NEW YORK POWER AUTHORITY	EP:	2.4
	REVISION:	8
EMPLOYEE POLICY	DATE:	3/23/2011

PLEASE REFER TO THE PORTION OF THE EMPLOYEE POLICIES ENTITLED DISCLAIMERS WHERE YOU WILL FIND A STATEMENT, WHICH PERTAINS TO ALL EMPLOYEE POLICIES, INCLUDING THIS ONE.

SALARIED NON-EXEMPT AND FACILITY-BASED EXEMPT OVERTIME

1.1 This policy provides for the payment of overtime to eligible Authority employees (see *Eligible Employees* below). It permits the Authority to:

a) comply with the Fair Labor Standards Act;

b) provide additional compensation to certain exempt positions for ensuring the safe and efficient generation and transmission of electricity during specified overtime events;

c) provide some relief for pay compression between bargaining unit employees and first line supervisors; and

d) manage overtime costs.

1.2 Eligible overtime is scheduled, authorized and approved time worked in excess of the normal workweek, under predetermined conditions related to specific Authority or facility requirements, priorities, special projects, or to maintain safe operating conditions.

1.3 Responsibilities:

a) A Business Unit Head, Regional or General Manager, or their designee will establish the event (Section 1.2) for which overtime will be paid, and will be accountable for the direction, authorization and administration of overtime as covered by this policy.

b) The Controller or designee will provide periodic reports of overtime paid including year-to-date totals. The Business Unit Head, Regional or General Manager, or their designee will reconcile these reports against authorizations required by this policy and promptly notify the Controller or designee in writing of any discrepancies that require correction.

c) The Business Unit Head is responsible for the prudent use of overtime within the parameters established by the approved O&M Budget.

1.4 Eligible Employees:

a) All salaried non-exempt employees are eligible for non-exempt overtime as required by the wage and hour laws of the Fair Labor Standards Act, as enforced by the U.S. Department of Labor.

b) Facility-based salaried exempt employees are those employees whose work location of record in SAP is not White Plains, Albany or New York City. Headquarters salaried exempt employees are those whose work location of record in SAP is White Plains, Albany or New York City.

c) First Line Supervisors – salaried exempt employees at the facilities whose job is to supervise union employees.

d) Salaried exempt employees at the facilities who are in grades E, 1, 2, 3, 4 and 5 and grades A, B, C, D and X may be eligible for exempt overtime compensation. Salaried exempt individual contributor employees working in the Trading room on a 24/7 shift and salaried exempt individual contributor Fuel Buyer positions supporting the Traders may be eligible for exempt overtime compensation despite location or grade.

e) Headquarters salaried exempt employees, physically working at a facility as part of a specified temporary work project, and who are in grades E, 1, 2, 3, 4 and 5 may be eligible for exempt overtime compensation.

f) Salaried exempt employees in grade 6 and in the Executive Management structure (EB, SMB, MB, SPB, SPL) are not eligible for overtime compensation under any circumstances other than the Buyers noted in 1.4d.

Non-Exempt Overtime

2.1 A non-exempt employee is one whose job duties do not meet the established tests for exemption under certain wage and hour laws of the Fair Labor Standards Act, as enforced by the U.S. Department of Labor.

2.2 On those occasions when it is necessary for non-exempt employees to work in excess of their basic workweek [see Attendance and Flexible Hours policy (EP: 4.6)], all additional time worked must be directed and authorized in advance in accordance with Sections 1.2 and 1.3(a).

2.3 Notwithstanding the requirements of Section 2.2 above, under the Fair Labor Standards Act, all non-exempt employees who work in excess of their basic workweek must record and be paid for all time worked.

2.4 The rate of pay for non-exempt employees is as follows:

a) Straight time for up to 40 hours in a workweek.

b) 1½ times the straight time equivalent hourly rate of the annualized salary for those hours worked beyond 40 hours in a workweek.

c) Payment for time worked on a scheduled holiday will be paid at 1½ times the equivalent hourly rate.

2.5 Generally, time spent traveling on company business will not be counted as hours worked for overtime computation purposes.

2.6 For non-exempt employees, work time spent as a required or assigned participant in any training program, lecture, meeting or workshop, will be paid at the applicable rate of pay (Section 2.4) for that time period.

Exempt Overtime

3.1 An exempt employee is one whose job duties meet the established tests for exemption under certain wage and hour laws of the Fair Labor Standards Act, as enforced by the U.S. Department of Labor.

3.2 Time worked in excess of the normal workweek at an employee's discretion will not be compensated. For eligible salaried exempt employees, all paid overtime must be approved in advance in accordance with Sections 1.2 and 1.3(a).

3.3 For salaried exempt employees in, or temporarily acting in, First Line Supervisor positions, approved overtime will be paid at 1½ times the hourly equivalent of the exempt employee's salary for hours of ***actual supervision*** of NYPA bargaining unit employees. Other overtime hours, if approved, will be paid at a straight time rate.

3.4 Eligible non-supervisory employees may be paid for all hours worked, in accordance with Section 1.2. Approved overtime will be paid at the straight time hourly equivalent of the exempt employee's salary.

3.5 Exempt employees who are preapproved to work during a scheduled holiday will be paid at 1½ times the hourly rate for First Line Supervisors, and 1 times the hourly rate for non-supervisory employees for actual hours worked in addition to their normal straight time pay for the holiday.

3.6 Eligible employees temporarily assigned to work at a facility will assume the basic workweek of the facility and their rate of pay for overtime purposes will be determined on that basis.

Approval and Time Records

4.1 For eligible salaried exempt employees, an Overtime Approval form must be completed stating the employee's name, period of time for which the overtime has been requested and approved, a brief description of the task, and the employee's basic workweek hours (40). These must be reviewed and approved (signed) by a Business Unit Head and/or Regional or General Manager, or designee, as appropriate. These records are retained by the applicable department or facility.

4.2 When a salaried exempt employee is temporarily assigned to an operating facility the time record should be approved by either the Business Unit Head or Regional or General Manager, or designee, as appropriate.

4.3 Payment for authorized overtime under the guidelines of this policy where practicable will be charged to the operating budget where the work is performed. The approved time report must clearly indicate the appropriate facility program code number to charge.

4.4 Payment to a salaried exempt employee for overtime that has not been specifically directed or authorized by those delegated the responsibility by this policy, will not be permitted under any circumstances. Issues with unauthorized non-exempt overtime will be addressed through the performance management process. [See Section 2 regarding treatment of non-exempt employees.]

4.5 This policy supersedes all prior policies and procedures regarding overtime for exempt and non-exempt personnel.

Vice President, Human Resources