



Administrative Policies
And Procedures
Tennessee Supreme Court
Administrative Office of the Courts

Index #: 2.03

Page 1 of 4

Effective Date: 11/01/01

Supersedes:

Approved by: Chief Justice Frank F. Drowota, III and Cornelia A. Clark, Director

Subject: Overtime Policy

- I. Authority: T.C.A. § 8-23-201 and the Fair Labor Standards Act (FLSA).
- II. Purpose: To establish guidelines for the authorization and payment of overtime compensation.
- III. Application: All employees of the Administrative Office of the Courts (AOC).
- IV. Definitions:

Regular work schedule: The regular work schedule is 7.5 hours per day, Monday through Friday.

Overtime: Time worked in excess of the employee's regular work schedule for which extra compensation is authorized. Depending on the number of hours actually worked in the work week and the type of work the employee performs, overtime compensation may be in the form of cash at the employee's regular rate of pay, cash at the employee's premium rate of pay (one and one-half times the regular rate) or equivalent time off (compensatory time).

Executive Level: Exempt employees categorized as "executive level" are ineligible to receive cash or compensatory overtime.

Exempt Personnel: Employees defined as "exempt" by the FLSA may receive regular compensatory time for hours worked beyond their regular schedule at the direction of the Administrative Director or other appropriate supervisor or manager. Exempt employees are those whose predominant duties are "executive", "administrative", or "professional".

Non-Exempt Personnel: Employees defined as "non-exempt" by the Fair Labor Standards Act receive compensation for hours worked beyond their regular schedule at the direction of the Administrative Director or other appropriate supervisor or manager.

Compensatory Time: Time off with pay earned by an exempt, non-executive level employee (or by a non-exempt employee whose overtime is not compensated in cash) for time actually worked in excess of his/her regular 37.5 hour weekly schedule. Overtime claimed as compensatory time must have been worked at the request of the employee's supervisor. Compensatory time is accrued on a weekly basis and is not transferable to any type of leave.

- V. Policy: The AOC may ask employees to work overtime as business needs arise. Nonexempt employees are paid according to federal and state legal requirements and AOC policy. Exempt employees receive no overtime pay.
- VI. Procedures:
 - A. Employees are expected to work scheduled overtime, provided appropriate advance notice is given. Employee requests for absence due to major personal prior commitments during scheduled overtime are to be submitted to the manager/assistant director.
 - B. Exemptions from both the FLSA for any employee in a bona fide executive, administrative, professional position shall be determined by the Administrative Director or his/her designee. All other employees shall be non-exempt. Each section will be advised of those determinations which apply to its employees.
 - C. Non-exempt employees must choose whether to be paid in cash or compensatory time in lieu of cash for all overtime. An Overtime Election Form must be completed prior to receiving any overtime benefits. Employees may elect to change the form periodically. However, if an employee changes the method of compensation, the new method chosen will be in effect from the day forward. At no time will the method of compensation be retroactive.
 - D. Designated managers/assistant directors may authorize overtime work. All overtime must be authorized in advance of working the hours above the employee's regular work schedule. Employees may not voluntarily work overtime without prior approval. Employees should complete the Compensation Approval Form and submit through appropriate divisional channels.
 - E. Employees traveling to and from meetings at which attendance is considered a work assignment on a scheduled work day will receive compensatory time or cash (depending on their exempt or non-exempt status) equal to 100% of the time traveled outside the regular workday, less the actual time required to travel from the work station to the employee's home. If overnight stay is necessary, you will claim overtime only for the time worked over your regular workday. Employees traveling to and from meetings at which attendance is considered a work assignment on an unscheduled work day will receive compensatory time or cash (depending on their exempt or non-exempt status)

- equal to 100% of the time traveled. The provision shall apply to all employees who are currently eligible to receive cash or accrue compensatory time under policy or law.
- F. Non-exempt employees are paid at their regular hourly rate for hours actually worked in excess of their regular 37.5 hour weekly schedule up to 40.0 hours in a work week. Employees are paid at the premium rate (one and one-half times their regular rate) for hours actually worked in excess of 40.0 in a workweek. Non-duty time spent on paid leave will be counted as compensable hours earned but will not be counted as hours actually worked. An employee must actually work 40.0 hours in the workweek before premium overtime is due. Overtime cannot be paid until the workweek is completed.
- G. When compensatory time is granted in lieu of cash, non-exempt employees receive hour-for-hour time off (regular compensatory time) for overtime hours worked between 37.5 and 40.0 in a workweek and one and one-half times the number of hours worked (premium compensatory time) for all hours worked in excess of 40.0 in a workweek. Exempt employees not categorized as executive level by the Administrative Director may be granted hour-for-hour compensatory time for all hours in excess of their regular 37.5 hour weekly schedule in a work week. Exempt employees categorized as “executive level by the Administrative Director are ineligible to receive cash or compensatory overtime.
- H. When exempt employees spend more than 20% of their time performing non-exempt work in a given work week, their exemption for FLSA overtime provisions is lost for that work week. When this situation occurs, affected employees must be compensated in the same manner as non-exempt employees for overtime hours worked in the workweek.
- I. Compensatory time may be accrued up to a maximum of four hundred and eighty (480) hours. Overtime earned above 480 hours must be paid in cash. The maximum allowable premium compensatory overtime accumulation for non-exempt AOC employees is two hundred and forty (240) hours. Totals for regular and premium compensatory overtime will be added together and no employee will be allowed to exceed a total accumulation of both regular and/or premium compensatory overtime over 480 hours. When an employee requests annual leave and compensatory leave is available, the compensatory leave shall be used first.

Overtime Election Form

•Change <input type="checkbox"/>	•Newly Eligible <input type="checkbox"/>	•Deletion <input type="checkbox"/>
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*Completion of this form indicates that you will be compensated by the method chosen below. Employees may elect to change this method at any time. Changes in the method of compensation will be effective from this date forward. At no time will compensation methods be retroactive.

Name:	Social Security #:
Title:	
Effective Date:	

Method of Compensation:	<input type="checkbox"/> Compensatory Leave	<input type="checkbox"/> Salary
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Employee Signature	Date	Supervisor Signature	Date
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*Copies to be forwarded to the AOC Human Resources Department & the AOC Fiscal Division