

Compensatory Time Analysis

3/26/2012



General Information

- Government entities have a special provision in the Fair Labor Standards Act that allows them to utilize compensatory time, rather than to pay overtime. This provision was implemented based on governments requests to save cash by having employees utilize time off rather than paying for overtime.
- The theory with compensatory time is that when workloads are busy, non exempt employees earn compensatory time and when workloads are slower at a later date, the employees then use the compensatory time.
- Through 2008, Collin County paid compensatory time balances when they became excessive. In 2008, reports were created to provide continuous online information to the departments on the amount of compensatory time so that departments could control the balances rather than making payments when balances became excessive.
- Compensatory time must be paid to non exempt employees at the time of termination.



By the Numbers

- As of March 2012, there were 45,678 hours of premium compensatory time (time earned at 1.5 regular hours) accumulated at a total cost of \$1.07 million.
- 1,240 employees have compensatory time accrued. The 25 employees (top 2%) with the most compensatory time compose 20% of the total hours.
- 77% of the compensatory time accrued for the 25 employees with the most time has been on the books since 2009.
- There are 128 employees (10% of those with time) with more than 100 hours. This top 10% of compensatory time earners have accrued 52% of the compensatory hours and 55% of the total cost.

Top 10% by Grouping

- The top 10% by groupings are:
 - 61 Sheriff (13%)
 - 18 Facilities (38%)
 - 12 District Courts (39%)
 - 8 Constables (28%)
 - 6 Animal Shelter/Control (43%)
 - 6 Justices of Peace (21%)
 - 4 Road and Bridge/Equipment Services (4%)
 - 2 Juvenile (1%)
 - 2 CSCD (2%)
 - 2 District Attorney (2%)
 - 1 Bioterrorism/Security/Homeland Security (2%)
 - 1 District Clerk (2%)
 - 1 Fire Marshal (25%)
 - 1 Health Care (3%)
 - 1 Medical Examiner (17%)
 - 1 Parks (10%)
 - 1 Tax Assessor (1%)



Recommendation for Reduction

- Implementation of a policy that if an employee has more than 100 hours of compensatory time as of January 1 of any year, the employee must use the lesser of the amount of compensatory time over 100 hours or 20% of their compensatory time balance, before paid time off can be used in that year.
- Recommend to give notification to employees immediately, but not begin implementation of this program until 1/1/2013 so that employees with high balances can reduce their balances before the program becomes effective.