



State of Vermont
Department of Human Resources
Labor Relations
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Agency of Administration

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MEMORANDUM

To: Extended Cabinet, Business Managers and Human Resources Administrators
From: John J. Berard, Director of Labor Relations
Date: April 15, 2016
Subject: May 1, 2016 Discretionary Compensatory Time Buy Out

This Is Different than the Year A/Year B Compensatory Time Payoff which will occur in July of this year

The labor contract's Overtime Article permits appointing authorities, at their discretion, to "buy out" certain employee Compensatory Time Off balances on or about May 1st of each year. This provision was negotiated to allow Departments the discretion to reduce their accrued liability for compensatory time off, (IF they wanted to, and IF they had the available funds to do so) toward the end of the fiscal year when there might be residual grant or budget funds available.

The Secretary of Administration has determined **that only compensatory time off balances earned (in lieu of cash) for overtime work in accordance with the Fair Labor Standards Act (FLSA) may, at the discretion of the appointing authority**, be paid off in cash, in whole or in part, at the employee's current straight-time rate of pay as of the end of the pay period next following May 1, 2016. Additionally, an employee can request that up to forty-eight (48) hours of his/her comp time accrual (in the aggregate) be retained and not paid off. Such request can be denied if the primary funding source for that employee's position is not State tax funds.

The query: **VT_TL_RPT_LVE_BALANCE** may be run by your business office to show employees' various comp time leave balances.

Appointing authorities, wishing to exercise their discretion to buy out eligible (Employees' with FLSA code "N") compensatory time, may do so by submitting a written request, including the employee name, employee number, and number of hours to be bought out, to the Department of Human Resources' Labor Relations Division, no later than the close of business on **May 10, 2016**. If applicable, the codes will be added by the Time & Labor team for the **Pay Period ending May 14, 2016**. Payments for the May 1st buyout cannot be made in any prior, or subsequent, payroll period.

In light of the continued tight fiscal situation, it is unlikely that Non-FLSA comp time buy outs or pay off will be authorized by the Secretary of Administration next fiscal year. Departments should carefully consider approving requests for compensatory time in excess of the contractual minimums.

If you have any questions regarding this process please call John Berard (828-3454), Shelley Morton (498-7350) or Rich Cormier (461-8349) of the Department of Human Resources' Labor Relations Division.

c: Maribeth Spellman, Commissioner, Department of Human Resources

