

UNITED STATES DEPARTMENT OF AGRICULTURE  
FOOD SAFETY AND INSPECTION SERVICE  
WASHINGTON, DC

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<b>FSIS DIRECTIVE</b>	9040.3	3/29/82
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**USE OF COMPENSATORY TIME AND  
PAID OVERTIME**

**I. PURPOSE**

This directive supplements and **MUST** be read in conjunction with FSQS Directive 4550.4, Premium Pay Under Title 5, United States Code, by providing:

A. A policy statement on the use of compensatory time and paid overtime, as compensation for unscheduled overtime work, by employees of Meat and Poultry Inspection Operations (MPIO).

B. Operating guidelines concerning those activities for which the granting of compensatory time may be authorized.

C. Delegations of authority to MPIO officials for approving the use of compensatory time and paid overtime for these purposes.

**II. (RESERVED)**

**III. (RESERVED)**

**IV. POLICY**

A. It is FSIS policy to compensate employees for all time worked, subject to the aggregate salary limitations established by law. MPIO management supports this policy. Furthermore, MPIO management commits itself to keeping the amount of unscheduled overtime work required by management to a bare minimum and, when overtime is necessary and in the best interests of the Program, to assuring that to the extent permissible by law employees are compensated by paid overtime or compensatory time off in lieu of overtime.

B. However, MPIO employees will not be granted compensatory time off for the performance of unscheduled overtime which is reimbursable by the industry. Instead, paid overtime will be the method of compensation.

**V. COVERAGE**

A. **Employees Assigned to the Inplant Level.** Employees assigned to the inplant level (IPPS), whether veterinarians or food inspectors, will be

compensated for unscheduled overtime by paid overtime. **EXCEPTION:** Inplant veterinary personnel may be granted compensatory time for activities prescribed in subparagraph VI. B., if approved in advance by the area supervisor.

B. **Employees Assigned Outside Plant Level.** Employees assigned to circuit, area, regional, or headquarters offices will be compensated for overtime as follows:

1. **Paid overtime** if their rate of basic pay does not exceed the maximum rate for GS-10. However, the aggregate rate of pay (straight-time base pay plus premium pay) of an employee exempt from the provisions of the Fair Labor Standards Act (FLSA) may not exceed the amount payable at the maximum rate for GS-15 for any pay period. See FSIS Directive 4551.1, Provisions of the Fair Labor Standards Act, for a listing of covered (i.e., nonexempt) positions.

2. **Compensatory time** if their basic rate of pay exceeds the maximum rate for GS-10. The following limitations apply:

a. As stated in FSIS Directive 4551.1, compensatory time may not be granted to employees who are covered by FLSA and whose pay entitlements during a given week are greater under FLSA than under Title 5, U.S.C. Such employees must be compensated by paid overtime.

b. Compensatory time may be granted only for the types of activities prescribed in subparagraph VI.B.

c. Compensatory time is limited to an amount which, if it were paid in the pay period in which earned, would not cause the employee's aggregate pay (base pay plus premium pay) for that pay period to exceed the amount payable at the maximum rate for GS-15. It is the employee's projected aggregate pay for the pay period in which the overtime was actually worked which controls the extent to which compensatory time can be credited.

## VI. **USE OF COMPENSATORY TIME**

A. **General.** Compensatory time is a type of premium pay and, as such, must be authorized and approved in a judicious manner. Unliquidated balances of compensatory time remaining at the end of the calendar year must be paid to the employee. Since this may result in a financial obligation, the granting of compensatory time in lieu of overtime and the use of such earned compensatory time must be monitored closely. Therefore, approving officials will be required to determine in advance that the performance of overtime work is necessary and in the best interests of FSIS, and that the granting of compensatory time is warranted.

B. **Kinds of Activities for Which Compensatory Time is Permissible.** The kinds of activities which often occur as unscheduled overtime work and for which compensatory time may be granted are those activities which are ordered or approved by management and are within the performance of the employee's official duties. The following activities are examples of such work; however, this list is not all-inclusive:

