

**MS 625, Attachment F, Basic Requirements for Granting Compensatory Time to Non-exempt Employees**

**BASIC REQUIREMENTS FOR GRANTING COMPENSATORY TIME  
TO NON-EXEMPT EMPLOYEES**

1. Compensatory time, in lieu of overtime pay, for irregular or occasional overtime work may be granted under one of the following conditions:
  - a. When the employee's overtime entitlement under the FLSA is the same as the overtime entitlement under the pay system for the occupied position; or
  - b. When the employee's overtime entitlement under the pay system for the occupied position (e.g., Title 5 premium pay provisions) is greater than the overtime entitlement under FLSA.
2. Supplementary Requirements. All of the following must be met:
  - a. The pay system for the position occupied allows the employee to elect compensatory time as an alternative to overtime;
  - b. The compensatory time must be at the employee's written request;
  - c. The time off must be taken within three pay periods following the period in which the overtime work is performed; and
  - d. The time off shall equal the period of overtime credited.
3. The following examples illustrate the application of the above principles:

Example A

A GS employee, whose basic pay is less than the minimum rate of GS-10, for whom there are no additives of any kind during the workweek, such as night differential, Sunday differential, hazard pay, etc., and who has had no paid leave during the pay period, will have the same overtime entitlement under both the FLSA and Title 5. In this situation, the employee may, upon written request, be granted compensatory time off in an amount equal to the period of overtime credited, within three pay periods after the overtime work is performed.

Example B

This same GS employee, who, during a pay period, has any paid leave of any kind and also works some overtime, overtime entitlement will be greater under Title 5 than under the FLSA. In this situation, the employee may, upon written request, be granted compensatory time off in an amount equal to the amount of overtime credited within three pay periods after the overtime work is performed.