

June 10, 1993

Payroll Letter 635

To: Payroll Officers, Personnel Officers, Labor Relations Officers and Fiscal Officers of all Departments, Institutions, Boards and Commissions.

From: Robert L. Cruse, State Payroll Administrator

Subject: Compensatory Time System to Include Overtime Exempt Employees and Compensatory Time Leave Adjustments

Agencies with an approved Compensatory Time Policy for Overtime Exempt Employees, can post compensatory time to those employees' payroll records. This was outlined in Payroll Letter 634 dated May 10, 1993. So far the system seems to be working as designed, however, we have experienced some concerns. Listed below are some areas which need to be closely coordinated between agency payroll and personnel officers'.

1. Only agencies with an approved Compensatory Time Policy for Overtime Exempt Employee's are authorized to post compensatory time accrual and/or usage for their exempt employees. If you do not know if your agency has an approved compensatory time policy, you can view your agency's payroll header record via computer terminal. Agencies with an approved policy will have the maximum number of compensatory time hours an employee may have at one time displayed next to "**COMP TIME MAX=**". If your agency does not have an approved policy, the value will be zero.
2. The overtime exempt flag is transferred from the employee's Position Control Record to the employee's Payroll Record during the payroll and position control file maintenance which is run once every two weeks, the weekend after payday. An overtime exempt employee is identified by an "X" to the left of the employee's name on the Payroll Disbursements Journal. It is also displayed via computer terminal on the payroll (PAYU) and position control (POSU) CICS screens and on the Position Control Roster.
3. When an employee switches from overtime eligible to overtime exempt the employee's compensatory time balance will be automatically paid off. The compensatory time payoff is triggered during the payroll and position control maintenance when the employee's Position Control Record has an overtime flag of "X" and the employee's Payroll Record has no overtime flag .

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4. The accrual rate for compensatory time is based solely on the Overtime Flag in the employee's Payroll Record. If the Overtime Flag is an "X" (overtime exempt) the accrual rate is one hour for one hour worked, otherwise the employee will accrue compensatory time at one and one-half hour for each hour worked.

When an error does occur, please use one of the following adjustment codes to correct an employee's compensatory time balance. Post these codes directly to the payroll disbursement journal followed by the number of hours to be adjusted.

CTA - Compensatory Time Adjustment - This code is used to restore (add) compensatory time used while awaiting approval of disability benefits or injury pay, when the disability benefits or injury pay is subsequently approved. The employee will have up to 180 days from the pay period of restoration to use compensatory time posted as CTA.

CTB - Compensatory Time Balance - This code is used to reinstate (add) compensatory time to an employee's compensatory time balance. The employee will have up to 180 days from the pay period reinstated to use compensatory time as CTB.

CTC - Compensatory Time Accrual Adjustment - This new code is used to reduce (subtract) compensatory time from an employee's balance for time erroneously posted and/or accrued. This adjustment will act as compensatory time leave usage and will be charged against the employee's oldest compensatory time.

If you have any questions regarding the status of your agency's Compensatory Time Policy for Overtime Exempt Employees, please call Sharon Downs at 466-3455. If you have any questions regarding an employee's Overtime Flag, please contact the Personnel Analyst assigned to your agency or call Connie McGrady at 466-0767. If you have any questions regarding the processing of your payroll, please contact Payroll Processing at 466-5667 or call Aurelia Dixon at 466-2831.

Thank you in advance for your cooperation.

RLC/JAM/jam