LOUISIANA HOUSING CORPORATION		
Policy Number 14	**Policy Name** Overtime	**Original Effective Date** July 1, 2012
Issuing Department Human Resources	**Revision Dates** 02/2020; 03/2023	
Contact Human Resources	**Signature**	
Appointing Authority Joshua G. Hollins, Executive Director	**Signature**	

I. Objective

This policy provides guidelines for the consistent management of overtime compensation for required approved work performed in addition to the employee's regularly scheduled hours during a workweek.

This policy applies to all classified employees of the Louisiana Housing Corporation (LHC). Employees in regular unclassified positions do not earn overtime.

II. Applicability

This policy shall apply to all employees of Louisiana Housing Corporation (LHC), hereinafter referred to as "LHC".

III. Policy

Overtime and the related crediting of compensatory leave (K-time) or payment of wages must be authorized in writing on LHC's Overtime Form prior to the hours being worked. Employees are not authorized to work overtime at their own discretion. Supervisors manage and control overtime hours, which are authorized based upon business necessity.

Employee compensation for overtime is in accordance with the Civil Service Rules and the Fair Labor Standards Act (FLSA).

IV. Definitions.

1. Overtime: Time actually worked by an employee at the direction of and with supervisory approval:
    a. In excess of their regularly scheduled hours in a 40-hour workweek;
    b. On a day observed as a holiday; or
    c. On a day the office is officially closed.

2. Workweek: The LHC workweek begins at 12:00 a.m. on Monday and ends at 11:59 p.m. on the following Sunday.

3. Compensation for overtime: Overtime is paid as compensatory time (K-time). Cash payment at the appropriate rate in lieu of K-time may be requested and requires the approval of the Appointing Authority.

4. Non-exempt position: A position covered by the overtime provisions of the FLSA; not exempt from FLSA overtime provisions.

5. Exempt position: A position not covered by the overtime provisions of the FLSA; exempt from FLSA overtime provisions.

6. FLSA overtime rate: Earned by employees in FLSA non-exempt positions only.
   - Overtime compensation calculated at the time and one-half rate for all time physically worked greater than 40 hours in a workweek.

7. Straight overtime rate: Earned by employees in both non-exempt and exempt positions.
   - **Exempt**: compensation rate for overtime worked.
   - **Non-exempt**: compensation when an employee works beyond their scheduled workweek, but does not physically work greater than 40 hours due to a holiday or use of leave.

V. FLSA status, category designations and compensation.

LHC's Human Resources Department is responsible for determining and properly classifying positions as exempt and non-exempt under the FLSA. The classification determines the manner in which an employee is compensated for overtime, if at all. The determination of each position's status is tracked by Human Resources.

1. Non-exempt positions: Employees in non-exempt positions earn overtime at the time-and-one-half rate when they physically work greater than 40 hours is one workweek.

Approved overtime hours worked by employees in non-exempt positions shall be compensated as K-time or cash payments as detailed below.

a. FLSA overtime rate for time actually worked in excess of 40 in a workweek.

b. Straight overtime rate for time worked beyond the regularly scheduled workweek when 40 hours have not been actually worked due to holiday or use of leave.

c. FLSA overtime rate for all time previously approved to work on official or designated holidays and during official office closures due to emergency situations.

2. Exempt positions: These are positions exempt from the overtime provisions of the FLSA. Overtime worked by employees in exempt positions may be compensated K-time or cash payments within the parameters listed below.

a. Compensatory time shall be earned in 15 minute increments.

b. Straight overtime rate for all hours previously approved to work beyond 40 in a workweek.

c. Straight overtime rate for all hours previously approved to work on official or designated holidays and official office closures due to emergency situations.

The Appointing Authority must provide prior approval for cash payments for overtime. Cash payments are subject to budget availability and will be approved on a case-by-case basis. Blanket approval will not be given.

VI. Overtime for lunch.

Designated lunches are not considered work time and employees in non-exempt positions are not allowed to work during their scheduled lunch period. If a supervisor requires an employee in a non-exempt position to work during lunch and it causes overtime, then overtime compensation at the appropriate rate is required.

Employees in FLSA exempt positions are not eligible for overtime when working through lunch.

VII. Overtime for travel.

1. Conferences, conventions, training programs.
   a. When employees in non-exempt positions attend conferences, conventions, training programs, or other overnight stay activities, either on weekends, overnight or outside normal work hours, all time attending programs should be designated as time worked for which compensation at the appropriate rate is required. Non-exempt employees also receive compensation at the appropriate rate for all time spent in travel status.

