedule and the overtime threshold.