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[Company/Organization Name]

Effective Date: [Date]

Overtime Policy

 [Company/Organization Name] recognizes that there may be occasions when employees are required to work beyond their normal working hours to meet business needs. This policy outlines the guidelines and procedures for overtime work to ensure fair compensation and adherence to labor laws.

**Definition of Overtime:**

Overtime refers to any hours worked by an employee that exceed their regular working hours as defined in their employment contract or company policies. Overtime may be voluntary or mandatory, depending on business requirements.

**Eligibility:**

All eligible employees are entitled to overtime compensation in accordance with applicable labor laws and company policies. The eligibility criteria for overtime will be based on the employee's classification as exempt or non-exempt under the Fair Labor Standards Act (FLSA) or similar local labor regulations.

**Exempt Employees:**

Exempt employees, as defined by the FLSA or local labor laws, are not eligible for overtime pay. These employees are typically salaried and exempt from minimum wage and overtime provisions. However, they may be expected to work additional hours as necessary to fulfill their job responsibilities.

**Non-Exempt Employees:**

Non-exempt employees are entitled to overtime pay for hours worked beyond the standard workweek as defined by applicable labor laws. Non-exempt employees will be compensated at a rate of [specify the overtime rate, such as time-and-a-half or double time] for each hour worked beyond the standard workweek.

**Authorization for Overtime:**

Overtime work must be authorized in advance by the employee's supervisor or manager, except in emergency situations. Employees should request authorization for overtime when they anticipate the need for additional work hours or when requested by their supervisor.

**Recording and Documentation:**

Employees are responsible for accurately recording their working hours, including any overtime hours worked, using the designated timekeeping system or method provided by the company. It is essential to report all overtime hours promptly and accurately to ensure proper compensation.

**Approval and Compensation for Overtime:**

Employees who work authorized overtime will be compensated in accordance with applicable labor laws and company policies. Overtime hours will be paid on the regular payday following the pay period in which the overtime was worked.

**Overtime Compensation Options:**

[Company/Organization Name] may provide various compensation options for overtime work, including:

1. Overtime Pay: Employees may receive additional monetary compensation at the applicable overtime rate for each hour worked beyond the standard workweek.
2. Compensatory Time Off (Comp Time): In compliance with applicable labor laws, employees may have the option to accrue compensatory time off in lieu of monetary overtime compensation. The accrual and usage of comp time will be outlined in company policies and in accordance with labor laws.

**Limits and Restrictions:**

Overtime should be managed effectively to ensure the well-being and productivity of employees. The following limits and restrictions may apply:

1. Prioritization of Work-Life Balance: [Company/Organization Name] encourages employees to maintain a healthy work-life balance. Excessive overtime should be avoided, and reasonable limits should be set to prevent employee burnout.
2. Maximum Overtime Hours: [Specify the maximum allowable overtime hours per day, per week, or any other relevant timeframe] to prevent excessive overtime and comply with labor laws.
3. Voluntary Overtime: While overtime work may be requested or required, employees have the right to refuse voluntary overtime, provided it does not violate any contractual or legal obligations.

**Review and Update:**

This overtime policy will be reviewed periodically to ensure its effectiveness and compliance with applicable laws and regulations. Updates will be made as necessary.

If you have any questions or need clarification on this policy, please contact the Human Resources department.

[Company/Organization Name] values its employees and strives to maintain fair compensation practices.

We appreciate your adherence to this overtime policy.

**Employee:**

I have read and understood the Overtime Policy, and I do not have any questions.

[Employee's Full Name]

[Employee's Signature]

[Date]

**Company:**

[Company Name]

[Company Representative's Name]

[Company Representative's Title]

[Company Representative's Signature]

[Date]