Premium Pay

Number: D-13 Revision: 4

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1.0 POLICY

The City of Greensboro provides additional compensation to benefit eligible employees when the nature, timing or other special circumstances surrounding certain work activities may warrant special compensation in addition to an employee's normal salary or legally mandated overtime payments.

2.0 PURPOSE

To recognize the additional effort and inconvenience of certain work responsibilities beyond an employee's normal work schedule, level of responsibility, or nature of work.

3.0 SCOPE

This policy applies to all benefit eligible employees.

4.0 DEFINITIONS

- 4.1 **Benefit Eligible** Full time and part time employees who are eligible for coverage and participation in the City's benefit programs in addition to legally mandated coverage. See the appendix document, **Position Types** on page 412.
- 4.2 **Compensatory Time** Time off earned by FLSA non-exempt employees in lieu of payment for FLSA overtime.
- 4.3 **Holiday Premium Pay** Pay in addition to the City holiday pay received by all employees for designated holidays. When a FLSA non exempt employee is required to work on a designated City holiday that employee will be paid time and one half for all hours actually worked.
- 4.4 **On-Call Premium** Compensation in addition to the normal salary paid to FLSA nonexempt employees who are periodically required to be in a formal "on-call" status during which time they are expected to be available for contact by telephone or pager and to be able to report to work.
- 4.5 **Paid Status** An employee must be in a paid status the day before and the day after a City designated holiday to receive holiday pay.

5.0 ORGANIZATIONAL RULES

5.1 Holiday Premium Pay - When a FLSA non-exempt employee is required to work on a designated holiday that employee will be paid time and one half for all hours actually worked, in addition to an employee's Holiday Pay (i.e., a total of two and one half times pay for the first eight hours actually worked that fall on the designated holiday).

- 5.2 On-Call / Call-Back Premium This section applies to FLSA non-exempt employees only. See the **Hours Worked Under The FLSA** policy on page 166 in Section E.
 - A. Some FLSA non-exempt employees are periodically required to be in a formal "on-call" status during which time they are expected to be available for contact by telephone or pager and to be able to report to work in a City vehicle if needed. The following rules apply in these cases.
 - 1. On-call status is not considered work time and, as such, is not compensable under the FLSA. However, in recognition of the potential inconvenience, employees in this status will receive additional compensation at a rate of four hours of straight pay per on-call work week.
 - 2. Any time spent in actually responding to a call to return to duty (including commuting time) is work time and will be recorded and compensated. See the **Eligibility For Overtime Compensation Under The FLSA** policy on page 172 in Section E.
 - 3. Employees called back to duty for less than two hours duration will be compensated once for two hours for the first call back during the on-call workweek. If the actual work time is less than two hours, the time may be divided between work and non-work times.
 - 4. No additional compensation except as described in this section is authorized for "On-Call" or "Call-Back" situations.
 - 5. Some employees occupy positions in work units which, by the very nature of their existence, require that any of the employees in the unit could be called to return to work at any time for a number of reasons. This is especially true when the operational roles or the nature of the work group is to provide direct public service in the event of (before, during and following) weather-related events or other significant emergency situations. In these situations, employees required to remain at home to wait to be called for return to work are classified as "engaged to wait" under the Fair Labor Standards Act. They are entitled to additional compensation as regular or overtime work hours, depending upon the number of work hours which have already accrued for the timekeeping period. See the **Hours Worked Under The FLSA** policy on page 166 in Section E.
 - 6. In some cases, the normal type of rotational on-call arrangement anticipated by this policy may not be feasible or possible. The respective department and HR/Compensation will develop an alternative compensation approach.
 - B. The awarding of compensatory time or cash payments for any activities not specifically related to hours worked or for the reasons noted above must be approved in advance by the Human Resources Director and the City Manager.
- 5.3 Generally, FLSA exempt employees are not eligible for overtime pay, including any compensation calculated at one and one half times their regular rate of pay. However, the City provides a \$200 stipend per holiday to any FLSA exempt employee required to work at least eight (8) hours on a City-designated holiday. This includes FLSA exempt employees who are scheduled and actually work at least

eight (8) hours on the holiday, as well as those FLSA exempt employees required to work at least eight (8) hours on the holiday due to an emergency situation declared by the City or a department.

6.0 PROCEDURES

6.1 Departments are expected communicate the City's and the department's expectations regarding work on holidays and on-call requirements as well as holiday and on call premium pay.

6.2 Electronic Timecard

- A. The FLSA non-exempt employee will punch in/out in the City's Time and Attendance System each day to record actual hours worked.
- B. When an employee is placed in an official on-call status, the on-call premium should be entered by the immediate supervisor for the employee within the appropriate workweek within the City's Time and Attendance System.
- C. When an FLSA non-exempt employee is required to work on a City designated holiday, the non-exempt employee should follow the same procedures of punching in/out so that all hours actually worked by the employee are recorded within the City's Time and Attendance System.
- D. The City's Time and Attendance System will complete the calculation for all holiday premium pay if the employee is eligible for such pay.
- E. Hours not worked will also be recorded in the City's Time and Attendance System and will be coded with the appropriate Leave Code or PTO Pay Code. Employees will submit Time Off Request (PTO) within the City's Time and Attendance to record time unless it is an emergency at which time the supervisor will enter the PTO request for the employee as well as the number of hours taken.
- F. Prior to submitting the timecard (via the City's Time and Attendance System) to their supervisor at the end of each pay period, the employee must electronically sign the timecard indicating the time recorded is accurate.
- G. At the end of the pay period, the supervisor will approve and electronically sign the employee's timecard. Approving the timecard is an indication the supervisor agrees with the time as recorded by the employee and is an authorization to pay the employee according to recorded time. If the supervisor has any questions about the time recorded by the employee, he should discuss this with the employee and reconcile any questions prior to approving the timecard.
- H. Generally when an FLSA exempt employee is required to work on a City designated holiday, the Departmental HR liaison should ensure that the exempt employee actually worked at least eight (8) hours on the holiday and that it was required and pre-approved by the Department Director or designee. The Departmental HR liaison shall assign the appropriate pay code and process the payment within the HRIS system.
- 6.3 Departments needing assistance with determining on-call premiums, schedules or holiday premium pay alternatives should contact the Human Resources Department.

7.0 HUMAN RESOURCES CONTACT

HR/Compensation

8.0 APPENDIX, APPENDICES

Position Types (page 412)