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| Owner: Manager, HR Operations Local Contact: HR Manager/Business Partner | BASIC OVERTIME – U.S. | Policy Center  |
| Approver: Senior Vice President, Human Resources | | Date Issued/Revised: 07/01/2016 |

If you have questions, please contact: [HR Connections](#) at 855-480-6634 or 918-977-7905.

I. Purpose

The purpose of this policy is to define the method to be generally used for calculating overtime for U.S. employees in jobs classified by the Fair Labor Standards Act (FLSA) as nonexempt.

II. Eligibility

This policy applies to regular full-time and regular part-time nonexempt (as defined by FLSA) employees, excluding employees at retail marketing outlets, and employees who are covered by a collective bargaining agreement.

III. General Provisions

- A. Overtime must be paid at time and one-half for all hours actually worked over 8 hours in a day (the “8-hour rule”) for employees who work a non-fluctuating 8-hour day, 40-hour work week. Employees who work a 19/30 schedule are covered by this provision.
- B. Employees who work a fluctuating work week, including 10-and 12-hour-a-day shifts, and 9/80 schedules will be compensated at time and one half for all hours worked over 40 hours in a week (the “40-hour rule”).
- C. Regardless of work schedule, work performed on non-scheduled workdays, including weekends, will follow the 40-hour rule.
- D. Holiday time, sick time, military duty, jury duty, and vacation time will count as hours worked for purposes of the 40-hour rule.
- E. Several states (Alaska, California, Colorado, Nevada, and Oregon) have additional requirements pertaining to daily overtime. Please contact Payroll in Bartlesville if you have specific questions about overtime in these states.

IV. Makeup Time

Employees may be allowed the option of making up missed time in the same day or subsequent days as long as it occurs in the same calendar week. This is solely for the purpose of allowing employees flexibility around appointments or other out of office type issues. These requests must have prior supervisory approval, be appropriate and the time must be made up in the same work week...*no exceptions*. Supervisors should consider the reason and amount of time needed in making their decision.

Make up time does not count as overtime under this policy. Therefore, unless required by state law, employees who work more than 8 hours in a day due to make up time will not be paid at time and one-half for all hours actually worked over 8 hours in a day (the “8-hour rule”). However, employees who work more than 40 hours in a week will be compensated at time and one half for all hours worked over 40 hours in a week

V. Travel Time by Non-Exempt Employees

Whether time spent traveling by a nonexempt employee is compensable work time depends on the type of travel and its purpose. Remember, a nonexempt employee is always compensated when working; this section only deals with how to count travel time.

Travel from home to work

In general, the time an employee spends going to and from home is not considered work time, whether the employee reports to a fixed location or different job sites.

Travel as part of the job

Time spent traveling as part of an employee's daily work activity is compensable work time, including travel from one job site to another or travel from a designated meeting place to a job site.

Travel to and from home in a company vehicle

Use of a company vehicle for commuting is not part of the employee's principle activity and is not compensable work time if the vehicle is used within the normal commuting area.

There is a distinction in how travel time is compensated based on whether the travel time is a **one-day trip** (same day departure and return) or the travel requires an **overnight** (away from the assigned work place for one or more nights) stay.

One-day trips

A nonexempt employee is compensated for any travel time outside of his/her normally scheduled work hours, excluding the time to drive from his/her home to the appropriate place of departure. For example:

Assume an employee's work schedule is 8:00 a.m. to 5:00 p.m. (with an hour for lunch), and the employee has a flight that departs at 7:30 a.m. and returns at 8:30 p.m. the same day. Compensable time begins when the employee's flight departs and ends when the employee's return flight arrives at 8:30 p.m. Excluding the 1 hour for lunch, the employee would be due 4 hours of overtime.

However, for those locations where no airport is located, travel from an employee's work city to a regional airport would be considered work time where the distance between the employee's home and the airport is greater than the distance between the employee's home and the employee's normal worksite location

Overnight travel

When employees are required to take a trip that keeps them away from home overnight, all time spent traveling during the hours corresponding to the employees' normal working hours will be counted as time worked. Overnight travel can fall into two areas: travel on an employee's scheduled day off, and travel on a scheduled workday.

Travel on a scheduled day off. The trip originates or the return occurs on the employee's scheduled day off and the travel time overlaps the employee's core working hours of 8:00 a.m. to 5:00 p.m. Travel time will be reimbursed for hours traveled during those core working hours only. For example, a Bartlesville nonexempt employee is scheduled to be off on Sunday, but must travel by commercial airline to be in Houston for a Monday morning meeting. The employee leaves home at 1:00 p.m., drives to Tulsa to catch the flight, and arrives at his hotel at 8:00 p.m. Only those travel hours that occur during the 8:00 a.m. to 5:00 p.m. window will be compensated (4 hours in this example). He returns home on Tuesday, leaving Houston at 6:00 p.m., arriving back in Bartlesville at 9:15 p.m. He receives no additional compensation for this return flight.

Travel on a scheduled work day. An overnight trip that occurs during the employee's standard workday will not typically result in compensation beyond the employee's base pay. For example: a Ponca City, nonexempt salaried employee travels to Houston on the Monday 6:30 a.m. shuttle, attends meetings all day Monday, attends a voluntary dinner Monday night, works their standard work schedule on Tuesday, and returns home Tuesday evening at 7:15 p.m. No additional compensation is due for the travel time.

Travel to and from training

Travel time to and from training programs must be paid the same as other travel time unless all the following criteria are met:

- Attendance is purely voluntary
- Training is conducted outside regular working hours
- No goods or services are produced
- Training is not directly related to the employee's regular work

Policy Contact: Human Resources
 HR Operations

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