**Overtime Policy Template:**

**Introduction.**

[**Company name**] recognizes that employees may be requested to work overtime in order to complete projects, meet job commitments, and/or make up for an employee shortfall. In response, [**company name**] created this overtime policy to clearly outline when employees are eligible for overtime and to explain the company's compensation procedure.

**Purpose.**

The purpose of this policy is to (a) define the guidelines that oversee mandatory overtime, (b) outline the overtime eligibility and authorization process, and (c) to explain the disciplinary action protocols.

**Scope.**

This policy applies to all [**company name**] non-exempt employees, including part-time, full-time, and/or seasonal employees. [**Company name**] defines "overtime" as any additional hours worked that exceed the mandatory [**number of hours**] hours per week.

**Mandatory Overtime.**

[**Company name**] reserves the right to request any and/or all employees to work overtime during busy periods or in cases of emergency. Overtime is only applicable if an employee works over [**number of hours**] per week. Thereafter, [**company name**] will pay employees time and a half for the additional hours.

Overtime is a requirement of employment and if an employee rejects a request to work overtime, he/she will be subject to disciplinary action, up to and including termination. Employees are only allowed to reject an overtime request if he/she was not notified at least [**number of days/weeks**] before the expected overtime period or if he/she has a valid reason.

**General Guidelines:**

* Employees will be classified as exempt or non-exempt by [**company name**] according to overtime pay laws.
* All non-exempt employees are entitled to overtime.
* Remote workers and employees that are required to travel for business are entitled to overtime.
* In order for an employee to qualify for overtime, he/she must first complete the required [**number of hours**] hours per week.

**Authorization.**

Floor Supervisors are responsible for assessing work deadlines and projects to determine when/if overtime is needed. In cases where overtime is required, the Floor Supervisor must report it to the Manager for authorization at least [**number of days**] before the expected overtime date. If the Manager approves the overtime, he/she must fill in an Overtime Report and submit it to the Finance Department for compensation. Depending on the date of submission, overtime will be paid out in the following pay cycle.

**Excessive Overtime.**

In an effort to safeguard our employees' health and safety, [**company name**] will not permit the excessive use of overtime. Floor Supervisors are prohibited from requesting frequent use of overtime to complete projects and/or meet deadlines. If a department is unable to meet deadlines without the use of overtime for [**number of months**] consecutive months, the Manager and Floor Supervisor must conduct a formal assessment on ways to minimize work commitments.

**Unauthorized Overtime.**

Floor Supervisors and employees who fail to obtain the appropriate authorization before working overtime will be subject to disciplinary action, up to and including termination. [**Company name**] will not be financially responsible to pay any unauthorized overtime. In cases of emergency, employees may be requested to work overtime. However, an employee reserves the right to refuse overtime if the notice period is too short.

**Disciplinary Action.**

Violations of this overtime policy are subject to disciplinary action, up to and including termination. If an employee, including Floor Supervisor and/or Manager, is suspected of violating the policy, he/she must undergo a thorough investigation. The circumstances of each violation will determine the severity of each scenario.

**General Disciplinary Guidelines:**

* Uncommon and unintentional violations may warrant a verbal and/or written warning.
* Frequent and intentional violations may lead to suspension and/or termination.

An employee is allowed to request a union representative or witness to attend all disciplinary meetings. Before approaching an employee suspected of violating policy, it is advisable to first contact the Human Resource (HR) department for procedure guidelines.