

BPA Human Resources Desk Reference

Pay and Compensation for Exempt Annual Employees

HR Desk Reference: 410-05-02

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1. Purpose & Background

This HR Desk Reference implements BPA HR Directive 410-05: Employee Pay and Compensation Initiatives.

A. **Governance model:** This HR Desk Reference is part of a tiered approach to BPA’s Human Resources governance model. The first tier is the BPA Human Resources Policy, which provides broad BPA-wide guidelines and standards for making specific human resources-related decisions and specifies who in BPA is delegated the authority to make them.

The second tier consists of HR Desk References covering more detailed instructions concerning program administration and processes. These second tier documents will be authorized in the “Related HR Desk References” section of the BPA HR Directive when they are published as an extension of a specific HR Policy.

The third tier consists of Standard Operating Procedures applicable to a specific business process. Standard Operating Procedures may stand alone or be encompassed in an HR Desk Reference.

B. **Design of the HR Desk Reference:** In order to support the overarching guidance contained in the relevant HR Policy, this HR Desk Reference provides a standardized and consistent approach to HCM’s and BPA Management’s administration of the programs and processes contained in this HR Desk Reference.

C. **Using the HR Desk Reference:** Recorded information is an integral part of all business functions at BPA and as such, is an asset of the agency that is handled and managed based upon content and the circumstances surrounding the function. Users of this HR Desk Reference are likely to reference a specific function or procedure rather than reading it in its entirety and it is therefore structured to reflect this type of use.

D. **Purpose:** This HR Desk Reference supplements BPA Human Resources Directive 410-05: Employee Pay and Compensation Incentives and is intended to assist managers, supervisors, and employees in understanding the rules, policies, and procedures for earning paid overtime and compensatory time in lieu of paid overtime, religious compensatory time, and compensatory time off for travel under 5 CFR, Part 550, Pay Administration.

E. **Background:** Under 5 CFR, Part 550, Pay Administration, BPA annual employees exempt from the overtime provisions of the Fair Labor Standards Act (FLSA) may earn overtime pay or compensatory time off for qualifying hours of work in excess of their basic work requirement. Compensatory time in lieu of overtime is cashed out at the employee’s overtime rate of pay in effect when earned if not used by the end of the 26th pay period after it was earned.

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2. Applicability

- A. Guidance on overtime and compensatory time in lieu of paid overtime applies to all FLSA-exempt BPA annual employees, except those in the Senior Executive Service (SES). An employee's exemption status is recorded in block 35 of SF-50, Notification of Personnel Action.
- B. Annual employees who are non-exempt from the FLSA may also be eligible to earn overtime for work qualifying as "hours of work" as summarized in Section 5 of this guide. Managers should contact Human Capital Management, Staffing and Classification to determine applicability for FLSA non-exempt employees. However, a non-exempt employee is paid the FLSA overtime rate for hours of work qualifying as Title 5 overtime. The Overtime and Compensatory Time for Annual Employees Covered under the Fair Labor Standards Act HR Desk Reference, should be read in conjunction with this guide.
- C. Hourly employees are paid overtime under the provisions of the Columbia Power Trades Council (CPTC) Collective Bargaining Agreement (CBA); however, the approval and documentation requirements for overtime outlined in this guide must be applied.

3. Terms & Definitions

- A. **Administrative workweek:** Administratively established period of seven (7) consecutive calendar days designated in advance, normally from 12:00 a.m. Sunday to 12:00 a.m. the following Sunday. Variance from this standard workweek may be authorized as outlined in BPA Human Resources Directive 410-06: Employee Leave, Work Schedules, and Telework.
- B. **Basic work requirement:** The number of hours excluding overtime hours that must be regularly accounted for on the time and labor report. Completion of the basic work requirement includes hours reported as work, paid leave, or credit hours used.
- C. **Basic workweek:** For full-time employees not on a compressed work schedule, the regularly scheduled 40-hour workweek. For full-time employees on a compressed work schedule, the regularly scheduled 80-hour bi-weekly work schedule specified in the published, compressed work schedule. For all part-time employees, it is the hours specified on their current SF-50, Notification of Personnel Action.
- D. **Compensatory time:** An alternative form of compensation for overtime worked. Generally, it is an equal amount of time off, instead of pay, for overtime hours worked subject to certain limitations described in this document and the collective bargaining agreements with BPA.
- E. **Compressed work schedule:** A work schedule with an 80-hour, bi-weekly basic work requirement that is scheduled for less than 10 workdays for a full-time employee, e.g., a

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4/10 schedule consisting of 4 10-hour days per week. (See applicable Memoranda of Understanding for the compressed work schedules.) For a part-time employee, a basic work requirement of less than 80 hours bi-weekly that is scheduled for less than 10 workdays and that may require the employee to work more than 8 hours in a day.

