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Susanne R. Young, Secretary

To: Agency and Department Heads
CC: Business Managers, Payroll Delegates, the Department of Human Resources
From: Susanne Young, Secretary of Administration
Date: August 7, 2017
Subject: Overtime Compensation for Designated Managers and Supervisors in Pay Grades 25 and above

The beginning of a fiscal year is an appropriate time to remind the executive branch managers about the statewide approach regarding overtime for designated managers; and supervisors in Pay Grade 25 and above. Employees in these Pay Grades who are not entitled to be paid overtime under the Federal Fair Labor Standards Act are prohibited from coding overtime for cash ("CASH") on their timesheets. These designated managers and supervisors are solely eligible to code and receive compensatory time ("COMP") for any work beyond their regular schedules for which the payment of overtime has been appropriately authorized.

Please remember that discretionary compensatory time, such as this, may be carried over until the end of the Fiscal Year following the one in which it was accrued, but not thereafter, and will not be paid off in cash, except as provided for in the collective bargaining agreements, if applicable.

The rules and responsibilities involving the coding of timesheets, payroll and the tracking of authorized overtime for these employees is detailed below:

DESIGNATED MANAGERS & IMPACTED SUPERVISORS:

Designated managers and impacted supervisors continue to be prohibited from entering CASH on their time sheets for authorized overtime and must select COMP.

TIMESHEET APPROVERS:

It is the responsibility of Approvers to be vigilant in your timesheet review, and to ensure that no designated managers and/or impacted supervisors code CASH for authorized overtime.

Should you find authorized overtime which has been incorrectly coded as CASH, you must require the employee to change the CASH code to COMP. If for some reason, the employee is unable to make this change, you must ensure the change is made.

PAYROLL DELEGATES:

When reviewing timesheet coding, notify the appropriate timesheet Approver when you find incorrect CASH coding for authorized overtime.

VTHR:

VTHR will monitor timesheet activity, via query, to audit these requirements. They will notify the applicable Agency/Department of any adjustments to correct errors.

APPOINTING AUTHORITIES/DEPARTMENT HEADS:

Ultimately, it is your responsibility to ensure the requirements are implemented within your organization. We know that payroll regulations and bargaining rules are complex and that this adds one more requirement to the mix. However, the best way to ensure the minimum amount of effort necessary is to ensure that compensation for work beyond the regular schedule is only authorized in appropriate situations and enforce compliance by your designated managers, impacted supervisors and timesheet approvers. Lack of monitoring will only create additional work for everyone involved.

Waivers of these requirements may be granted, in very extenuating circumstances, by myself or the Deputy Secretary.

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

Thank you for your attention and cooperation.

- c: Brad Ferland, Deputy Agency Secretary of Administration
- M. Beth Fastiggi, DHR Commissioner
- John J. Berard, DHR Director of Labor Relations