

**CITY OF AMARILLO
POLICIES AND PROCEDURES**

Department:	Human Resources Department
Procedure:	Exempt & Non-exempt Employees
Effective Date:	October 1, 2016

Purpose:

The purpose of this policy is to provide clear instructions, according to the Fair Labor Standards Act (FLSA), defining Exempt & Non-exempt employees, Overtime Pay and Compensatory Time.

Scope:

All Departments/All City Employees

Policy:

The Fair Labor Standards Act (FLSA) enforces rules and regulations for both Exempt and Non-exempt employees.

DEFINITIONS

“Exempt” refers to employees who are exempt from Federal and State laws regarding payment of overtime and compensatory time; regardless of the number of hours worked. These employees are paid a pre-determined salary and not an hourly rate.

“Non-exempt” refers to employees who are eligible to receive overtime, for hours worked in excess of 40 hours per week and are paid on an hourly basis. All overtime must be approved, before working any overtime. The “40 hour per week” rule does not apply to non-exempt, sworn Firefighters and Police Officers, who may have a different, scheduled work week.

“White-collar exemption” has recently been amended (2016) extending overtime pay eligibility to employees who may perform some executive, administrative and/or professional duties per federal law and that earn \$913 a week (\$47,476 annually) or less; essentially making those employees who may have once been **EXEMPT**, now eligible for overtime payment.

“Compensatory Time” is time off with pay and is earned in lieu of being paid overtime. Compensatory time can only be accrued and/or earned by non-exempt employees and is currently capped at 80 hours for non-exempt employees (**See Employee Handbook, Sec. 702.2**). Sworn Firefighters and Police Officers may accrue up to 120 hours of comp-time.