      Attendance at receptions is not considered work time.

   b. Employees in FLSA exempt positions do not earn overtime when attending conferences, conventions, training programs, and other overnight stay activities.

      Exempt employees required to travel on weekends shall earn no greater than 8 hours per day overtime.

2. Regular business or single-day.
   When an employee eligible for overtime compensation is on regular business that requires overnight stays or on a single-day trip, overtime is granted for time spent outside scheduled work hours in transit to and from the destination. Overtime compensation at the appropriate rate is applied if the workweek is extended by additional travel time.

3. Travel for call back:
   If an employee eligible for overtime compensation has gone home after completing work for the day and is subsequently called back to work at night or is called to work on a weekend, time spent travelling to and from the work site from their regular domicile is considered work time for which the employee will receive overtime compensation at the appropriate rate.

VIII. Caps on accumulation of K time.

1. FLSA overtime rate: The FLSA permits the accumulation of K-time earned at FLSA overtime rate up to a maximum cap of 240 hours. The employee shall receive payment of wages at the time and one-half rate for any overtime above the 240-hour cap during the pay period the cap is reached.

2. Straight overtime rate: The FLSA permits the accumulation of K-time earned at the straight overtime rate in excess of 360 hours, but not more than a total of 360 hours can be carried forward from one fiscal year to the next. This applies to both exempt and non-exempt employees.

3. Payment of K-time over the cap:
   a. For employees in non-exempt positions whose K-time at the straight overtime rate balance exceeds the 360-hour cap, payment shall be made within 90 days of the beginning of the following fiscal year for the leave in excess of 360 hours.

   b. Payment of K-time balances exceeding the 360-hour cap for employees in exempt positions may be made at the discretion of the Appointing Authority. Payment may be made within 90 days of the beginning of the following fiscal year for the excess K-time. If payment is not made, the K-time in excess of 360 hours shall be cancelled.

   c. The Appointing Authority may authorize cash payment for all or part of an employee's K-time balance at any time.

   d. Supervisors should make every effort to ensure that employees are aware of these provisions, and that they allow or compel the employee to use the accrued K-time rather than be paid for any excess or have any excess cancelled at the end of the fiscal year.

IX. Employee use of K-time.

An employee who has been credited with K-time may be required to take all or part of such leave at any time.

K-time is utilized prior to annual leave being charged or leave without pay begin applied.

X. K-time upon separation.

1. Unused K-time earned at the FLSA overtime rate shall be paid upon transfer or separation from the Corporation.

2. Unused K-time earned at the straight overtime rate by employees in non-exempt positions shall be paid upon transfer or separation from the Corporation.

3. Unused K-time earned at the straight overtime rate by employees in exempt positions will not be paid upon transfer or separation by the Corporation. All such unused K- time will be cancelled and will not be re-credited upon

XI. Responsibilities.

1. Supervisors:
   a. Supervisors shall ensure that employees adhere to designated work schedules and do not work overtime without prior approval, including during lunch.

   b. Supervisors shall ensure that employees:
      1. Request prior approval of overtime;
      2. Document the overtime on the Overtime Form; and
      3. Record overtime worked accurately on timesheets.

   c. Supervisors are responsible for recommending appropriate corrective action for employees who work overtime without prior approval.

   d. Supervisors are responsible for ensuring employees do not accumulate greater than 240 hours of K-time accrued at the FLSA overtime rate or 360 hours of K-time accrued at the straight overtime rate.

   e. Supervisors are responsible for obtaining approval from the Appointing Authority prior to authorizing cash payments for overtime. Supervisors

should also confirm that there is sufficient funding budgeted for overtime pay prior to submitting a request.

2. Employees:
   a. Employees are required to work overtime at the direction of their supervisors.

   b. Employees shall ensure that they only work overtime that is pre-approved. When prior approval is not possible due to extreme circumstances, employees shall notify their supervisor of the overtime hours worked, the reason for the overtime, and the reason prior approval could not be obtained.

   c. Employees are required to fully document and record all overtime hours on the LHC's Overtime Form and on their bi-weekly timesheets.

XII. Violations.

Working overtime without prior approval is a violation of this policy. Reporting incorrect overtime information on payroll documents is considered payroll fraud and is a violation of this policy. Employees found to have violated this policy may be subject to disciplinary action up to and including termination.

XIII. Questions

Questions regarding this policy should be directed to Human Resources.