

AR 15-05  
AN ADMINISTRATIVE REGULATION ESTABLISHING  
PROCEDURES FOR COMPLYING WITH PERSONNEL RULE 2.56.440

Section 1. Purpose

The purpose of this administrative regulation is to clarify procedures for complying with personnel rule 2.56.440 "Positions ineligible for overtime – Compensatory absences" and to provide guidance on the use of paid time off (PTO) by exempt employees.

PTO provides all full and part time employees with paid time away from work that can be used for vacation, personal time, personal illness or time off to care for dependents. PTO must be scheduled in advance have supervisory approval, except in the case of illness or emergency. The PTO policy takes the place of sick leave and vacation.

Section 2. Applicability

Employees in exempt positions, as defined by the Fair Labor Standards Act of 1938, are expected to work, without direct compensation, in excess of the standard workday or workweek to complete job duties. Exempt employees are paid on a salary basis and may not have their pay reduced for variations in the quantity or quality of work performed.

Section 3. Expectations & Procedures

At a minimum, exempt employees are expected to work 80 hours during the standard two week pay period for their position. The City Manager shall work a minimum of 90 hours during the pay period. Exempt employees shall not be eligible to receive overtime or compensatory time for hours worked in excess of 40 hours per week; moreover, any such time shall not be compensable in wages or salaries.

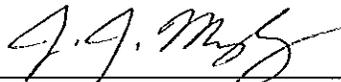
- A. Time worked in excess of 80 hours (exempt employees) and 90 hours (City Manager) will not be tracked nor accumulated as compensatory time off for use at a later time.
- B. If however, an exempt employee works an excessive amount of time beyond the standard work-week, the department head may grant short administrative absences without the use of PTO. The granting of such absences, including the time allowed for and the scheduling of these absences, shall be strictly discretionary with the department head. The Mayor and/or City Commissioners will approve time off without PTO for the City Manager.
- C. An exempt employee, at the sole discretion of their department head, may adjust their schedule to allow for an extended workday(s) to be completed in return for a shortened workday or additional day off within the same standard pay period.
  - a. A flextime schedule should not negatively affect the workload or productivity of coworkers either by shifting burdens or creating delays and additional steps in the process. In addition, hours of operation and services available for City employees and/or citizens of Hobbs shall not be affected by flextime schedules.
- D. Exempt employees shall not be permitted to use PTO in increments less than 4 hours.

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- E. Exempt employees are required to utilize a minimum of 40 hours of PTO per calendar year unless an exception for extenuating circumstances is approved by the Department Head & City Manager.
  - a. Any PTO donated according the City's PTO donation program will be credited toward the 40 hour yearly threshold.
  
- F. This policy applies only to exempt salaried team members of the City of Hobbs. Non-exempt and/or non-salaried team members will not fall under the provisions of this policy.

Section 4. Right to Amend

The City Manager reserves the right to amend this program at any time in accordance with FLSA or other applicable labor laws.

  
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JJ Murphy, City Manager

10-13-2015

\_\_\_\_\_  
Date

By signing below, I acknowledge that I have read AR 15-05. I was given the opportunity to ask questions to ensure my full understanding.

Printed Name & ID: \_\_\_\_\_

Department: \_\_\_\_\_