- F. **Exempt employees:** Employees covered under 5 CFR 550, not covered by the minimum wage and overtime provisions of the FLSA.
- G. **Flexible work schedule:** A work schedule established under 5 U.S.C. 6122 that has a bi-weekly, basic work requirement of 80 hours for a full-time employee (less than 80 hours for a part-time employee) and allows an employee to determine their own schedule within the limits set by BPA, i.e., vary arrival and departure times outside of core hours, with supervisor approval and may include earning and using credit hours to vary the workday or workweek.
- H. **Holiday work:** Non-overtime work performed during a regularly scheduled, daily tour-of-duty on a holiday.
- I. **Night work:** Regularly scheduled work (including regularly scheduled overtime) performed between the hours of 6 p.m. and 6 a.m.
- J. **Non-exempt employees:** Employees covered by the minimum wage and overtime provisions of the FLSA.
- K. **Official duty station:** The city/town, county, and state in which an employee works and the surrounding area within a 35 mile radius that is used to determine whether travel is outside the limits of the official duty station for purposes of this HR Desk Reference.
- L. **Overtime:** Hours of work in excess of 8 hours in a day or 40 hours in a week for a full-time or a part-time employee on a regular or a flexible work schedule. Hours of work in excess of the basic work requirement for employees on compressed schedules. For a part-time employee on a compressed schedule, hours that would be considered overtime hours for a full-time employee on the same compressed schedule, but always more than 8 hours in a day or 40 hours in a week. All overtime hours are ordered or approved by a BPA manager.
- M. **Premium pay:** Additional pay authorized for overtime (including the dollar value of compensatory time earned in lieu of paid overtime), night, Sunday, or holiday work; or for standby duty, administratively uncontrollable overtime work, or availability duty. This excludes overtime pay paid to employees under FLSA and compensatory time off earned in lieu of such overtime pay.
- N. **Rate of basic pay:** The rate of pay fixed by law or administrative action for the position held by an employee, including any applicable locality payment, special rate supplement, or similar payment or supplement under other legal authority, before any deductions and exclusive of additional pay of any other kind.

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- O. **Regularly scheduled administrative workweek:** For full-time employees, the period within an administrative workweek when regularly required to be on duty (normally Monday through Friday, but it can be any 5 or 6 consecutive days of the administrative workweek and may include regularly scheduled overtime). For part-time employees, the officially prescribed days and hours within an administrative workweek when regularly scheduled to work as reflected on the current SF-50, Notification of Personnel Action.
- P. **Regularly scheduled overtime:** Generally, overtime hours scheduled in advance of the beginning of the administrative workweek.
- Q. **Regularly scheduled tour-of-duty:** Hours of a day (daily tour-of-duty) and the days of an administrative workweek (weekly tour-of-duty) constituting an employee's regularly scheduled administrative workweek.
- R. **Sunday work:** Non-overtime work performed during a regularly scheduled, daily tour-of-duty, any part of which is on a Sunday.
- S. **Travel:** Officially authorized travel (i.e., travel for work purposes approved by an authorized BPA official).
- T. **Workday:** Daily tour-of-duty whether it falls entirely within the same calendar day or not.

3.1 Acronyms

AUO	Administratively Uncontrollable Overtime
CBA	Collective Bargaining Agreement
CFR	Code of Federal Regulations
COO	Chief Operating Officer
CPTC	Columbia Power Trades Council (CPTC)
ELES	Employee Leave and Earning Statement
EO	Executive Order
FLSA	Fair Labor Standards Act
GS	General Schedule
HCM	Human Capital Management
HRD	Human Resources Director
MOU	Memorandum of Understanding
OPM	Office of Personnel Management

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PDL	Professional Division of Labor’s (PDL) International Union, Local 335,
SF	Standard Form
SOP	Standard Operating Procedure
TDY	Temporary Duty
TRC	Time Reporting Code
USC	United States Code

4. Responsibilities

- A. **BPA Administrator or COO:** Authorizes waivers to the bi-weekly pay cap for premium pay earned in connection with an emergency.
- B. **BPA Human Resources Director:**
 - 1. Determines FLSA status for all positions during the classification process;
 - 2. Provides expert advice and guidance concerning payment of overtime or compensatory time for hours of work under OPM regulations and Department of Energy directives; and
 - 3. Reviews waivers to the bi-weekly pay cap and recommending approval or disapproval to the COO.
- C. **BPA Managers and Supervisors:**
 - 1. Orders and schedules employees to work overtime and approve overtime for employees under their administrative jurisdiction;
 - 2. Ensures that overtime is authorized, approved, and controlled in a cost-effective manner;
 - 3. Ensures that overtime and compensatory time earned and used is recorded in accordance with BPA’s time and labor reporting instructions;
 - 4. Approves requests to earn compensatory time off for religious observances; and
 - 5. Maintains appropriate documentation of overtime/compensatory time approval and appropriate leave requests or timesheets. These records must be maintained in official electronic or paper files.
- D. **Employees:**
 - 1. Follow these procedures for overtime/compensatory and requests, approval, and/or documentation procedures specific to their units or the instructions of their supervisors; and

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2. Do not approve overtime/compensatory time earned and used.

