

 Metro | *Policies and procedures*

**Subject** Overtime  
**Section** Human Resources  
**Approved by** Martha Bennett, Chief Operating Officer

---

**POLICY**

Overtime for employees will comply with state and federal laws including the Fair Labor Standards Act and ORS Chapter 653.

---

**Applicable to**

All Metro employees.

Note: Overtime procedures for the visitor venues under MERC are governed by MERC personnel policy section 6.10 – 6.12

*Where provisions of an applicable collective bargaining agreement directly conflict with this policy, the provisions of that agreement will prevail.*

**GUIDELINES**

**1. Overtime – Non-represented Non-exempt Employees**

- a. At a minimum, employees shall be paid overtime rates in accordance with applicable state and federal laws. Metro may choose to exceed the law.
- b. No overtime shall be worked by non-exempt employees without the prior approval of the employee's supervisor.
- c. Overtime shall be paid at the rate of time and one-half (1 & 1/2) the employee's regular rate of pay for any time worked in excess of the regularly scheduled forty (40) hours in one workweek or eight hours in a work day. For the purposes of calculating overtime, Metro departments generally have a workweek of Sunday through Saturday unless otherwise specified.
- d. For the purpose of computing overtime, hours worked shall include only time actually worked by the employee, and shall not include holiday pay, vacation pay, sick pay, compensable on-the-job injury pay, or leaves of any type.

- e. An employee may request flexible scheduling which permits infrequent modification of hours of work on a case-by-case basis. The purpose of this flexibility is to allow employees the ability to adjust the hours of a work shift. Such a modification is not automatic and is subject to approval of the supervisor and must meet the business needs of Metro. A flexible work schedule shall still total no more than forty (40) hours per week without incurring overtime costs. Utilization of flexible scheduling must meet the following criteria:
  - i) Not exceed three (3) hours variance per day i.e. if the employee is regularly scheduled to start at 8 a.m. with flexible scheduling changes they can start from 5 a.m. to 11 a.m.
  - ii) Not negatively impact the employee or Metro's business needs.
  - iii) Not impede customer service or normal work process.
  - iv) Not generate additional labor costs or overtime.
  - v) Occur during the same work day, i.e. an employee cannot work 6 hours one day and 10 hours the next. All flexing of hours must occur within the same work day.

Employee requests for flexible scheduling must be submitted to the supervisors at least twenty-four (24) hours in advance and in writing or by e-mail, unless the supervisor waives this requirement.

**2. Overtime - Represented Non-exempt Employees**

For represented, non-exempt employees, Metro shall pay overtime rates in accordance with applicable law or as required by the applicable collective bargaining agreements, whichever is greater.

**3. Overtime - Represented Exempt Employees**

For represented exempt employees, Metro shall comply with the terms of the applicable collective bargaining agreement.

**4. Overtime - Non Represented Exempt Employees**

- a. Exempt employees are not eligible for overtime pay. It is understood that an exempt employee may have to work on occasion beyond their scheduled work hours and that extra work hours beyond the usual workday or workweek are part of the job expectations for an exempt employee. Time worked on a Metro observed holiday may be taken at a later date upon the approval of the employee's supervisor. Deferred holiday time off must be used within the fiscal year and may not be carried over to future years.
- b. At the department director's or designee's discretion, flexible work hours may be permitted to maintain a reasonable balance of work hours and time off while meeting business needs and productivity expectations.

Exempt employees are expected to achieve overall goals and performance results regardless of the number of hours worked. For this reason, infrequent absences of less than 4 hours by an exempt employee that do not negatively impact expected work performance and productivity will not be tracked or covered through the use of leave accruals.

When an exempt employee has an absence of four hours or more, such absences will be tracked in the leave management system and covered through the use of available leave accruals as appropriate for the situation. For part time non represented exempt employees and those on a flex schedule the employee must track their absences in the leave management system and cover the leave with the appropriate available accruals when they have an absence of one-half (1/2) or more of their regularly scheduled shift. This will not apply if the employee has received prior approval from their manager to flex their schedule in a given workweek.

- c. Excessive absences may indicate a work performance problem that should be addressed through performance evaluation and, if necessary, the disciplinary process.
- d. In accordance with law, exempt employees may not be suspended without pay except in increments of one week or more.

### **Procedures**

1. Employees who are eligible for overtime compensation will receive time and one-half (1 ½) times their regular rate of pay for actual time worked in excess of 40 hours per workweek or eight hours in a work day
  - a. Overtime calculations are based on the employee's workweek as established in advance by the supervisor.
  - b. Employees must obtain supervisor approval prior to working overtime.
  - c. Overtime will be paid even if it is unauthorized; however, an employee may be subject to discipline for unauthorized overtime. Consideration will be given to the circumstances that led to the unauthorized work. Failure to obtain prior authorization may be excused if it was not feasible to obtain advance approval due to an emergency or other unanticipated circumstances and the employee reasonably believed the unauthorized work was necessary for Metro's business needs.
2. A department director and an overtime-eligible employee may agree that the employee will receive compensatory time off in lieu of overtime payment. This must be tracked in the timekeeping record system.
  - a. Compensatory time off will be calculated at a rate of 1 ½ times the amount of over time actually worked i.e. if someone works 1 hour overtime, the employee will receive 1.5 hours of time off.
  - b. Compensatory time off must be taken as leave by the end of the fiscal year in which it is earned or it will be paid out.
  - c. Payment for compensatory time will be at the employee's regular rate of pay at the time the leave is taken or payment is made.
3. Metro's fiscal year is from July 1 – June 30.

### **Responsibilities**

Employees:

- Request overtime in advance and have it pre-approved before working overtime.
- If you are unable to obtain overtime approval in advance, you will be required to explain to your supervisor the necessity to work overtime and the reason you could not request advance authorization.
- If you want to flex your work schedule for one day to accommodate a particular appointment or event.

Supervisor/Manager/Department Director:

- Ensure that employees are not working overtime without advance authorization.
- If employees are routinely working significant amounts of overtime, determine the reason as well as whether work can be reassigned or other resources utilized to reduce the need for ongoing overtime.
- Carefully review employee's timecards each pay period to ensure they accurately reflect the employee's time worked in accordance with this policy and/or respective collective bargaining agreement.
- Work with employees who have unauthorized overtime to determine the reason and if corrective action is warranted.
- Review requests for flexible schedules and provide a prompt response to employees.

Human Resources Department:

- Assist supervisors in addressing workload/organizational concerns in order to reduce the need for overtime.
- Assist supervisors with corrective action, as needed, for employees who have worked unauthorized overtime.

**Cross Reference:** Work Schedules Policy