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| MICHIGAN DEPARTMENT OF CORRECTIONS<br><b>POLICY DIRECTIVE</b> | EFFECTIVE DATE<br>05/16/2016                 | NUMBER<br>02.02.100   |
|   | SUBJECT<br>TIME UTILIZATION AND COMPENSATION |   |
| SUPERSEDES<br>02.02.100 (01/01/2009)                          |  | AUTHORITY<br>MCL 791.203; Civil Service Commission Rule 5;<br>Civil Service Commission Regulations - Chapter<br>5; 29 USC 201, <i>et seq.</i> |
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**POLICY STATEMENT:**

Employee compensation and time and attendance reporting for employees in the classified Civil Service shall be in accordance with this policy, Civil Service Commission rules and regulations, and applicable collective bargaining agreements.

**RELATED POLICIES:**

- 02.02.101 Administrative Leave
- 02.02.102 Leave of Absence

**POLICY:**

GENERAL INFORMATION

- A. A work schedule shall be established for all classified employees by the appropriate supervisor. Any changes to the established work schedule shall require written supervisory approval in accordance with this policy.
- B. Time utilization and compensation is controlled by Civil Service Commission rules and regulations and, for exclusively represented employees, by applicable collective bargaining agreements. The intent of this policy is to provide an overview of Civil Service Commission and Department requirements regarding these issues for full-time employees. Exclusively represented employees are governed by their collective bargaining agreement where in conflict with this policy.
- C. A new Department employee shall be paid initially at the minimum rate identified in the Civil Service Compensation Plan for the employee's classification, unless the Director or appropriate Executive Policy Team (EPT) member authorizes a higher rate of pay in accordance with Civil Service Commission rules and regulations. A current employee appointed to a new position shall be paid at the appropriate rate identified in the Civil Service Compensation Plan for the new classification, unless a higher rate of pay is authorized by the Director or appropriate EPT member upon written request of the appropriate appointing authority and in accordance with Civil Service Commission rules and regulations. Such requests shall be submitted through the appropriate chain of command. Employees may be eligible to receive special pay premiums in addition to their regular compensation (e.g., p-rate compensation) pursuant to Civil Service Commission rules and regulations.
- D. Special step increases are not allowed except in the most unusual cases, and then only with the approval of the Director or the appropriate EPT member upon written request of the appropriate appointing authority and in accordance with Civil Service Commission rules and regulations. The request, along with any supporting documentation, shall be submitted through the appropriate chain of command.

OVERTIME

- E. Generally, all full-time employees are required to work eight hours per shift and 80 hours per pay period, voluntarily work an alternative work schedule approved by the appropriate supervisor in accordance with criteria established by the Director, or be on an approved leave. An employee may be required to work additional hours, however, with prior approval from the Director, appropriate EPT member, or designee. Civil Service Commission rules and regulations identify by employment classification those employees eligible to receive overtime pay or compensatory time for additional

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hours worked. All paid leave time other than sick leave and annual leave shall be counted as work time in computing whether overtime has been worked. An employee's failure or inability to take breaks shall not be considered overtime worked.

- F. Pursuant to Civil Service Commission rules and regulations, Senior Executive Service and Equitable Classification Plan Group Four employees are not eligible to receive payment or compensatory time for hours worked in excess of 80 hours per pay period. It is expected that these employees will be present during the regular course of the work day. However, it is recognized that demands on their time may vary within a pay period. Absences without charge to leave credits may be granted with supervisory approval, provided the appropriate supervisor certifies that the employee has completed the equivalent of a full pay period.

#### EMPLOYEES ELIGIBLE FOR OVERTIME PAY

- G. Employees eligible to receive overtime pay pursuant to Civil Service Commission rules and regulations shall be compensated at the rate of one and one half times the employee's regular rate of pay, up to the maximum rate established by the Civil Service Commission, for approved overtime worked. Supervisors shall ensure that employees eligible to receive overtime pay only work overtime that is approved.
- H. Custody employees and employees assigned to Duane L. Waters Health Center (DWH) or health care clinics who are eligible to receive overtime pay shall be paid for the time worked in excess of 80 hours per pay period. Overtime for all other eligible employees shall be paid whenever the employee works more than 40 hours that calendar week (i.e., Sunday through Saturday) or works more than 80 hours per pay period. An employee called into or back to work outside of his/her normal working hours, however, shall receive overtime pay for a minimum of three hours regardless of the number of overtime hours actually worked, unless called into work within three hours of his/her normal starting time on a scheduled work day. Overtime pay shall not be duplicated (pyramided) for the same hours worked.

