State of Ohio
Administrative Policy

Compensatory Time for Overtime Exempt Employees Addendum

1.0 Purpose

The purpose of this addendum is to address the earned compensatory time for employees impacted by the change to the Fair Labor Standards Act (FLSA) salary threshold, which is effective December 1, 2016.

2.0 Policy

This addendum applies only to compensatory time earned by employees who become overtime eligible (impacted employees) on December 1, 2016, due to the changes to the salary threshold under the FLSA. Compensatory time earned by overtime exempt employees prior to becoming overtime eligible may be maintained after December 1, 2016 in accordance with this policy.

2.1 All impacted employees will have their overtime-exempt compensatory time plan balance reduced to zero as of November 27, 2016. Any compensatory time balance that existed as of that date will be manually added to the impacted employee’s overtime-eligible compensatory time balance.

2.2 Any hours that have been manually adjusted from the overtime-exempt compensatory time plan account into the overtime-eligible compensatory time plan account will be at a one-for-one basis. These hours expire 365 days from the date the compensatory time was earned in accordance with State of Ohio Administrative Policy HR-08. These hours will have no cash value, as these hours were earned prior to the impacted employee becoming overtime eligible. These hours will be for use only, and the agency must manually monitor and make adjustments to these hours to ensure that no cash-out is permitted. In the event the impacted employee is terminated, transfers to another state agency, or separates from state service, these hours will have no cash value. Upon termination, transfer or separation, these hours shall be deleted from the employee’s balance; the employee shall not be entitled to receive any payment for these hours, nor shall they be transferred.
2.3 Compensatory time used by an impacted employee will be on a first-in first-out basis: any hours moved from the overtime-exempt compensatory time plan will be used prior to any compensatory time earned after the impacted employee became overtime eligible.

2.4 All agencies are responsible for compliance with the Ohio Revised Code and the Ohio Administrative Code, as well as manual monitoring of compensatory time for all impacted employees.

3.0 Procedure

3.1 Updates to position and job data must be dated November 27, 2016 and need to be completed prior to the end of the pay period ending December 10, 2016. The system will reduce compensatory time balances to zero during payroll processing the following week. Beginning December 19, 2016, the agency must manually credit the impacted employee with the same amount of compensatory time as their balance prior to the system reduction. The manually credited hours must be applied to time reported for November 27, 2016.

3.2 Prior to November 27, 2016, agencies must provide employees impacted by this policy with a written acknowledgment identifying the employee's compensatory hours subject to this policy, the dates upon which those hours will expire should they not be used prior to expiration, and an affirmation that the employee understands the hours have no cash value and may not be transferred. Impacted employees must sign this acknowledgment and the employee's agency shall retain the acknowledgment on file.

3.3 Reporting will be provided to agencies to identify the expiration of the hours. Agencies must manually monitor the impacted employee's balance and adjust the balance, if necessary, upon expiration of any compensatory time hours. Agencies must also manually adjust compensatory time balances if the employee transfers to another state agency, is terminated, or otherwise separates from state service to prevent the cash out of any of the manually adjusted hours.

3.4 Agencies shall identify supervisors of impacted employees and provide training as needed to those supervisors with respect to existing overtime policies, rules and laws.

3.5 For additional information on processing, please refer to Attachment 1-Compensatory Time Balance Adjustment Job Aid.

4.0 Inquiries

Direct inquiries about this policy to:

Labor Relations and Human Resources Policy
Office of Collective Bargaining
Ohio Department of Administrative Services
1602 West Broad Street
Columbus, OH 43223
STATE OF OHIO ADMINISTRATIVE POLICY
COMPENSATORY TIME FOR OVERTIME EXEMPT EMPLOYEES

614.752.5393| DASHRD.HRPolicy@das.ohio.gov

State of Ohio Administrative Policies may be found online at
www.das.ohio.gov/forStateAgencies/Policies.aspx

5.0 Attachments

Attachment 1- Compensatory Time Balance Adjustment Job Aid
Compensatory Time Balance Adjustment

For those impacted by the new FLSA salary regulation changes, you will not need to do a negative adjustment to remove the balance. Once the balance has been removed, you will need to do a positive balance adjustment to credit the time. A balance and expiration report will be provided to each agency’s HR Administrator and Payroll contact.

When you are required to make a positive compensatory time balance adjustment, you do so on the timesheet. The Time Reporting Code (TRC) is CMPBA. When posting the CMPBA, you post the hours on the first Sunday of the pay period in which the time is to be credited.

When you are required to make a negative compensatory time balance adjustment, you do so on the timesheet. The Time Reporting Code (TRC) is CMPNA. When posting the CMPNA, you post the hours on the last Saturday of the pay period in which the compensatory time was active.
For example, if an employee's FLSA status changes from overtime exempt to overtime eligible with an effective date of 11-27-16, your entries on the timesheet would be:

CMPNA on 11-26-16

CMPBA on 11-27-16