5. Program Administration Requirements and Guidance

5.1 Determining What Constitutes “Hours of Work” for Overtime Entitlement

A. General:

1. Time spent by an exempt employee performing “principal activities” is hours of work for overtime purposes when ordered and approved in writing by a manager with delegated authority to order and approve overtime. Principal activities are those activities which an employee is employed to perform. In certain cases, pre- and post-shift activity that is closely related and indispensable to an employee’s principal activities is also considered hours of work, such as for employees on rotating shifts.
2. Hours of work performed at night, on Sunday, or on a legal holiday that entitles an employee to premium pay are included in calculating the number of hours worked as part of a daily, weekly, or bi-weekly work requirement and in determining entitlement to overtime for hours worked in excess of the work requirement.
3. Time in a paid leave status including authorized absence on leave, credit hours, compensatory time off, a legal holiday, or other non-workday established by an Executive Order (EO) or administrative order authorized by BPA, e.g., one-half day or full day off for Christmas Eve by Executive Order, is treated as hours of work for purposes of determining overtime entitlement.
4. Time in an unpaid absence status, e.g., leave without pay, absence without leave, suspensions is not counted as hours of work for purposes of determining overtime entitlement. Any overtime hours performed during an administrative workweek during which there is also a period of unpaid absence will be substituted for the absence and paid at the employee’s rate of basic pay until the number of hours in the employee’s basic work requirement is satisfied. Remaining hours in excess of the basic work requirement will be paid as overtime or compensatory time off after the basic work requirement has been met.
5. Bona fide meal periods and sleep periods are not considered hours of work except for employees receiving premium pay on an annual basis for regularly scheduled standby duty or for employees required to work.
6. 24-hour shifts on irregular or occasional standby duty who are not receiving annual premium pay (as described in 5 CFR, Part 550.112(m)(3). Time is considered hours of work when employees performing irregular or occasional standby duty are required to perform work during a meal or sleep period. If a sleep or meal period is interrupted by a call to duty, the time spent on duty is hours of work.

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B. Time spent traveling:

1. Travel away from an employee’s official duty station is hours of work only when the travel:
 - a) Is within employee’s regularly scheduled administrative workweek, including regularly scheduled overtime work; or
 - b) Is outside the hours of employee’s regularly scheduled administrative workweek, is ordered or approved, and meets one of the following conditions:
 - i) Involves performance of actual work while traveling, e.g., flying an airplane to transport cargo;
 - ii) Is incident to travel involving performance of work while traveling, e.g., returning an empty aircraft to the point of origin;
 - iii) Is carried out under such arduous and unusual conditions that the travel is inseparable from work, e.g., travel on rough terrain or under extremely severe weather conditions; or
 - iv) Results from an event which could not be scheduled or controlled administratively by the Government, e.g., training scheduled solely by a private firm or a job-related court appearance required by a court subpoena, including travel to the event and return to the official duty station.
2. Travel from home to work at a temporary duty location within the employee’s official duty station is not hours of work unless the employee is required to perform substantial work while commuting. Driving a Government owned or leased vehicle is not a basis for determining that the commuting time is hours of work.
3. Travel directly between home and a temporary duty location outside the official duty station that qualifies as hours of work as outlined in paragraph B.1. above, requires deduction of the employee's normal commute time from the total compensable hours of work.
4. Travel time potentially compensable under paragraphs B.1.b(ii) or B.1.b(iii) above must be documented and approved by the appropriate manager prior to beginning travel. Human Capital Management (HCM) should be consulted in advance to assist in determining whether travel is compensable to prevent false employee expectations. If not compensable and if possible, the employee’s travel should be rescheduled to occur during regularly scheduled duty hours. An employee’s work schedule may not be adjusted solely for the purpose of including travel time as compensable hours of work.

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5. Employees should not be required to travel during non-duty hours insofar as practicable. Pursuant to some Collective Bargaining Agreements (CBAs), the manager may be required to provide written reasons for ordering travel outside of duty hours when such travel does not qualify for overtime pay.
6. Time spent traveling to a temporary duty location outside the limits of the official duty station that is NOT compensable under paragraph B.1.b above may be eligible for compensatory time off (not overtime) under the rules described in HR Desk Reference: Compensatory Time Off for Travel.
7. Appendix 1, "Further Guidance for Determining Hours of Work While in a Travel Status", provides examples and discussion for determining when time in a travel status may be compensable as hours of work.

C. Standby duty and on-call status

1. Time on Standby Duty is considered "hours of work" if the employee is restricted to a designated duty station and is ordered to be in a state of readiness to perform work. Limitations imposed on the employee's activities must be so substantial the employee cannot use the time for his/her own purposes. In determining whether an employee's activities are "substantially limited" for purposes of this section, personal limitations intended to insure employee's readiness to perform work cannot be considered, e.g., restrictions on consumption of alcohol or certain medications.
2. An employee is not on duty and time spent in an On-Call Status is not hours of work if the employee is allowed to leave a telephone number or carry an electronic device for the purpose of being contacted, even though the employee is required to remain within a reasonable call-back radius; or if the employee is allowed to make arrangements for another person to perform any work that may arise during the on-call period.

