



# Managing Overtime Webinar

## Participant Handouts



LEGAL TRAINING FOR MANAGERS  
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## Who is exempt from overtime pay rules?

- Determined by Corporate Compensation Department
  
- Factors:
  - salary test
    - must be paid at least \$455/wk (\$23,660/yr)
  - duties test
    - executive, administrative, professional, highly compensated
  - business decision to make a position eligible for overtime pay even if it believes the position is exempt under the law
  
- Everyone else is non-exempt and must get overtime pay



# Overtime is required for non-exempt employees

- Federal laws require overtime (time-and-a-half) paid when non-exempts work more than 40 hours/week.
  
- State laws:
  - 18 states provide more generous coverage
  - employee gets the benefit of whichever law is more favorable to employee
  
- California law requires overtime:
  - time-and-a-half for:
    - more than 8 hours/day
    - first 8 hours of a 7th consecutive work day
  
  - double time:
    - more than 12 hours/day
    - more than 8 hours on a 7th consecutive work day



# Managers responsibilities

- Ensure that employees record all time worked, including overtime
  - performing work, including periodic checks of email over a weekend
  - attending a work event or function
    - e.g. internal team dinner, kickoff event, customer appreciation dinner, sporting event, etc.
    - discuss attendance in advance
    - overtime must be pre-approved but must be paid even if not pre-approved
  - regular unapproved overtime handled as performance issue
  
- Ensure the accuracy of time records
  - hours not worked = unpaid time
  - vacation for hours not worked
  - record start and end times and time spent on meals
  - no "off-the-clock"
  - never instruct or allow employees not to enter time worked
  - ensure hourly employees take legally required meal/break period