1. Work unit meetings occurring outside the basic 8-hour workday.
2. Union meetings occurring outside the basic 8-hour workday which the employee has been ordered to attend as a management representative.
3. Supervisory association meetings occurring outside the basic 8-hour workday which the employee has been ordered to attend as a management representative.
4. Official Agency representative at industry or trade association meetings occurring outside the basic 8-hour workday, when attendance is primarily for the benefit of the Agency and has been ordered or approved. (See FSQS Directive 1050.1, Attendance at Meetings.)
5. Contamination Response System (CRS) team activities requiring unusually heavy workloads and short deadlines.
6. Assignments and/or projects which have unusually heavy workloads and for which a priority deadline has been established.
7. Foreign Programs establishment review activities occurring outside the basic 8-hour workday which the employee is expected to conduct in accordance with a foreign inspection system review.
8. Compliance activities occurring outside the basic 8-hour workday which the employee is ordered to conduct in connection with a product control incident or an investigation of an alleged violation of the Federal Meat Inspection Act or Poultry Products Inspection Act.

**VII. DELEGATIONS OF AUTHORITY**

Officials delegated authority to approve unscheduled overtime and/or paid overtime, will continue to have this responsibility. The delegated authority to approve compensatory time is limited to the following officials:

- A. Regional directors.
- B. Area supervisors.
- C. Assistant deputy administrators.
- D. Division and staff directors.
- E. Officers-in-charge (Compliance).
- F. Executive officer.

VIII. **MONITORING RESPONSIBILITY AND REPORTING REQUIREMENTS**

Officials delegated the authority to approve the use of compensatory time are also responsible for assuring that such use is consistent with the provisions of this Directive and with FSQS Directive 4550.4. Each official authorized to order and approve unscheduled overtime will monitor the granting and use of compensatory time as follows:

A. **Employees**. Whenever compensatory time is authorized in lieu of overtime, the reason for granting the compensatory time will be noted in the Remarks block of the Time and Attendance (T&A) Report. Such remarks may be brief (e.g., work unit meeting, union meeting, etc.).

B. **Administrative Review by the Regional Offices**. Regional offices will review the earning of compensatory time in a similar manner to the review currently conducted of non-reimbursable overtime hours. Regional offices will secure justification for the granting of compensatory time, if such information has not been noted on the T&A. On an accounting period basis, regional offices, will advise management of the compensatory time situation by the following:

1. Footnote the hours of compensatory time earned, by accounting period and cumulative for the calendar year, on the Report of Reimbursable and Non-Reimbursable Hours submitted after each accounting cycle.

2. Prepare a report, for use by area supervisors and the regional director, of the employees who have earned compensatory time. This report must include:

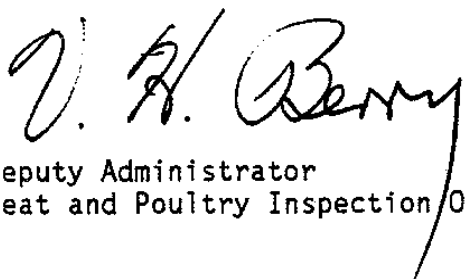
- a. Employee's name, title, and location.
- b. Compensatory time earned during the accounting period.
- c. Reason(s) for granting compensatory time during this accounting period.
- d. Cumulative hours earned this calendar year.
- e. Cumulative hours used this calendar year.
- f. Outstanding balance to be liquidated.

C. **Supervisory Review by Area Supervisors/Regional Directors**. Compensatory time must be taken before annual leave unless the taking of compensatory time would result in forfeiture of annual leave. As noted above, compensatory time not taken by the end of the leave year in which it was earned must be paid. Using the report listed in subparagraph B.2., approving officials will monitor the earned compensatory time and schedule its liquidation so as to avoid incurring the financial obligation to pay the employee for unliquidated compensatory time.

D. **Administrative Review by Headquarters Operations.** Since MPIO headquarters operations and Compliance field offices have no centrally placed T&A files, each staff or division will be expected to monitor the earned compensatory time and schedule its liquidation. On an accounting period basis each staff or division will be expected to submit a report to the Administrative Officer for Headquarters Operations, who will consolidate the information for use in the Status of Funds process. Includes:

1. Employee's name, title, and location.
2. Compensatory time earned during the accounting period.
3. Reason(s) for granting compensatory time during this accounting period.
4. Cumulative hours earned this calendar year.
5. Cumulative hours used this calendar year.
6. Outstanding balance to be liquidated.

E. **Management Review.** The Program Management Support Staff will consolidate information from the Regional Offices and Headquarters Operations on the use of compensatory time and provide information to MPIO's Executive Leadership during the regular Status of Funds process.



Deputy Administrator  
Meat and Poultry Inspection/Operations