

Corporate Policies

SECTION: Compensation		Human Resources Division	
SUBJECT: Compensation for Additional Hours			
POLICY NO. 4.3.0	SUPERCEDES POLICY DATED: October 2004	PAGE: 1 OF 6	
EFFECTIVE DATE: January 1, 2009	APPROVED BY: Senior Management Team	APPROVAL DATE: December 2008	

BACKGROUND

The Corporation is committed to compensating employees who work in excess of their standard hours (as outlined in their terms and conditions of employment) with overtime pay or lieu time, in accordance with applicable legislation and Corporate Policy.

It is recognized that the Corporation shall strive to minimize the practice of overtime to ensure an appropriate work/life balance for its employees and maintain the cost effectiveness of the Corporation's operation. The entitlements set out in this policy are contingent upon the Corporation having a continuing operational need for employees to work in excess of their standard hours.

PURPOSE

This policy is intended to establish which job functions in the Corporation are entitled to overtime pay, based upon established criteria. It outlines how an employee may receive overtime or lieu allocation.

SCOPE

This policy applies to all non-union positions. Employees occupying unionized positions are directed to their applicable collective agreement. Contract/term employees are directed to the terms of their particular contract. Transit Coordinators and Transit Forepersons are exempt from this policy and will continue to be governed by Transit Division Guidelines.

DEFINITIONS

Additional Hours	Hours worked in excess of an employee's defined work week
Overtime Pay	Compensation available to positions in Categories 1 and 2 paid at one and one-half (1 ½) an employee's regular rate for each hour of work in excess of 44 hours in a week.
Global Compensation for Additional Hours	Five (5) days of lieu time awarded at the beginning of the year to some positions in Salary Grades 4 and above as compensation for additional hours worked throughout the year.
Lieu Time	Time taken off work with pay, in lieu of accepting overtime pay.
Overtime Hours	Pre-approved hours worked in excess of the employee's regular workweek.
Category 1	Positions in Salary grades 1 to 3 who are all eligible for Overtime Pay and who receive compensation for all hours worked.
Category 2	Positions in Salary Grades 4 to 7 who are eligible for Overtime Pay due to their job functions and <i>Employment Standards Act 2000 (ESA)</i> eligibility criteria.
Category 3	Positions in Salary Grades 8 to 10, and those positions in Salary Grades 4 to 7 who, due to their job functions and <i>ESA</i> eligibility criteria, are supervisory in nature or constitute an exempt professional, and as such, not entitled to overtime pay.

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ELIGIBILITY OF ADDITIONAL HOURS

- Overtime pay is available to positions falling in Category 1 (Salary Grades 1 to 3) and Category 2 (some positions in Salary Grades 4 to 7) for working additional hours needed to fulfill the responsibilities of their role. Overtime pay applies when Category 1 and 2 employees work in excess of forty-four (44) hours in a week.
 - It is recognized that employees employed in Category 1 have been authorized to work over and above their daily hours and that overtime has been authorized by a member of management;
 - It is recognized that employees employed in Category 2 positions shall be authorized by a member of management to work overtime.
- Positions falling into Category 3 (Salary grades 8 to 10 and some positions in grades 4 to 7) are not eligible for overtime as:
 - Roles in these positions are supervisory or managerial in nature and where supervisory work is performed on a regular basis; or
 - The employee constitutes exempt professionals (such as information technology professionals) working in their field, as identified in the *ESA*, as amended.

Senior Staff (directors/managers/supervisors) in collaboration with human resources will make the determination of which jobs have an inherent need for overtime, and as such, which roles will be granted a week of lieu, based upon the job requirements and workload completed. Eligible positions will have lieu banks populated during the month of January. No reporting requirements will be required of employees who are employed in these positions.

Staff employed in positions of salary grade of 11 and above are not eligible for overtime or lieu. These staff are compensated through alternative means (please refer to the Holidays and Vacations Policy).

ENTITLEMENTS

Within the Corporation, job positions are classified into three types:

Category 1:

- All Category 1 positions are entitled to compensation at straight time for all hours worked up to 44 hours weekly. Additional hours worked in excess of 44 hours in a week are paid at the overtime rate of time and a half (1.5) or as otherwise indicated in the *ESA*, as amended.
- If the employee is in a Category 1 position, and their manager agrees to do so, additional hours may be banked as lieu time rather than taken as pay. The rate of payment of lieu time is that taken at the time of utilization.

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Category 2:

- Category 2 positions are those paid according to the job done rather than for hours worked. However, as a result of the nature of their job duties, some positions may be entitled to overtime pay under the *ESA*, as amended, for additional hours worked in excess of 44 hours a week.
 - These positions are in Salary Grades 4 to 7;
 - Do not constitute exempt professionals under the *ESA*; and/or
 - Perform work that is supervisory or managerial in nature on a non-frequent basis.
- Subject to the exemption clause below, during January of each year, eligible Category 2 positions shall be awarded five (5) days of lieu in recognition of additional hours worked throughout the year and shall be paid for such time at their regular daily rate of pay. New hires will have this lieu time entitlement pro-rated to time served with the Corporation, unless otherwise negotiated.
- Approved additional hours worked by Category 2 positions, in excess of 44 hours in a week, will be paid at the overtime rate of time and one-half (1.5) or as otherwise indicated in the *ESA* as amended. Such overtime shall NOT be banked as lieu time.
- “Emergency Call-Out” shall be paid at time and one-half for frontline staff and foreperson positions where variable work hours cannot apply.