D. Training:

1. Training during an employee's regularly scheduled tour-of-duty is considered "hours of work."
2. Exempt employees may not earn overtime or any other premium pay while engaged in training by, in, or through Government or Non-Government facilities with the following exceptions:
 - a) An employee in training during a period of duty for which he/she is already receiving overtime pay will continue to receive it. This does not apply to an employee assigned to full-time training at institutions of higher learning.
 - b) Pay for regularly scheduled overtime and annual premium pay will be continued when an employee is absent due to a training assignment.

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3. Exempt employees assigned to full-time training at an institution of higher learning may not receive any form of premium pay, including overtime or compensatory time in lieu of overtime, under any circumstances. If applicable, managers should notify employees in advance of such training.
4. Premium pay restrictions while in training status do not apply to paying overtime, travel compensatory time off, or other premium pay for time spent traveling to and from training, if such time is otherwise eligible.

5.2 Paid Overtime

A. Purpose and determination of overtime hours:

1. **Hours of work:** Used to determine entitlement to overtime or compensatory time in lieu of overtime.
2. **Purpose of overtime:** Overtime should be required only to avoid a serious backlog of work, to meet a special work requirement, or to address unexpected and unforeseen work requirements.
3. **Overtime pay may only be earned when actually worked:** An employee absent on paid leave during regularly scheduled overtime will not receive overtime pay (or compensatory time in lieu of overtime) for the period of absence. However, if an employee is using compensatory time off earned in lieu of overtime, or is in court, military or funeral leave, overtime premium pay may be paid though the employee did not actually work during the regularly scheduled overtime.
4. **Work on a holiday:** Work performed on a holiday during an employee’s regular duty hours is not overtime, it is holiday work. Holiday work creates an entitlement to holiday premium pay. Work on a holiday outside of regular duty hours and in excess of an employee’s basic work requirement is compensated as overtime or compensatory time in lieu of overtime.
5. **Only officially ordered or approved hours worked in excess of the basic daily, weekly, or bi-weekly work requirement can be paid as overtime or compensatory time off:** The concept of “suffered or permitted” overtime applicable to FLSA non-exempt employees does not apply to exempt employees. Additional hours of work performed voluntarily by an exempt employee that are not officially ordered or approved may not be compensated with overtime premium pay or compensatory time in lieu of overtime; however, some CBA’s allow compensation for voluntary “overtime” when the manager with delegated authority determines it was needed and justified. Consult the applicable CBA as needed. An employee who voluntarily works additional hours that are not compensable as overtime or compensatory time may earn credit hours if on a flexi-schedule (see HR Directive 410-06: Employee Leave, Work Schedules, and Telework).

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6. **Regular and flexi-schedules:** Employees on a regular or flexi-schedule have a basic work requirement of 8 hours per day and 40 hours per week. Overtime hours for both full-time and part-time employees are those in excess of 8 hours in a day or 40 hours in a week. Credit hours worked at the election of the employee on a flexible work schedule are not overtime hours because they are requested by the employee (rather than ordered by management).
7. **Compressed work schedules:** For full-time employees on a 4/10 compressed work schedule the basic work requirement is 10 hours per day, 40 hours per week, and 80 hours in a bi-weekly period. Therefore, overtime hours are those hours of work in excess of 10 hours per day, 40 hours per week, or 80 hours bi-weekly. For full-time employees on a 5/4-9 compressed work schedule, the basic work requirement consists of eight 9-hour days and one 8-hour day for a total of 80 hours in a bi-weekly period. Overtime hours are those hours in excess of an employee’s scheduled daily, weekly or bi-weekly work requirement. For part-time employees on a compressed work schedule, overtime hours are those considered overtime hours for a full-time employee on the same compressed schedule, but always more than 8 hours in a day or 40 hours in a week. Various MOUs have been negotiated between the unions and management. Check with a Labor Relations staff prior to authorizing the time.
8. **Quick turnaround shifts:** If an employee has two scheduled daily tours of duty falling on the same calendar day, e.g., Monday from 4:00 a.m. to 12:30 p.m. followed by another 8-hour tour from Monday at 10:00 p.m. to 6:30 a.m. on Tuesday, the hours of work are considered two separate workdays and the employee is not entitled to overtime for the hours during the second tour-of-duty that fall within the same calendar day as the first 8-hour tour-of-duty.

B. Scheduling and approval:

1. **Requirement to work overtime:** Managers (or Team Leaders with delegated authority) may require employees to work overtime as necessary to accomplish work. An employee may request to be relieved of a requirement to work overtime, but may not refuse. Failure to work directed overtime may result in disciplinary action.
2. **Overtime and leave:** Managers should not approve annual leave on the same day that an employee is required to work overtime unless specific management requirements or bona fide employee emergencies arise.
3. **Regularly scheduled and irregular or occasional overtime:** Overtime hours scheduled in advance of the beginning of an administrative workweek are considered “regularly scheduled”. Overtime hours scheduled after the beginning of an administrative workweek are “irregular or occasional”. However, failure to

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schedule known requirements for overtime in advance of the beginning of the administrative workweek does not make it “irregular or occasional”.

