	RULES AND REGULATIONS	Compensatory Time
	Revised Date: 10/13/2026	Article: III Section: 300.01
	Effective Date: 6/14/2022	Pages: 5
	Kevin Ward Board Chairman	Britt Clark Fire Chief

Purpose

To provide policies and procedures for the administration of Compensatory Time, referred to as comp time in this rule.

To provide direction on how to accrue and use comp time.

To designate who is eligible to earn comp time and specify limits on the accumulation of comp time hours.

To establish requirements for documenting, approving, reconciling, and financially accounting for compensatory time in accordance with the Fair Labor Standards Act, 29 U.S.C. § 207(o), and applicable regulations.

General

Compensatory time (comp time) is an opportunity for qualifying employees to be compensated through paid time off instead of cash for overtime hours worked.

Qualifying Employees

Only non-exempt administrative employees whose absence does not require replacement staffing or backfill may earn compensatory time. Eligibility must be consistent with the employee's classification under Rule 300.00, Compensation and Overtime, and confirmed by the Fire Chief or authorized designee.

Employees whose absence requires backfill and employees classified as exempt are not eligible to earn compensatory time under this rule. A change in eligibility or exemption status does not cancel previously earned compensatory time. Existing balances must remain recorded and be used or paid out in accordance with applicable law and District policy.

Authorization and Accrual

Compensatory time may be provided in place of cash overtime only under an agreement or understanding established before the work is performed, as required by applicable law. Compensatory time shall be credited at one and one-half hours for each qualifying overtime hour actually worked.

All overtime must be authorized in accordance with Rule and Regulations 300.00. Approval to work overtime does not automatically authorize compensatory time. The supervisor must also approve whether the overtime will be compensated in cash or compensatory time, consistent with the applicable agreement. Requests and approvals shall be documented in CrewSense. Emergency verbal authorization shall be handled under Rule and Regulations 300.00 and documented afterward.

Employees shall not authorize their own overtime, approve their own compensatory time accruals, or adjust their own balances. An employee's desire to accumulate additional leave is not sufficient justification for overtime.

Compensatory time shall not be borrowed against future earnings, transferred between employees, or created through conversion of vacation, sick leave, or other leave balances. All hours actually worked must be accurately reported and compensated as required by law, regardless of authorization.

Record Keeping

For each employee subject to the compensatory time and compensatory time off provisions of section 7(o) of the Act, a public agency which is a State, a political subdivision of a State or an interstate governmental agency shall maintain and preserve records containing the basic information and data required by §516.2 of this title and, in addition:

(a) The number of hours of compensatory time earned pursuant to section 7(o) each workweek, or other applicable work period, by each employee at the rate of one and one-half hour for each overtime hour worked;

(b) The number of hours of such compensatory time used each workweek, or other applicable work period, by each employee;

(c) The number of hours of compensatory time compensated in cash, the total amount paid and the date of such payment; and

(d) Any collective bargaining agreement or written understanding or agreement with respect to earning and using compensatory time off. If such agreement or understanding is not in writing, a record of its existence must be kept. *(29 CFR 553.50)*

The District shall maintain an official compensatory time ledger in CrewSense or another system approved by the Finance Director. The ledger shall separately identify overtime hours worked, compensatory hours credited, hours used, cashouts, corrections, and the remaining balance. Each accrual shall be supported by supervisor approval. Balance corrections shall include supporting documentation, the reason for the correction, and independent approval.

Employees shall have access to their balances and shall promptly report discrepancies. Employees shall not approve or make changes to their own balances.

The Finance Director shall reconcile the ledger each payroll period and prepare a monthly report showing employee balances, hours earned and used, cashouts, and the estimated financial obligation. The valuation shall reflect applicable pay rates, legally required payout calculations, and applicable employer costs.

The Finance Director shall ensure that the obligation is reflected in the District's financial records and management reports in accordance with the applicable accounting basis and reporting requirements. Maintaining balances outside QuickBooks does not eliminate the requirement to reconcile and account for the obligation.

Reconciliations and related accounting adjustments shall receive documented review by someone other than the preparer.

Accrual limits

Eligible employees may maintain a maximum balance of 50 credited compensatory time hours at any time. This is a limit on accumulated leave hours after application of the one-and-one-half accrual rate, not a limit of 50 overtime hours worked.

The limit applies throughout the year. Unused balances of 50 hours or less may carry forward into the following calendar year.

Overtime that would cause an employee's balance to exceed 50 hours shall be compensated in cash to the extent necessary to prevent exceeding the cap. Cash overtime shall be paid through the regular payroll for the applicable work period, subject to lawful payroll processing requirements.

An employee at or above the cap shall not receive additional compensatory time credits until the balance falls below 50 hours. Reaching the cap does not authorize additional overtime or permit uncompensated work.

Supervisors shall review both accumulated balances and the total compensatory time earned and used. Repeated accrual and use below the cap must still be evaluated for operational need, employee availability, and the District's ability to accomplish its mission.

Use and Payment of Compensatory Time

Compensatory time shall be used before vacation for approved discretionary time off, except when doing so would cause forfeiture of vacation under District policy. Exceptions shall be documented and approved by the employee's supervisor. Compensatory time shall not automatically replace sick leave or alter requirements governing other leave categories.

Leave requests require supervisor review and approval through CrewSense. Requests to use earned compensatory time shall be honored within a reasonable period unless the requested use

would unduly disrupt District operations, consistent with applicable law. Mere inconvenience is not sufficient grounds for denial. When a request cannot be accommodated, the supervisor shall document the operational reason and work with the employee to identify an alternative.

Compensatory time used shall reduce the bank by the actual hours of scheduled work missed. The one-and-one-half multiplier applies when qualifying overtime is credited, not when leave is used.

Earned compensatory time shall not expire or be forfeited. The District may pay out accumulated balances in accordance with applicable law and agreements. Cashouts during employment shall use the employee's applicable regular rate at the time of payment. Upon separation, unused FLSA compensatory time shall be paid at the higher of the employee's final regular rate or average regular rate during the last three years of employment.

References

- 29 U.S.C. § 207(o)
- 29 CFR § 516.2
- 29 CFR §§ 553.21–553.27
- 29 CFR § 553.50
- District Rule 300.00, Compensation and Overtime