Exemption:

- Positions/roles/employees may be exempted from the entitlement specified above if, in the opinion of the division director or section manager, the nature of the position, does not have an inherent need to work additional hours. In this case, the position will accumulate lieu based on actual additional hours worked to a maximum of five (5) days per year.
- For positions that receive a week’s lieu, it is recognized that the Corporation may discontinue this entitlement on a Corporate-wide, departmental, divisional or position-basis in the event that there is no longer a continuing operational need for those positions to work additional hours on a regular basis.

Category 3:

- Category 3 positions consist of managers and supervisors and exempt professionals, who, by the nature of their job duties, are not entitled to overtime pay under the *ESA*, as amended. These employees are paid according to the job done rather than hours worked and, as such, are not eligible for overtime pay.
- Subject to the exemption clause below, in January of each year, Category 3 positions will be awarded five (5) days of lieu in recognition of additional hours worked throughout the year and shall be paid for such time at their regular daily rate of pay. New hires will have this lieu time pro-rated to the date of hire, unless otherwise negotiated.

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- “Emergency Call-Out” shall be paid at time and one-half for frontline, foreperson and supervisor positions, as identified by the operating department director, where variable work hours cannot apply.

Exemption:

- Positions/roles/employees may be exempted from the entitlement specified above if, in the opinion of the department head or division director, that the position, by the nature of its job function, does not typically require additional hours. In this case, the position will accumulate lieu based on actual additional hours worked to a maximum of five (5) days per year.
- For positions that receive a week’s lieu, it is recognized that the Corporation may discontinue this entitlement on a Corporate-wide, departmental, divisional or position-basis in the event that there is no longer a continuing operational need for employees in the respective area, to work additional hours on a regular basis.

PROVISIONS

Lieu time unused at the end of the calendar year (December 31) will be forfeited. Lieu will not be paid out, unless the following circumstances arise:

Lieu Bank Payout

Upon termination, resignation, retirement, death or transfer, the following provisions will apply:

Category 1:	<ul style="list-style-type: none"> • Lieu time remaining in a employee’s lieu bank will be paid out on termination, resignation, retirement, death or transfer to a position outside the non-union salary range. Upon transfer to a new position in Category 1, the employee’s lieu bank will be paid out or, with the new supervisor’s consent, all or a portion of the lieu bank may be carried over. • Upon transfer to a new position in Category 2 or 3, the employee’s lieu bank will be paid out, or, upon the consent of the employee and the new supervisor, up to five (5) days lieu may be carried over, and must be used by March 31st or it will be paid out at the employee’s current salary.
Categories 2 and 3:	<ul style="list-style-type: none"> • Lieu time remaining in an employee’s lieu bank will be forfeited except in the event of death. In this case, lieu time will be paid out on a pro-rated basis, based upon actual service to the Corporation. • Upon transfer to another position in Category 2 or 3, the employee’s lieu bank will be carried over to the new position. Upon transfer to a position in Category 1 or outside the non-union salary range, the bank will be paid out on a pro-rated basis (based on actual service in the Category 2 or 3 position prior to transfer).

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Acting Assignments

Employees who have been promoted to an acting assignment, will maintain their entitlement with their home position. For example: a Category 1 employee acting in a Category 2 position, would accrue lieu or overtime in the same fashion as their home category (Category 1). In the case of overtime pay, if any, payments would be made at the employee's current (acting) salary. Overtime must be pre-approved by management.

Leaves

Employees returning from extended leaves will be granted lieu on a prorated basis, unless otherwise directed from the department head. When prorating, employees will earn .5 days per month, to a maximum of five (5) days per year.

Promotions

Employees who are promoted to a position falling into Salary Grades 11 or above, shall be eligible to have their week's lieu converted to vacation. Please refer to the Holidays and Vacations Policy 8.2.0 for more information.

Granting of Additional Lieu

The department head, in conjunction with human resources, may grant up to five (5) days of lieu in exceptional circumstances.

RESPONSIBILITIES

Directors are to:

- Communicate policy to appropriate employees;
- In November of each year, work with managers/supervisors to examine positions in Category 2 and 3 that are not eligible for the five (5) days of lieu; and
- By December 1 of each year, notify payroll by way of a memo, of any Category 2 and/or 3 positions that are no longer eligible for automatic lieu. All other eligible positions will have lieu banks populated during January.

Managers are to:

- Communicate policy to appropriate employees;
- Monitor employee lieu bank accumulation and usage;
- In November of each year, examine positions in Category 2 and 3 that are not eligible for the five (5) days of lieu and notify division director; and
- When granting additional lieu to employees in exceptional circumstances, ensure that the employee is able to take the time off.

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Category 1 Employees are:

- Responsible for ensuring they have management approval to work extra hours above their regular workday; and
- Responsible for managing their work hours and, during weeks where work time exceeds 44 hours in a week, record additional hours accurately.

Category 2 Employees are:

- Responsible for ensuring they have management approval to work overtime hours (in excess of 44 hours in a week); and
- Responsible for managing their work hours and, during weeks where work time exceeds 44 hours, record additional hours accurately.

Human Resources is to:

- Provide advice on appropriate lieu entitlements for exceptional work;
- Assist operating departments in identifying positions that do not receive lieu automatically; and
- Approve lieu banks, in conjunction with department heads, for employees receiving additional lieu.

Payroll is to:

- Populate or remove the five (5) days lieu for eligible positions;
- For Category 1 employees, during April, pay out lieu banks of employees carrying over lieu, at the employee's current salary;
- Provide lieu on a pro-rated basis for those returning from leaves or new hires; and
- Populate lieu banks for employees receiving additional lieu.

ACCOUNTABILITY

Managers are accountable to ensure adherence to this policy as outlined.

CONTACT INFORMATION

Human Resources