

# City of Mission Viejo Personnel Policy

**Subject: COMPENSATORY TIME - Non-Exempt Employees**

**Statement of Intent:**

To establish procedures for converting approved overtime work to compensatory time for non-exempt employees.

**Related Policy:**

Overtime

**Background:**

The Fair Labor Standards Act requires that non-exempt employees be paid premium overtime pay for work in excess of forty (40) hours per week. Some employees prefer to take time off rather than to be paid for their overtime work. Granting time off may create unnecessary scheduling and work load problems. Therefore, this policy permits the conversion of overtime to compensatory time within prescribed limits.

**Policy:**

1. A non-exempt employee shall be paid for overtime work hours unless both the employee and the department head agree to convert the overtime work hours to compensatory time.
2. A non-exempt employee may request that approved overtime work hours be converted to compensatory time.
  - a. The employee's department head, or designee, shall approve or deny the request to convert overtime hours to compensatory time.
  - b. An employee may not have more than two hundred forty (240) hours of compensatory time at any given time.
  - c. A non-exempt employee who has two hundred forty (240) hours of compensatory time must be paid for any overtime work hours.
3. Overtime work hours, which are approved for conversion to compensatory time, shall be converted at the rate of one and one-half (1 ½) hours of compensatory time for each hour of overtime worked.
4. Employees are expected to request to use compensatory time in advance from their supervisor. Compensatory time may not be taken without the employee's supervisor's approval.
5. All accumulated compensatory time will be paid at the employee's regular rate of pay at the time of termination, death, or retirement.

**Administration:**

In accordance with City of Mission Viejo Municipal Code chapter 2.60 "Personnel System", this Personnel Policy is deemed to have a direct financial impact on the City. City Council approval is required prior to initial implementation and for any subsequent amendments.

Adopted: By City Council - September 11, 1989 - Res. No. 89-92.

Amended: By City Council – August 15, 2011 – Res. No. 11-52.

Revised: By City Council on June 11, 2024, effective June 22, 2024; Resolution No. 24-22.