4. **Alternatives to regularly scheduled overtime:** Workload demands met by regularly scheduled overtime might alternatively be met by rescheduling the daily or weekly tour-of-duty for some or all unit employees. For example, if overtime is regularly scheduled for Saturdays because of work that can only be completed on that day, the workweek for employees could be rescheduled from Monday through Friday to Tuesday through Saturday. Similarly, if overtime is regularly scheduled for early morning or evening hours to staff a desk or perform end of day tasks, consideration could be given to changing shift beginning and ending times. HR Directive 410-06: Employee Leave, Work Schedules, and Telework provides guidance on establishing tours of duty. Additional guidance for bargaining unit employees may be found in the applicable CBA.
5. **Callback overtime:** Irregular or occasional overtime work performed by an employee on a non-scheduled workday or for which the employee is required to return to the worksite is deemed to be at least two hours in duration for purposes of overtime pay, including compensatory time off in lieu of overtime pay. An employee returning to the worksite to perform unscheduled overtime receives a minimum of two hours overtime pay for each separate time the employee must return to the worksite. The two hour minimum does not apply to unscheduled overtime performed as an adjunct to an employee’s scheduled tour-of-duty, e.g., just prior to or at the end of the scheduled workday or when it is performed by telephone. In the latter cases, i.e., adjunct or by telephone, the employee receives overtime pay only for hours actually worked.
6. **Standby Duty:** An employee assigned regularly scheduled standby duty for which annual premium pay is granted may not receive overtime pay for hours of work in excess of 8 hours in a day (see 5 CFR, Part 550.141)
7. **Non-worksites:** Overtime at a non-worksites while on Temporary Duty (TDY) or Working from Home, e.g., in temporary lodging while traveling or from home, must be ordered or approved by an employee’s manager. Overtime is paid only for actual hours worked as it does not constitute “callback” overtime subject to the 2-hour minimum rule.
8. **Increments for scheduling/paying overtime:** For regularly scheduled overtime, an employee will be paid for each minute worked; however, work should be scheduled in no less than 15-minute increments for ease of administration. For occasional and irregular overtime work, an employee will be compensated in increments of 15 minutes, with 8 or more minutes of overtime rounding up to 15 minutes, and 7 minutes or less disregarded.

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9. **Meal periods during overtime:** Periods of overtime of 6 hours or more should have a scheduled meal period of 30 minutes for every 6 hour period. A meal period can be shortened or eliminated if determined to be impracticable by the authorizing manager and must be indicated as such on the employee’s timesheet.

C. Overtime pay rates and pay limits:

1. **Overtime rate:** An employee whose rate of basic pay is equal to or less than GS-10 step 1 will be paid overtime at a rate of one and one-half times his/her actual hourly rate of basic pay. An employee whose rate of basic pay is greater than GS-10 step 1 will be paid the greater of one and one-half times the hourly rate for GS-10 step 1 or his/her actual hourly rate of pay.
2. **Overtime performed on a Sunday or a holiday:** Paid at the same overtime premium pay rate as overtime work performed on any other day.
3. **Bi-weekly pay cap:** Limits the amount of premium payable to an exempt employee. An exempt employee’s total pay (including basic pay, overtime, night differential, holiday premium pay, Sunday premium pay, and standby duty pay) for any bi-weekly period may not exceed GS-15, step 10, including applicable locality pay or special rate supplement, or the rate payable for Executive Schedule level EX-V, whichever is greater. The imputed value of compensatory time earned in lieu of overtime is included in the computation of employee pay subject to the bi-weekly pay cap. [OPM’s Bi-Weekly Pay Caps](#).
4. **Annualized pay cap:** The COO may approve an annual premium pay cap instead of a bi-weekly pay cap for first responders for recurring emergency situations, such as major power outages due to severe weather conditions. Waivers for one-of-a-kind situations require DOE approval. An annualized pay cap permits payment of premium pay if the total pay, i.e., basic pay and premium pay, for the calendar year does not exceed the greater of the annual rate for GS-15, step 10, including any special salary rate or locality rate of pay, or level V of the Executive Schedule. Contact HCM for further guidance on the procedures for requesting waiver of the Bi-weekly Pay Cap.