#### Temporary Work Schedule Change

- I. The work schedule of an employee eligible to receive overtime pay may be temporarily changed by the appropriate supervisor. The work schedule change must be posted, or the employee otherwise notified in writing of the change, at least 96 hours prior to the beginning of the affected pay period. If the work schedule is changed during a biweekly pay period or within 96 hours of the beginning of the affected pay period, the employee shall be paid overtime in accordance with Civil Service Commission rules and regulations for all hours worked outside of his/her original schedule. This does not apply if the work schedule is changed in lieu of the employee accumulating overtime and is agreed to by the employee and the appropriate supervisor. In such cases, the adjustment must be made within the same calendar week as the overtime worked or, for custody employees and employees assigned to DWH or health care clinics, within the same pay period as the overtime worked. Supervisors shall approve such adjustments only as an exception to the employee's regular work schedule and not on a continual basis.

#### Compensatory Time Option

- J. With supervisory approval, an employee eligible to receive overtime pay who works overtime may choose to accrue compensatory time at the rate of one and one half time the overtime worked in lieu of payment for the overtime. Overtime credit for a particular shift may not be split between payment and accrual of compensatory time. Employees eligible for overtime pay who choose to accrue compensatory time shall receive payment for unused compensatory time credited in the State's payroll system only when the employee leaves Department employment, in accordance with Civil Service Commission rules and regulations. Crediting and use of such time shall be consistent with the requirements set forth in Paragraphs L and M.

#### Scheduling

- K. To the extent possible and consistent with administrative efficiency, authorized overtime for employees eligible to receive overtime pay shall be distributed as equally as practicable within a work site among those employees who normally perform the assigned duties at that work site.

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#### EMPLOYEES NOT ELIGIBLE FOR OVERTIME PAY

- L. Employees who are not eligible to receive overtime pay but are eligible to receive compensatory time for hours worked in excess of their regular hours pursuant to Civil Service Commission rules and regulations shall receive compensatory time on a straight hour-for-hour basis for such hours provided the employee had prior supervisory approval to work the additional hours. Compensatory time shall be credited in the compensatory time field of the State's payroll system. Compensatory time may be used by the employee subject to supervisory approval based on criteria applicable to the use of annual leave. Compensatory time shall be used before annual leave except when an employee is within eight hours of the maximum annual leave cap. In lieu of accumulating compensatory time, absences without charge to leave credits may be granted with supervisory approval provided the appropriate supervisor certifies that the employee has completed the equivalent of a full pay period.
- M. Employees eligible to receive compensatory time shall be allowed to accumulate up to 240 hours of compensatory time in accordance with Civil Service Commission rules and regulations. Any hours worked, authorized or unauthorized, beyond these maximum allowable hours are considered uncompensated hours. Such hours shall not be recorded or used in any informal agreement between supervisors and employees. Whenever an employee transfers from one payroll center to another within the Department (e.g., between institutions; from Central Office or Field Operations Administration to an institution), any unused compensatory time credited in the State's payroll system shall transfer with the employee.
- N. Employees who are not eligible to receive overtime pay but are authorized to accrue compensatory time shall not receive payment for compensatory time credits for any reason. Any credits remaining when the employee leaves Department employment shall be removed from the State's payroll system.

#### ACCUMULATION OF LEAVE CREDITS

- O. Employees accrue annual leave credits at the rate established in Civil Service Commission rules and regulations. Whenever an employee transfers from one payroll center to another within the Department, any remaining leave credits shall transfer with the employee. Employees who leave State employment shall be paid for any remaining annual leave credits in accordance with Civil Service Commission rules and regulations.
- P. Employees also accrue sick leave at the rate established in Civil Service Commission rules and regulations. Whenever an employee transfers from one payroll center to another within the Department, any remaining sick leave credits shall transfer with the employee. Employees hired before October 1, 1980 who leave State employment shall be paid for any remaining credits in accordance with Civil Service Commission rules and regulations. Employees hired on or after October 1, 1980 who leave State employment shall not be paid for any remaining credits.

#### SHIFT PREMIUM

- Q. The Civil Service Compensation Plan identifies by employment classification those employees eligible to receive a shift premium. Shift premium shall be paid for each shift worked where 50 percent or more of that shift falls between the hours of 4:00 p.m. and 5:00 a.m. Shift premium is not paid for time off on holidays or leave time used.

