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HRDG 4550 - Premium Pay - Section A

Last Modified:

Subchapter 4550

Premium Pay

Section A - Introduction to Premium Pay

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Definition

Premium pay is compensation for overtime, night, Sunday, and/or holiday work.

Authority

Human Resources recommends that the authority to approve overtime (and other premium pay as applicable) pay be delegated to the level of supervision that has the authority to approve time and attendance reports and to take other personnel actions such as hiring and promoting employees. If this level of delegation does not meet specific program needs within MRP, agencies have the discretion to retain approval authority at higher levels.

You must determine your employee's Fair Labor Standards Act (FLSA) status before entitlement to premium pay can be computed.

How Do Supervisors Determine an Employee's FLSA Status?

Determine the FLSA status of your employee or position by reviewing:

- SF-50B, Notification of Personnel Action (block 35), and/or
- AD-332, Position Description Cover Sheet (block C.1).

What Do “Nonexempt” and “Exempt” Mean on the SF-50B, Notification of Personnel Action?

The term “nonexempt” describes employees who are covered by the overtime provisions of FLSA. These employees also are entitled to other premium pay under the provisions of Title 5, United States Code (U.S.C.).

The term “exempt” describes employees who are not covered by FLSA. Title 5 governs all premium pay entitlements, including overtime, for exempt employees.

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