5.3 Compensatory time in lieu of paid overtime

- A. **Relation to overtime:** For the purpose of this Personnel Letter, compensatory time off refers to time off from duty in lieu of payment for overtime. Other forms of compensatory time off, i.e., for travel and for religious observances) are not subject to the rules in this section. Compensatory time off in lieu of overtime premium pay may be earned for hours of work qualifying as overtime hours. (See HR Desk Reference 410-05-03: Compensatory Time Off for Travel and HR Desk 410-05-04: Reference Compensatory Time for Religious Observances)

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- B. **Eligibility:** At an employee’s request, compensatory time off may be granted in lieu of overtime premium pay for irregular or occasional overtime work. Except for employees on flexible work schedules, an employee working regularly scheduled overtime must be paid overtime premium pay –compensatory time off in lieu of overtime premium pay cannot be granted. An employee on a flexible work schedule may, upon request, be granted compensatory time off in lieu of overtime premium pay whether overtime is irregular/occasional or regularly scheduled.
- C. **Employee requests for compensatory time:** Subject to the eligibility requirements above, managers should normally approve requests for compensatory time in lieu of paid overtime. Some CBAs may establish a right for their bargaining unit members to request compensatory time off in lieu of paid overtime, but eligibility is still subject to the provisions provided above.
- D. **Scheduling and crediting compensatory time:** The amount of compensatory time off earned in lieu of overtime premium pay is in an amount equal to the overtime hours worked, i.e., hour for hour. The increments for scheduling, earning, and crediting comp time off are the same as those for overtime as described in Section 5.2. For “callback overtime” the amount of compensatory time off to which an employee is entitled is a minimum of two hours.
- E. **Time limits for using compensatory time off:** Compensatory time off earned in lieu of overtime must be taken by the end of the 26th pay period after the pay period in which it was earned. If it is not used within this timeframe, BPA’s policy is to cash out the unused hours at the overtime premium pay rate the employee would have received at the time the compensatory time off was earned.
- F. **Using compensatory time off:** An employee must use compensatory time off before using annual leave, unless using accrued compensatory time off will result in the forfeiture of use-or-lose annual leave. Compensatory time balances are maintained in the payroll system and provided in the employee’s leave balances (in HRmis and/or on the Employee Leave and Earning Statement (ELES).
- G. **Cashing out compensatory time off upon separation, transfer, or LWOP:** In accordance with BPA policy, an employee with unused compensatory time off who separates from Federal employment, transfers to another agency, or moves to another DOE agency outside BPA will be paid for unused compensatory time off hours at the overtime premium rate to which he/she was entitled when it was earned. In accordance with non-discretionary government-wide regulations, an employee separated or placed in a leave without pay status to perform service in the uniformed services, or who is separated or placed on leave without pay because of an on-the-job injury with entitlement to compensation from the Office of Workers Compensation, will be paid for the unused compensatory time hours at the overtime premium pay rate to which he/she was entitled when it was earned.

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- H. **Rate of overtime pay upon cash out:** An employee’s unused compensatory time off is subject to the policy or regulations under which it was earned, regardless of the employee’s current FLSA status. For example, an employee who earned compensatory time while non-exempt would have that compensatory time liquidated at the FLSA overtime rate as described in 5 CFR, Part 551, even if he/she is FLSA exempt at the time it is liquidated.
- I. **Compensatory time off and the bi-weekly or annual pay cap:** The imputed value of compensatory time off (calculated at employee’s overtime premium pay rate) is counted in the computation of employee pay subject to the bi-weekly pay cap, as described above.
- J. **Overtime Pay, Compensatory Time Off, and CBA’s:** If the employee is covered by the American Federation of Government Employees (AFGE) CBA or by the Professional Division of Laborers International Union (PDL) CBA, the employee, at his/her option may elect compensatory time off in lieu of paid overtime.

6. Processes and Procedures

6.1 Scheduling and recording overtime

- A. Regularly scheduled overtime should be scheduled and approved in writing prior to the administrative workweek in which it will be performed (regularly scheduled overtime). The authorizing official must provide employees, in writing, the specific hours of overtime to be worked.
- B. All regularly scheduled overtime must be requested and approved on the appropriate request/justification form, documented on the time sheet, or on other time and labor reporting forms designated by line organizations.
- C. To request irregular or occasional overtime (or compensatory time earned) resulting from unexpected circumstances, a verbal or written request should be submitted prior for manager approval. The request should be followed up in writing for approval, either on the appropriate request/justification form or on the Time and Attendance record. No employee may authorize or approve his/her own overtime work. CBAs should be consulted for applicable overtime scheduling and/or approval requirements.

6.2 Scheduling and recording compensatory time

- A. All compensatory time off earned by an employee in lieu of paid overtime must be recorded on the applicable time and labor report.
- B. An employee should request use of compensatory time used in advance, when possible, by using the leave calendar or absence and leave request system in place in his/her organization. An employee without internet or e-mail access may submit OPM Form 71.

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Compensatory time earned balances are maintained in BPAs Payroll system.

7. Program Metrics, Standards, and/or Reporting

The program metrics and reporting are functions performed by BPA’s Finance/Payroll Disbursement Office.

