the bonus attributable to the employee’s half-rate overtime pay under §551.512(a)(2) may be excluded in applying bonus limitations, since it can be viewed as constituting additional FLSA overtime pay. (This method does not apply to nondiscretionary bonuses established as a percentage of a segment of pay, such as ratings-based cash awards under §451.104(g) of this chapter that are expressed as a percentage of basic pay, excluding locality adjustments. To meet overtime pay requirements for these types of bonuses, use one of the methods described in paragraphs (b)(1) or (b)(2) of this section.)

(c) Group-based bonus distribution methods. (1) For employees who have earned nondiscretionary group cash awards or bonuses, payment of a bonus under one of the methods of distribution described in paragraphs (c)(2) and (c)(3) of this section is considered to be in full compliance with the overtime pay requirements of this subpart. These methods may not be used to circumvent any bonus limitations that might otherwise apply.

(2) Percentage method. (i) Identify the amount of the group bonus under the agency’s bonus plan and the period of time during which it was earned;

(ii) Establish the group bonus as a percentage of the total pay (i.e., total remuneration before considering the group bonus, including straight time pay for any overtime hours, plus any half-rate overtime pay under §551.512(a)(2)) earned by employees in the group during the bonus period; and

(iii) Divide the amount of the group bonus by the total number of boosted hours for all employees under the group bonus plan to determine the amount of the bonus allocable to each hour; and (iv) Multiply this hourly bonus amount by the number of boosted hours credited to each individual employee in the bonus period to determine each employee’s share of the group bonus.

[64 FR 69181, Dec. 10, 1999]

FRACTIONAL HOURS OF WORK

§551.521 Fractional hours of work.

(a) An employee shall be compensated for every minute of regular overtime work.

(b) A quarter of an hour shall be the largest fraction of an hour used for crediting irregular or occasional overtime work under this subpart. When irregular or occasional overtime work is performed in other than the full fraction, odd minutes shall be rounded up or rounded down to the nearest full fraction of an hour used to credit overtime work.

[48 FR 36806, Aug. 15, 1983]

COMPENSATORY TIME OFF

§551.531 Compensatory time off.

(a) At the request of an employee who is not exempt under subpart B of this part, the head of an agency (or designee) may grant compensatory time off from an employee’s tour of duty instead of payment under §551.501 for an equal amount of irregular or occasional overtime work.

(b) At the request of an employee, as defined in 5 U.S.C. 2105, the head of an agency may grant compensatory time off from an employee’s basic work requirement under a flexible work schedule under 5 U.S.C. 6122 instead of payment under §551.501 of this part for an equal amount of overtime work, whether or not irregular or occasional in nature.

(c) An agency may not require that an employee be compensated for overtime work under this subpart with an equivalent amount of compensatory time off from the employee’s tour of duty. An employee may not directly or
indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce any other employee for the purpose of interfering with such employee’s rights to request or not to request compulsory time off in lieu of payment for overtime hours.

(d) If compulsory time off earned under paragraph (a) or (b) of this section is not taken within 26 pay periods after the pay period during which it was earned or if the employee transfers or separates from an agency before using the compulsory time, the employee must be paid for overtime work at the dollar value prescribed in paragraph (g) of this section.

(e) Compensatory time off to an employee’s credit as of May 14, 2007 must be used by the end of the pay period ending 3 years after May 14, 2007. If the earned compensatory time off is not taken by the end of the pay period ending 3 years after May 14, 2007, the employee must be paid for overtime work at the dollar value prescribed in paragraph (g) of this section.

(f) If an employee with unused compensatory time off under paragraphs (a), (b), or (e) of this section separates from Federal service or is placed in a leave without pay status under the following circumstances, the employee must be paid for overtime work at the overtime rate at the dollar value prescribed in paragraph (g) of this section:

(1) The employee is separated or placed in a leave without pay status under the following circumstances: (See §551.411(c) and §551.432(b).

(d) A firefighter subject to section 7(k) of the Act who is compensated under part 550, subpart M, of this chapter is deemed to be appropriately compensated under section 7(k) of the Act and this part if the requirements of §550.1304(a) of this chapter are satisfied. (See 5 U.S.C. 5545b(d)(2).

Subpart F—Child Labor

§ 551.601 Minimum age standards.

(a) 16-year minimum age. The Act, in section 3(l), sets a general 16-year minimum age, which applies to all employment subject to its child labor provisions, with certain exceptions not applicable here.