#### MEAL TIME CREDIT

- R. Only the following employees are entitled to receive work time credit for meal periods:
1. Facility employees through the rank of captain whose primary responsibility is custody and security and who are assigned to work a straight eight or more hour shift as part of 24-hour continuous coverage.
  2. Bureau of Health Care Services and facility non-custody employees required to work a straight eight or more hour shift (e.g., licensed practical nurse).

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3. Facility employees scheduled for an unpaid meal period who are required to work at an assignment and are not relieved from their assignment for that meal period.
  4. Other facility employees whose presence is required during the meal time period due to the programming needs at the facility, subject to the approval of the appropriate Deputy Director or designee.
- S. Employees receiving meal time credit are considered on-duty for their entire shift and are subject to interruption or rescheduling of their meal period. Such employees may be required to eat their meal on their assignment. Only the amount of time necessary to eat the meal shall be allowed.
- T. Nothing in this section is to be construed to require paid meal time credit for an employee if programming needs at a facility do not require his/her presence at the facility during the meal period.

#### TIME AND ATTENDANCE REPORTING

- U. A work day is defined as a 24-hour period beginning at 12:01 a.m. Time will be paid to the nearest one-tenth (i.e., six minutes) of an hour. Partial tenths shall not be rounded up to the next tenth. All paid leave time other than sick leave and annual leave shall be counted as work time in computing whether overtime has been worked.
- V. Employees shall accurately report their time and attendance to the appropriate supervisor prior to the end of each reporting pay period. Time and attendance shall be reported electronically or on forms, as identified by the Budget and Operations Administration (BOA) Deputy Director or designee, or through use of a time clock. The use of a time clock also may be required for security purposes. An employee who falsifies timekeeping records shall be subject to discipline in accordance with PD 02.03.100 "Employee Discipline."
- W. Employees eligible to receive overtime pay or required to use a time clock for reporting time and attendance shall report their time and attendance by indicating the total number of hours worked and leave hours used per day and weekly totals. All other employees shall report leave hours used per day with weekly totals. Time shall be reported to the nearest full one-tenth of an hour. Partial tenths shall not be rounded up to the next tenth.
- X. Employees shall not take time off for personal reasons, including job interviews within the Department, without the use of leave credits or an approved temporary work schedule adjustment, except if on an approved leave of absence or in accordance with Paragraph F.
- Y. An employee shall not be credited for hours worked at home without prior approval of the Director or designee. Any work performed at home without prior approval of the Director or designee shall be considered uncompensated hours.
- Z. Employees who are participating in a strike as defined in Civil Service Commission rules or in a concerted action to delay the start of a shift shall be placed on lost time.

#### PAY CHECKS

- AA. If an employee does not receive a payroll warrant or is underpaid on a payroll warrant, a supplemental manual warrant can be issued to compensate the employee. After an agency has determined that a payroll warrant was not issued or was issued for an amount less than what the employee was due, the agency may issue a manual warrant to compensate the underpaid employee for the amount due. If the incorrect payment is due to an error by the employee (e.g., incorrectly completed time sheet) and the employee is requesting reimbursement for the shortage, the reimbursement will be made by a pay adjustment in the next pay period unless an immediate manual warrant payment is authorized by the Technical Disability Unit or, for Central Office, the Accounting Manager within the Budget, Accounting and Projections Division, Budget and Operations Administration (BOA).
- BB. If a paycheck sent to an employee is not received by the employee, a local warrant payment for the full amount of the paycheck shall be issued to the employee upon request. The employee shall be required to verify in writing that s/he did not receive the paycheck prior to reissuance. The manual

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warrant shall be issued on the first business day of the following pay period, or as soon thereafter as possible, unless authorized to be issued sooner by the Technical Disability Unit or, for Central Office, the Accounting Manager within the Budget, Accounting and Projections Division, BOA.

- CC. The business office must not issue a replacement warrant for an electronic fund transfer (EFT) return without a written request from the institution's personnel office.

#### PROCEDURES

- DD. Operating procedures are not required for this policy directive.

#### AUDIT ELEMENTS

- EE. A Primary Audit Elements List has been developed and is available on the Department's Document Access System to assist with self-audit of this policy pursuant to PD 01.05.100 "Self-Audits and Performance Audits."

APPROVED: HEW 03/28/2016