



DEPARTMENT OF THE ARMY  
HEADQUARTERS, UNITED STATES ARMY MEDICAL DEPARTMENT ACTIVITY  
2480 LLEWELLYN AVENUE  
FORT GEORGE G. MEADE, MARYLAND 20755-5800

REPLY TO  
ATTENTION OF

30 July 2004

POLICY STATEMENT NO. 20

APPROVAL OF OVERTIME AND COMPENSATORY TIME  
AT KIMBROUGH AMBULATORY CARE CENTER

1. Overtime (OT) and compensatory time (CT) are used to compensate civilian employees who must work past normal duty hours (normally more than eight hours per day or 40 hours per week). Rules for OT and CT differ depending on the type and grade of the employee. Enclosure 1, subject: Detailed Rules for the Payment of Overtime and Compensatory Time, which applies to both exempt and nonexempt employees, clarifies these rules. OT is a cash payment for time worked past normal duty hours (normally eight hours per day or 40 hours per week). CT not taken within 26 pay periods is automatically paid as OT. The following guidelines are established for the use and approval of OT and CT:

a. Whenever possible, OT and CT will be scheduled at least one pay period in advance of the scheduled requirement. This applies to both exempt and nonexempt employees. I recognize that this may not always be possible in direct patient care areas. In cases where it is not possible to obtain advance approval, the OT or CT will be reviewed retrospectively according to the guidance in paragraph 2, below.

b. Use of CT is strongly encouraged. When CT is authorized, the supervisor will ensure the employee uses the earned CT within three pay periods (six weeks).

2. Approving authorities for OT and CT.

a. All OT and/or CT up to 12 hours per pay period per employee will be individually approved by one of the three deputy commanders (Deputy Commander for Administration (DCA), Deputy Commander for Clinical Services (DCCS), or Deputy Commander for Nursing (DCN)), as appropriate.

b. I will be the sole approving authority for all OT and CT that exceeds 12 hours per pay period, after it has been recommended for approval by the appropriate deputy commander.

3. Except for OT and CT that is approved due to urgent or emergency circumstances, all requests for OT and CT will be routed through the Chief, Business Division, who will perform a cost analysis and send this along with the request to the specific deputy commander.

4. Documenting OT and CT. Supervisors will document all OT and CT on a DA Form 5172-R, Request, Authorization, and Report Overtime. This is an electronic form that is accessible through the Local Forms Menu in FormFlow.

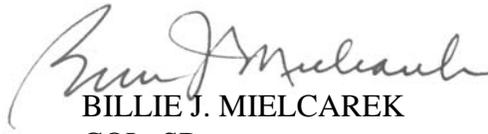
MCXR-Z

SUBJECT: Policy Statement No. 20 – Approval of Overtime and Compensatory Time

5. Employees who perform OT or CT after normal duty hours on duty days (after 1630) will sign out with the administrative officer of the day (AOD) prior to departing. Employees working OT or CT on weekends or federal holidays will sign in and out with the AOD.

6. Questions regarding this policy should be directed to Chief, Business Division, at extension 8604, or the Budget Manager, at extension 8334. The intent of this policy is to encourage the most efficient and effective use of our employees and encourage supervisors to efficiently manage their workload. Overtime and compensatory time have very real costs to the organization in terms of morale, productivity and financial performance.

Encl  
as



BILLIE J. MIELCAREK  
COL, SP  
Commanding

## **DETAILED RULES FOR THE PAYMENT OF OVERTIME AND COMPENSATORY TIME**

1. Rules for the authorization and payment of overtime and compensatory time differ depending on the employee's status under the Fair Labor Standards Act (FLSA). Employees are classified as either *exempt* from the FLSA or *nonexempt*.

a. Exempt employees.

(1) Overtime work must be officially ordered and approved prior to the employee performing the overtime work.

(2) Overtime is paid at a rate of one and one-half times the employee's rate of basic pay, including locality pay. The overtime rate is capped at the GS-10, Step 01 rate.

b. Nonexempt employees.

(1) Ordinarily, overtime work is ordered or approved but may be "*suffered*" and "*permitted*". For example, individuals allowed to sit at their desks and eat lunch and work at the same time could claim overtime under the suffered and permitted clause of the FLSA, commonly referred to as *suffered* and *permitted*. It means the supervisor knew what was occurring and allowed the situation to continue. Normally, *suffered* and *permitted* situations are not allowed for any employee of Kimbrough Ambulatory Care Center. Recurring instances of *suffered* and *permitted* will be referred to the DCA, DCCS or DCN, as appropriate.

(2) Overtime for a nonexempt employee is paid at a rate equal to the employee's straight rate of pay, plus one-half the employee's hourly rate. The straight time rate is the rate paid for the position, minus differentials or premiums *except* annual premium pay. The hourly regular rate is the *total remuneration* divided by all hours of work in a week for which remuneration is paid.

(3) Nonexempt employees must be paid overtime unless they request compensatory time off. The employee must request compensatory time in writing.