DMA Policy: 3-0211
Name: EXEMPT COMPENSATORY TIME Policy Addendum
Reference: MOM Exempt Compensatory Time Policy

Approval Signature: 

Effective Date: April 20, 2015

The Department of Military Affairs is committed to managing exempt compensatory time consistent with the State of Montana Operations Manual (MOM) Exempt Compensatory Time Policy. Nothing in this policy guarantees that an employee will be allowed to work hours which result in the accrual of exempt compensatory time.

The responsibility for actively managing exempt compensatory time has been delegated to the direct supervisor. Supervisory personnel are responsible for ensuring that any hours worked causing an employee to accrue exempt compensatory hours are necessary in order to accomplish a Departmental task, and that the work unit will not be disrupted when an employee takes earned exempt compensatory time off.

Supervisors may adjust the schedule of an exempt employee within a workweek to avoid the accrual of exempt compensatory time.

Employees must obtain approval from his or her supervisor in advance whenever possible, to work hours which may result in the accumulation of exempt compensatory time. An exempt employee’s supervisor determines whether to approve an employee’s request to work an excess of 40 hours in a workweek. The supervisor may approve or deny the accrual of exempt compensatory time either before or after the hours worked.

Exempt compensatory time may not be accrued beyond 120 hours. The employee’s supervisor may, at any time, prohibit the accumulation of exempt compensatory time until an employee’s balance is reduced below 120 hours. The supervisor may require an exempt employee to take accrued exempt comp time off during any work week. Accrued exempt comp time may be taken off by the employee at a mutually agreeable later date during the employee’s regular work week, if approved by the supervisor.

Exempt compensatory time shall be earned, recorded and used in one half hour increments.

Exempt compensatory time is not earned until an employee has 40 hours in a pay status each week. If the employee earns exempt comp time, the compensatory hours must be recorded in the "Comp Time Earn" row of the timecard.

**Reporting Excess Exempt Comp Balances**
A maximum of 120 hours of exempt compensatory time may be carried over from one calendar year to the next. DMA Payroll will calculate the excess exempt comp hours for all employees as of the end of the first pay period extending into the new calendar year. DMA Payroll will provide notification of excess exempt comp hours in writing to
the affected employees, their direct supervisors and their Division Administrator by January 31 of the calculation year.

The employee must take off all excess compensatory time between January 1 and March 31 of the next calendar year or forfeit the excess hours, except when the supervisor extends the forfeiture deadline of March 31.

Employees are responsible for making a reasonable written request to his/her supervisor to use excess exempt comp hours prior to March 31. Reasonable at a minimum would allow sufficient notice to take the accrued exempt compensatory time off before the forfeit date. The supervisor may approve all, some or none of the employee’s request by written response within no more than five working days from the receipt of the request. The written response must be provided to the DMA Payroll prior to the March 31 of the calculation year.

If the original request is not approved, the supervisor and employee may negotiate alternate leave dates between January 1 and March 31 of the calculation year. If the employee does not submit a reasonable written request prior to March 31 for use of the excess exempt comp hours, the excess exempt comp hours are forfeited as of March 31. If the employee receives approval for a reasonable written request to use excess exempt comp by March 31 but chooses not to use all excess exempt comp hours, any remaining excess exempt comp hours are forfeited on March 31. The deadline for forfeiture may be extended to December 31 based upon intervening factors that are not under the control of the employee, such as illness or significant changes in the employee’s workload, that affect the employee’s ability to use the time as planned. In this case, the supervisor will submit an amended plan to the DMA Payroll showing that use of the excess exempt comp time was denied and the reason which was beyond the control of the employee. The length of this extension is up to the discretion of the supervisor, and may not exceed December 31 of the calculation year. The employee must prepare a written plan to use all remaining excess exempt comp hours by December 31 of the calculation year and the form must be provided to DMA Payroll no later than March 31 of the calculation year. Any excess compensatory time not taken by December 31 is forfeited.

When an employee’s position is reclassified, the FLSA classification must be evaluated. If the reclassification of a position results in changing the FLSA classification from nonexempt to exempt, all nonexempt compensatory time must be used prior to using exempt compensatory time or the nonexempt compensatory time may be cashed out at the rate of pay prior to reclassification.

When an employee is promoted or reclassified from a nonexempt position to an exempt position, all nonexempt compensatory time must be paid out at the rate of pay prior to promotion or reclassification.

DMA shall not issue lump sum cash compensation for accrued exempt compensatory time at any time. Exempt compensatory time may be transferred between agencies provided the new agency agrees.
This policy will be followed unless it conflicts with negotiated labor contracts, which will take precedence to the applicable extent.

Questions concerning this policy shall be directed to your supervisor or the Human Resources Manager.