

## Agenda Item 7.4

### COMPENSATORY TIME

Eligible employees are nonexempt employees who are subject to the federal Fair Labor Standards Act (FLSA). Exempt employees under the terms of the FLSA are not eligible employees.

#### Accrual of Compensatory Time

For each hour of overtime worked by an eligible employee in a given workweek for which the employee elects to accrue compensatory time, one and one-half (1.5) hours of compensatory time shall accrue. Eligible employees may accrue not more than 22.5 hours of compensatory time, computed as one and one-half hours of compensatory time for not more than 15 hours of overtime work. Eligible employees may roll-over a maximum of 22.5 hours of compensatory time to the next year, and will not continue to accrue additional hours until the compensatory time balance falls below 22.5 hours.

#### Use

An eligible employee who has accrued compensatory time shall be allowed to use said time within a reasonable period following accrual, so long as the operations of RAILS are not unduly disrupted, preferably within the current or subsequent pay period. Compensatory time shall not be counted as hours worked in the period in which such hours are used. No more than 22.5 hours of compensatory time may be taken consecutively and must be scheduled with the approval of the immediate supervisor.

#### Payment on Termination

An eligible employee who is terminated, and who has accrued compensatory time, shall be monetarily reimbursed for such accrued compensatory time at a rate not less than the average rate of pay for the preceding three years, or the final regular rate of pay, whichever is higher.

#### Records

Records shall be maintained to evidence the overtime hours worked by each eligible employee in a given workweek, if any, and the number of hours of compensatory time accrued by each eligible employee, if any.

#### Monetary Reimbursement in Lieu of Compensatory Time

Nothing herein shall prohibit RAILS, at RAILS' option, of freely substituting payment via monetary reimbursement, in whole or in part, for compensatory time off; and an overtime payment monetarily reimbursed does not affect subsequent granting of compensatory time in future workweeks or work periods. Monetary reimbursements to an employee for accrued compensatory time may be made at any time except that on termination, such payment shall be made pursuant to this policy. No employee shall otherwise have the right to receive, upon request, monetary reimbursement in lieu of accrued compensatory time.

**Commented [SD1]:** No recommended changes. However, it may be worthwhile to have this reviewed by legal. While this policy remains available as an option, we have not utilized the compensatory time policy during my time at RAILS.

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