



The North Carolina  
Department of Environment,  
Health and Natural Resources

Internal Operating  
POLICY

Section: Human Resources

Number:

Subject: Compensatory Time - Exempt Employees

Approved By: DEHNR Secretary

Eff. Date: Jan 3, 1994

Revised:

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PURPOSE

The purpose of this regulation is to establish the policy for hours of work and compensatory time for exempt employees in the Department of Environment, Health, and Natural Resources (EHNR). Employees are exempt from the Fair Labor Standards Act when their positions fall into the specific categories of Executive, Administrative, Professional, Seasonal, and Law Enforcement. This policy is established in accordance with state policy as approved by the State Personnel Commission.

POLICY

It is the policy and intent of this Department that employees exempt from the Fair Labor Standards Act are employed to accomplish the functions and tasks of their positions. To that end, employees are expected to work whatever hours are necessary to accomplish the job.

When the job cannot be performed within a 40-hour workweek due peak, seasonal, or emergency activities, the supervisor is authorized to grant the earning of compensatory time at a rate of hour for hour. Although the earning rate is hour for hour, there is no intent that

all hours worked will be granted time off.

To the extent that the efficiency of operations will not be impaired, supervisors may grant time off in the form of compensatory leave for compensatory time earned.

With the exception of certain employees in the Division of Forest Resources who are actively engaged in fire fighting activities, exempt employees do not receive pay for hours worked in excess of 40 per week.

**SEE ALSO:**

**Hours of Work and Overtime Compensation in Section 7 of the State Personnel Manual.**

**Compensatory Leave in Section 8 of the State Personnel Manual.**

**DEHNR Policy and Procedures on Hours of Work, Compensatory Time and Overtime Pay For Subject Employees.**





**The North Carolina  
Department of Environment,  
Health and Natural Resources**

**Operating  
PROCEDURES**

**Section: Human Resources**

**Number:**

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Revised: Aug 4, 1997  
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**Record Keeping**

Exempt employees shall maintain an accurate and complete record of all compensatory time earned and all leave taken.

**Calculation of Work Week**

Vacation Leave, Sick Leave, and Compensatory Leave time are approved as tentative amounts until the work week is completed. At that time, the amounts of Vacation, Sick and Compensatory leave taken are adjusted to fill out the 40 hour work week. Compensatory time will not be earned until the employee has worked the hours required for that workweek. During a week in which a holiday occurs, the hours worked between the shortened work week total and 40 hours will be eligible for compensatory time.

The unit of accountability is the 40 hour work week not the 8 hour day. Supervisors may vary the length of the workday as workload demands.

The supervisor may adjust an employee's work schedule as necessary within a given work week to avoid the accumulation of compensatory time.

Supervisors may require employees to take Compensatory leave and may require that Compensatory leave be taken in lieu of Vacation leave or Sick leave.

**Standard Work Week**



The standard work week for this Department begins at 12:01 a.m. Saturday and ends at midnight on Friday.

The State Personnel Manual (Section 7) outlines the guidelines for exemptions under the executive, administrative, professional, seasonal, and law enforcement categories.

### **Compensation Pay in Division of Forest Resources**

For those exempt employees within the Division of Forest Resources for whom monetary compensation is authorized by General Statute for excess hours worked in fire suppressions activities, payment will be made on an hour-for-hour basis and paid in accordance with Division of Forest Resources policy.

### **Use of Compensatory Time**

The expenditure of Compensatory leave must be undertaken with the prior agreement of the supervisor. The supervisor's decision to grant compensatory time off will be based on the demands on the work unit and the impact of such leave on performance and operations.

The amount of compensatory time that an employee may take at any time is not limited, however, compensatory time may only be taken with the supervisor's approval at a time which will not unduly disrupt the operation of the unit. The maximum amount of compensatory leave that may be taken annually is 240 hours. An employee's supervisor may require that compensatory time off be taken at a specified time.

Any compensatory time earned and Compensatory leave taken must be fully documented on the employee's time record.

Compensatory time must be taken within 12 months of the month earned. Compensatory time not taken within 12 months from the month earned will be lost at the end of the 12th month.

Compensatory time will be taken on the First In-First Out (FIFO) accounting method, such that, time taken will be subtracted from the earliest time earned that is still on the records.

When exempt employees are separated from departmental service (for example: retirement, resignation, transfer to another agency), the balance of compensatory time will be lost. Compensatory leave may not be transferred to any other type leave.

### **Special Exception:**

**Exempt employees who lost time on February 28 and/or March 31, 1997 will have that time restored to their accounts and will have until July 31, 1998 to take that time off.**





**The North Carolina  
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**Internal Operating  
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**Section: Human Resources**

**Number:**

**Subject: Hours of Work, Compensatory Time, and Overtime Pay  
For Subject Employees**

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**PURPOSE:**

The purpose of this regulation is to establish the policy for hours of work, compensatory time and overtime pay for subject employees within the Department of Environment, Health, and Natural Resources (DEHNR) in accordance with state policy as established by the State Personnel Commission.

**POLICY:**

It is the policy of DEHNR that supervisors shall plan employee work schedules so that work operations can be carried out within a 40-hour work week without impairing the efficiency of operations except where seasonal activity, emergencies, or peak workloads necessitate extra hours. Fair and equitable compensation will be provided to employees when additional work time is required.

**SEE ALSO:**

**Hours of Work and Overtime Compensation in Section 7 of the State Personnel Manual.**

**Holiday Premium Pay, Shift Premium Pay, Emergency Call-Back Pay, On-Call Compensation policies in Section 7 of the State Personnel Manual.**

**Compensatory Leave in Section 8 of the State Personnel Manual.**

**DEHNR Policy and Procedures on Compensatory Time - Exempt Employees.**







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Record Keeping

Subject employees shall maintain an accurate and complete record of all hours worked, compensatory time earned, and all leave taken.

