

MEMORANDUM

TO: DHR, Business Managers, VTHR Network.

FROM: John J. Berard, Director, DHR Labor Relations

DATE: January 5, 2015

RE: Cash or Compensatory Time for Overtime When Sick Leave Is Used --
VTHR Process.

Recently, several employees and supervisors have contacted DHR with questions concerning some requests for Compensatory Time Off for hours worked in excess of the normal schedule that VTHR paid in cash instead of processing a request for comp time accrual. This memo seeks to clarify why this may have occurred.

1. "Overtime" is defined by the contract as "time actually worked" in excess of a specified daily, weekly, or bi-weekly hour limit (i.e., 8 hours/day, or 40 hours/week, or 80 hours/pay period, etc.).
2. Under the contracts, sick leave is **not** "time actually worked", and is therefore not "good time" for overtime calculation purposes – i.e., sick leave time does not count in determining whether an employee has worked in excess of his/her daily, weekly, or biweekly overtime hour limit.
3. Compensatory time can only be granted for hours worked that qualify as "overtime".
4. Thus, hours worked beyond the normal schedule, that are not (by definition) "overtime" because of the employee's use of sick leave, must be paid in cash at the employee's straight time rate of pay, and cannot be compensated as compensatory time off.

An employee's Workgroup (located at the top of the Time Report and under the Employee Information section of the HR Advice) indicates the daily, weekly, or biweekly hour limit for overtime calculation purposes.

Example: "Workgroup P11EX840P":

P = Positive Time Reporter
11 = Overtime Category according to the collective bargaining agreement
EX = Executive Branch position
8 = Daily hour limit for overtime purposes
40 = Weekly or biweekly hour limit for overtime purposes
P = Premium (time and one-half) overtime rate. "S" = straight time rate.

If you have any further questions, please contact DHR's Labor Relations Division – John Berard at 828-3454 or John.Berard@Vermont.gov, or Shelley Morton at 828-0365 Shelley.Morton@Vermont.gov.