8. Authorities & References

- A. BPA HR Directive 410-05: Employee Pay and Compensation Incentives
- B. 5 U.S.C., Chapter 55, Subchapter V, Premium Pay
- C. 5 U.S.C., Chapter 61, Hours of Work
- D. 5 U.S.C., Chapter 63, Leave
- E. 5 CFR, Part 410, Subpart D, Paying for Training Expenses
- F. 5 CFR, Part 550, Pay Administration (General)
- G. 5 CFR, Part 551, Pay Administration Under the Fair Labor Standards Act
- H. 5 CFR, Part 610, Hours of Duty
- I. [DOE Handbook on Overtime](#), February 2004
- J. American Federation of Government Employees, Local 928, Collective Bargaining Agreement
- K. Professional Division of Labor’s (PDL) International Union, Local 335, Collective Bargaining Agreement
- L. Related HR Desk References:
 - 1. 410-05-01: Pay and Compensation for Non-Exempt Annual Employees
 - 2. 410-05-03: Compensatory Time Off for Travel
 - 3. 410-05-04: Religious Compensatory Time
 - 4. 410-05-05: Premium Pay

9. Contacts

- A. For information on FMLA, contact the Leave Program Coordinator, HCM, through HR Help (HRHelp@bpa.gov), 503-230-3230.
- B. For assistance with timesheets, please contact Payroll Disbursement, Finance, 503-230-3993.

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10. Revision History

Version Number	Issue Date	Brief Description of Change or Review
1.0	4/18/2016	Initial issuance

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Appendix 1: Guidance for Determining Hours of Work in a Travel Status

This guidance is to be used only to determine whether time in a travel status is deemed to be compensable hours of duty under 5 CFR, Part 550, Subpart A. Employees who are exempt from the Fair Labor Standards Act (FLSA) are covered exclusively by these rules. For employees who are non-exempt from FLSA, travel time is credited if it is qualifying hours of work under either the rules in 5 CFR, Part 550, Subpart A, **OR** under OPM’s FLSA regulations in 5 CFR, Part 551, Subpart D.

Under 5 CFR, Part 550, Subpart A, time spent in travel status outside the employee’s official duty station is considered to be hours of duty (for pay purposes) only when:

- A. It is within the employee’s regularly scheduled workweek, including regularly scheduled overtime work; **OR**
- B. It is outside the employee’s regularly scheduled workweek **and** meets **one** of the following conditions:
 - 1. The travel involves performance of actual work while traveling;
 - 2. The travel is incident to travel that involves the performance of work while traveling;
 - 3. The travel is carried out under such arduous and unusual conditions that the travel is inseparable from work; or
 - 4. The travel results from an event that could not be scheduled or controlled administratively, including travel of an employee to such an event and the return of the employee to his or her official duty station.

C. Discussion and Examples

- 1. Time spent in travel status is within the hours of the employee’s regularly scheduled workweek, including regularly scheduled overtime work.
 - a) Regularly scheduled tour-of-duty is defined as the work schedule that was scheduled by the manager in advance of the administrative workweek. A manager must make any changes to an employee's work schedule prior to the week for which the change in the work schedule applies in order for the change to be considered the employee’s regularly scheduled tour-of-duty (because the administrative workweek begins on Sunday, changes must be made by the Saturday prior to the Sunday that begins the administrative workweek). Regularly scheduled overtime hours are overtime hours that are scheduled in advance of the employee’s regularly scheduled administrative workweek.
 - b) **Example:** On Friday, a manager scheduled an employee to work 3 hours of overtime on the following Monday and Wednesday (regularly scheduled

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overtime). If the employee were traveling during either of these two 3-hour periods, the travel time would be considered to be hours of work and would be compensable and paid at the overtime rate.

2. For purposes of this section, scheduled overtime must have been for the purpose of performing work in the employee’s assigned function and may not have been scheduled solely for the purpose of travel. Likewise, overtime work may not be scheduled to be accomplished while traveling unless it is work for which travel is an integral or incidental part of accomplishing the work as described in B or C below.

D. Travel involves the performance of actual work while traveling

1. The travel must require the employee to perform work that is integral to the functions, duties and responsibilities of his/her job.

Example: A photographer traveling to a temporary duty location as a passenger on an airplane while taking aerial photographs of transmission towers and/or lines as required by a job assignment would be performing work while traveling. An engineer whose job description requires him/her to develop construction engineering designs works on a design while en-route as a passenger on an airplane traveling to a temporary duty location would not meet the intent of B.1 on the previous page since the preparation of construction engineering designs does not require flying on an airplane. This example illustrates the principle that would apply to the vast majority of BPA employees.

2. **Travel is incidental to travel that involves the performance of work while traveling.** An employee will generally be in this situation when he/she is on a “deadhead” trip, either: (a) traveling to a destination to board a means of transportation upon which he/she will be performing work while traveling; or (b) having performed work while traveling and then returning to his/her official duty station.

Example: A pilot who, after completing his/her basic work requirement, is a passenger in an airplane deadheading to a location to pick up a plane, which he/she must fly (pilot) to another destination. A photographer, as described in B.’s example above, completes his/her photographic assignment and travels as a passenger back to his/her point of origin.