Calculation of Work Week

Vacation Leave, Sick Leave, and Compensatory time taken are approved as tentative amounts until the work week is completed. At that time, the vacation, sick, and compensatory time taken will be adjusted to fill out the 40 hour work week. Supervisors may require employees to take compensatory time off and may require compensatory time be taken in lieu of Vacation or Sick Leave.

During a week in which a holiday occurs, the hours worked between the shortened work week total and 40 hours will be compensated for as hour for hour compensatory time off.

The unit of accountability is the 40 hour work week, not the 8 hour day. Supervisors may vary the length of the workday as workload demands.

Authorization of Additional Work

Compensatory time, overtime, and holiday compensation may be earned by employees only when it is



authorized by the employee's supervisor and when such additional work is required for peak, seasonal or emergency workloads.

It is the responsibility of the appropriate supervisor to assist an employee in planning work schedules such that the accumulation of compensatory time is minimized.

The supervisor may adjust an employee's work schedule as necessary within a given work week to avoid the accumulation of compensatory time.

#### Standard Work Week

The standard work week for this Department begins at 12:01a.m., Saturday and ends at midnight on Friday.

#### Compensation of Time Earned

Subject employees will be compensated with compensatory time off for hours worked in excess of the mandatory hours for that work week.

During a week in which a holiday occurs, the hours worked between the shortened work week total and 40 hours will be compensated for at a rate of hour for hour.

Subject employees will be compensated with time off at the rate of one and one-half times for hours worked in excess of 40 in the work week when such overtime work has been approved in advance by the employee's supervisor. Time and a half (overtime) is not earned until an employee physically works in excess of 40 hours in a work week.

Compensatory time must be taken within 12 months of the month earned. Compensatory Time not taken within 12 months will be compensated in the next regular paycheck.

When subject employees are separated or transferred from this department, the unused balance of compensatory time must be considered as earned overtime and will be paid.

#### Use of Compensatory Time

The expenditure of Compensatory time must have the prior approval of the supervisor.

The supervisor's decision to grant compensatory time off will be based on the demands on the work unit and the impact of such leave on performance and operations.

The maximum amount of compensatory time that may be accumulated is 240 hours (160 hours straight time). Any accumulation beyond 240 must be paid in the employee's next normal paycheck.

The amount of compensatory time that an employee may take at any one time is not limited, provided that it is taken with the supervisor's approval at a time which will not unduly disrupt the operation of the unit.



An employee's supervisor may require that compensatory time off be taken at a specified time.

Compensatory time will be taken on the First In-First Out (FIFO) accounting method, such that, time taken will be subtracted from the earliest time earned that is still on the records.

Supervisors may require employees to take compensatory time off and may require compensatory time be taken in lieu of Vacation or Sick leave.

Any compensatory time earned and compensatory time taken must be fully documented on the employee's time record.

Compensatory time may not be transferred to any other type leave or to another agency. Compensatory time balances will be paid to the employee when the employee separates or transfers to another agency.

### Holiday Compensation

Supervisors must approve all work on holidays. Holiday time off and premium pay will be granted for subject employees in accordance with the state policy. (Reference: Holiday Premium Pay policy).

### Exceptions and Exemptions

To meet the needs of operational divisions and programs, exceptions and exemptions are authorized as follows:

- a) Division/Program directors may make exceptions to the normal work week and establish irregular work weeks, as needed, to meet the demands of their respective programs. Written documentation of such a change must be filed in the DEHNR Division of Human Resources.
- b) Supervisors may grant exceptions to the established workday as needed to meet the demands of their respective units.
- c) Within the framework of this policy, division/program directors may establish additional guidelines for the use of compensatory time in order to address special needs within their program areas. These guidelines must be approved by the DEHNR Assistant Secretary for Administration.

### Call-back Compensation

Time on call-back is determined from the time the employee is notified to return to work until the time the work is completed. Should the employee not depart immediately to report for emergency call-back, management shall determine the reasonable time for travel that should be considered compensable. Employees are guaranteed compensation for a minimum of two hours for each occasion in which a call-back is made after having left the regular work station. If the time on call-back is more than two hours, the employee shall be compensated for the actual time on call-back. A subject employee will be compensated as appropriate for hours worked as a result of a call-back. Subject employees are guaranteed compensation



for a minimum of two hours for each occasion in which a call-back is made after the employee has left or before reporting to the regular duty station.

#### Stand-by Status

Stand-by employees are required to leave word as to where they may be reached at any given time. Some divisions also require employees in Stand-by status to wear pagers. The department's policy, in keeping with State Personnel policy, is not to provide compensation for employees in stand-by status, with or without a pager, unless the employee is actually requested to return to his/her duty station.

#### Shift Premium Pay

By state policy, employees at specified levels and in certain medically related positions are eligible for shift premium pay. The criteria for identifying which positions are eligible is governed by the state policy as written in the State Personnel Manual.

An eligible employee shall receive shift premium pay for any shift worked if more than half of the scheduled working hours occur between 4:00p.m. and 8:00a.m. on a regularly recurring basis as defined in the State Personnel Manual.

The rate of shift premium pay shall be ten percent of the regular hourly salary rate.

Shift Premium Pay shall be administered under the guidelines of the state policy.

#### **SEE ALSO:**

Work and Overtime Compensation in Section 7 of the State Personnel Manual.

Holiday Premium Pay, Shift Premium Pay, Emergency Call-Back Pay, On-Call Compensation policies in Section 7 of the State Personnel Manual.

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DEHNR Policy and Procedures on Compensatory Time - Exempt Employees.