**Overtime Policy**

**Purpose**

The purpose of this policy is to control labor costs by managing the expense of overtime pay to nonexempt employees.

**Compliance**

[Company Name] will pay time and a half to nonexempt employees who exceed 40 hours of work time in a workweek.

Paid leave, such as holiday, sick or vacation pay, does not apply toward work time.

The workweek begins at 12:00 a.m. on Sunday morning and ends at 11:59 p.m. on Saturday night.

Although employees are normally scheduled for a 37.5-hour workweek, overtime payments do not commence until the employee exceeds 40 hours in a workweek.

**Overtime Approval**

Supervisors are required to obtain approval from managers prior to the use of overtime. Employees who anticipate the need for overtime to complete the week’s work must notify their supervisors in advance and obtain approval prior to working hours that extend beyond their normal schedule. Approval is required for hours that exceed 37.5 hours in a workweek.

**Mandatory Overtime**

During busy periods, the employer may require employees to work extended hours. Overtime is considered a condition of employment, and refusal to accept it when reasonable notice has been given is cause for discipline, up to and including termination.

**Consequences of Overuse of Overtime**

Supervisors who authorize staff members to work overtime without prior approval from management will be subject to disciplinary action. Supervisors who continually rely on the use of overtime hours to complete a week’s work without it being deemed as extenuating circumstances by management will be subject to disciplinary action.

**Consequences of Unauthorized Overtime**

Employees who fail to obtain approval prior to working hours that extend beyond their normal 37.5-hour workweek will be subject to disciplinary action up to and including termination.