3. **The travel is carried out under such arduous conditions that the travel is inseparable from work.** Arduous conditions, as used in the governing law (5 U.S.C. 5542 (b)(2)(B)) and as interpreted by case law, are conditions that impose a substantial burden on the traveler beyond that normally associated with travel, such as those imposed by unusually adverse terrain, severe weather conditions or remote sites inaccessible by ordinary means of transportation. Absent some very unusual circumstances, travel by motor vehicle over hard surfaced roads or by common carrier, including airlines, is not travel under arduous conditions, even though it may

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occur at night, continue over an extended period of time, and involve some discomfort or risks.

Example: An employee travels to an agency facility by automobile and then is required to travel to a remote location accessible only by all-terrain vehicle over unpaved mountainous terrain to repair or install equipment. The portion of travel by automobile to the agency facility is considered normal travel compensable only if it occurs during the employee’s regularly scheduled hours of duty (including regularly scheduled overtime). The travel by all-terrain vehicle to the remote site to perform work would be creditable as arduous and inseparable from the work time spent repairing and installing equipment.

4. The travel results from an event that could not be scheduled or controlled administratively by the Executive Branch of the Federal Government.

a) Time in travel status outside an employee’s duty station is not compensable when it results from an event that was under the control of BPA or any other Federal (Executive Branch) Agency (e.g., government-sponsored training or conferences, meetings with other government agencies or meetings arranged by government agencies, scheduled power outages or inspections). When a training course is conducted by an institution (for example, a school or consulting firm under contract to BPA) for the benefit of the Federal government (Executive Branch), it is assumed the government can control course scheduling, and the event is therefore under the administrative control of the government. Also, training courses put on by a Federal government (Executive Branch) entity (e.g., the Office of Personnel Management, the General Services Administration, the Department of Energy, etc.), are considered to be under the administrative control of the government.

Example: An employee from Portland Headquarters is enrolled in an OPM training course held in Washington, D.C. The course begins at 9:00 a.m. on Monday. The employee travels to Washington, D.C. on the preceding Sunday. The travel is not compensable as overtime even though the event was not scheduled to accommodate travel during the employee’s regularly scheduled workweek. The fact that under the government-wide travel regulations the employee could not be paid per diem for Saturday and Sunday to enable him/her to travel during regular duty hours does not create an entitlement to compensation for the Sunday travel under overtime regulations. (Note: the employee may be entitled to compensatory time for time in a travel status).

b) When an event is not under the control of BPA or other Federal Government Executive Branch Agencies, travel may qualify as compensable time if there is an immediate official necessity in connection with the event that requires travel to

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be performed outside an affected employee’s regular hours. An immediate official necessity means the employee’s presence is absolutely critical to the agency in order to conduct its required mission or respond to events associated with its mission.

Example: An electrical engineer whose duty station is in Portland, Oregon, has a regular schedule of Monday through Friday, 7:30 a.m. to 4:15 p.m. A line outage due to severe weather conditions requires an employee to be sent to the Seattle, Washington, area on Tuesday afternoon in order to monitor and report on the effect of repair activities at Puget Sound Power & Light Company. The employee leaves Portland at 3:15 p.m. by car and arrives at the Bellevue, Washington, office of Puget Sound Power & Light at 6:30 p.m. Monitoring and reporting activities are completed at 8:00 p.m. The employee leaves Bellevue at 8:15 p.m., and returns to his/her home in Gresham, Oregon, at 11:30 p.m. The event that caused the employee to be sent to Bellevue was clearly not under BPA’s control. There was also an immediate official necessity for the employee to travel to Bellevue in order to monitor and report on repair activities. Time spent in travel status from 3:15 p.m. through 4:15 p.m. was part of employee’s regularly scheduled workday and he/she is entitled to straight time pay for this period of time. He/she is also entitled to overtime compensation for travel time from 4:15 p.m. through 6:30 p.m. and overtime worked through 8:00 p.m. The engineer’s return travel time, in this case, will also be compensable at the overtime rate.

- Travel outside an employee’s regular work hours to attend training put on by an institution outside the Executive Branch of the U.S. Government, and not for the sole benefit of the Executive Branch, will be considered hours of employment for which overtime pay may be authorized. Because training is not being conducted solely for the benefit of the Executive Branch (for example, a university seminar open to any qualified attendee), it is not under the Executive Branch’s administrative control. Scheduling of the event itself supplies the immediate official necessity, depending on the timing, for travel outside regular hours in order to accommodate the schedule of the training. Depending on timing and duration of training, both travels to training and/or return travel outside employee’s regular hours qualify for overtime pay.

Example: An employee from Portland Headquarters is enrolled in a public policy development seminar being conducted by a graduate school of public administration on the east coast. The seminar is open to any registrant. Attendance by the employee is authorized, approved, and paid for by BPA under the employee training regulations in 5 CFR, Part 410. The seminar begins on Monday at 9:00 a.m. The employee travels to the east coast the preceding Sunday. The employee’s travel to the east coast on Sunday would qualify for compensation because it is the result of

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an event not under the control of BPA or an Agency in the Executive Branch and thereby is an official immediate necessity for travel outside regular hours in order to accommodate the schedule of the training.

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