

FEB 02 2011



United States Department of Agriculture  
Research, Education, and Economics  
Agricultural Research Service

SUBJECT: Overtime, Compensatory Time Off, and Credit Time Issues

TO: Administrator's Council  
Administrative and Financial Management Council

FROM: Joon Park, Director   
Human Resources Division

It has come to our attention that a certain amount of confusion exists within ARS concerning the differences between overtime, comp-time and credit time. This has been documented through "Your Two Cents" submissions, calls to the HRD Pay and Leave Staff, feedback from AO and timekeeper training sessions, site visits, and class action law suits. At the root of this issue is uncertainty over the authority of managers versus the rights of employees concerning employee hours worked in excess of their normal workday.

This misunderstanding has sometimes resulted in blanket decisions to preclude the granting of overtime or comp-time; or practices of asking or directing employees to work extra hours for credit time. Where overtime and comp-time is allowed, credit hours are still the management preferred option for compensating employees for extra hours worked. As a result, employees can feel pressured to record their extra work time as credit time, even for work time that was initiated by management and should be compensated by comp-time or overtime. Many employees believe that comp-time is just an extension of credit time and it is what you get when you have reached your limit of 24 credit hours.

In reality, there are definite differences between overtime, comp-time and credit hours. The first major difference separates credit time from overtime and comp-time. If working extra time is requested by the employee, and the request is approved by his/her supervisor, the extra time worked is credit time. If working extra time is directed by management, then overtime or comp-time is the result. The somewhat gray area of management requesting employees to voluntarily work for credit time is a practice that must be discontinued. **\*An exception to this is where management makes the request for volunteers from a relatively large pool of employees. Under those circumstances, no employee feels unduly pressured to work the extra time, so as a result they can still take the initiative to volunteer for the credit time.**

When management directs employees to work extra hours, the decision as to whether the hours worked will be overtime or comp-time is dependent on the employee's Fair Labor



Human Resources Division  
5601 Sunnyside Ave • Beltsville, MD 20705  
An Equal Opportunity Employer

Standards Act (FLSA) status. Employees who are covered by the Act (FLSA Non-Exempt) always have the right to choose between overtime pay and comp-time in-lieu-of overtime. Those not covered by the Act (FLSA Exempt), earning less than the salary of a GS-10 step 10 (GS-11 step 6), also have that right of choice. Management on the other hand makes the decision between comp-time and overtime for employees not covered by the Act (FLSA Exempt) who earn more than a GS-10 step 10 salary.

The issues addressed above typically are not a problem for employees exempt from the FLSA. Those employees like scientists, specialists, and analysts are given broad research/program assignments and the employees are expected to plan and execute their own work. When these employees work extra hours it is not a result of them being directed to work those hours, but a choice made by the employee. As such, this voluntary work does not result in any compensation. On the other hand, there are occasions when management does specifically direct an exempt employee to work extra hours. When that occurs, the employee must be compensated with comp-time or overtime.

In conclusion the following needs to be communicated to all management/supervisory personnel:

- Whenever management initiates the request for an employee to work extra hours it will be treated as comp-time or overtime, not credit time (**\*exception noted above**).
- The practice of asking employees to work for credit time will be discontinued (**\*exception noted above**).
- Sufficient funds will be allocated in the budget to cover potential overtime expenses.
- Work will be planned to minimize the need for employees to work extra hours.

For questions, please contact Mr. Ted Nykiel, HRD Pay & Leave Team Leader at (301) 504-4426 or [Ted.Nykiel@ars.usda.gov](mailto:Ted.Nykiel@ars.usda.gov).

