



OFFICE OF THE ADJUTANT GENERAL

State of Wisconsin / DEPARTMENT OF MILITARY AFFAIRS

Title: Supplemental Pay for Exempt Employees

Policy Number: DEPT 3401

Owner: State Human Resources

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I. Purpose

Overtime and supplemental pay are to be held to a minimum consistent with the needs of the agency. Each supervisor must be a good steward of taxpayers' dollars and be fiscally responsible. Supervisors must make every effort to use other available alternatives before assigning employees to work hours that will require such pay.

In accordance with federal and state laws and guidelines, Exempt Employees are considered to be compensated for the total responsibilities of the position regardless of the number of hours worked. Under provisions of the State of Wisconsin Compensation Plan, Exempt Employees are not eligible for overtime, compensatory time, or differentials unless there are special circumstances authorized by the Appointing Authority or designee. If authorized, overtime compensation for Exempt Employees may be in the form of cash payment or compensatory time credits, as the employer elects.

II. Scope

The provisions of this policy are applicable to all FLSA exempt positions at the Department of Military Affairs (DMA).

III. Definitions

Appointing Authority: The Adjutant General (TAG), or their designee.

Data Processing Unit Codes (DP Codes): A DP code designates the data processing unit to which a classification belongs and whose primary purpose is to identify which group a classification is affiliated for purposes of coverage under the State Employment Relations Act. The DP code is also used to determine coverage under the Compensation Plan's overtime provisions. The DP Unit code indicates whether a classification is considered part of a potential or existing bargaining unit and whether it is considered professional or non-professional. Classification DP Unit codes can be found at the Alphabetical Listing of Classifications (Alpha List) located at https://dpm.wi.gov/Pages/HR_Admin/Class-and-Comp-HR-Admin.aspx.

Exempt Employees: A category of employees who are not subject to the overtime provisions of the Fair Labor Standards Act and the Wisconsin wage and hour laws.

Fair Labor Standards Act (FLSA): FLSA is a federal law administered by the [Department of Labor \(DOL\)](#). The DOL establishes minimum wage, overtime pay eligibility, child labor standards, and record keeping standards affecting full-time and part-time workers in the private sector and in federal, state and local governments.

Limited Term Employee: An individual in a position in which the nature and conditions do not permit attainment of permanent status in class and for which the use of normal procedures for recruitment and assessment are not practicable or comparable employment in the unclassified service.

Permanent Employee: A person who is an employee as a result of a permanent appointment, whether or not the employee has attained permanent status.

Project Appointment: The appointment of a person to a project position under conditions of employment which do not provide for attainment of permanent status.

Supplemental Pay: Pay in addition to the base pay rate in recognition of factors or conditions not reflected in the base pay (e.g., supervisor add-on, night or weekend differentials, etc.).

Unclassified: All state officers elected by the people, officers and employees appointed by the governor, the faculty and academic staff in the University of Wisconsin System, most division administrator positions, and justices of the Wisconsin supreme court. At the DMA, this policy applies to the following Unclassified positions (1) The Adjutant General (Wis. Stat. §20.923(4)); (2) the Administrator of the Division of Wisconsin Emergency Management (Wis. Stat. § 20.923(4)); (3) the Director of the Office of Emergency Communication (Wis. Stat. § 323.29(4)); (4) the Deputy Adjutants General Wis. Stat. §§ 20.923(8) and 321.10)); and (5) the Executive Assistant (Wis. Stat. § 20.923(9)).

Wisconsin wage and hour laws: The laws of Wisconsin that govern payment of wages, including overtime.

IV. Policy

As part of ensuring fiscal responsibility in state government, supervisors and Exempt Employees of the DMA must ensure supplemental pay is held to a minimum and abide by the practices described below.

A. Call-Back/Call-In Pay

The Appointing Authority may guarantee a minimum of two hours pay when an emergency situation exists, and a non-supervisory Exempt Employee is called back for duty or called in on the employee's day off. Such pay is discretionary for Exempt Employees including Unclassified positions.

Supervisory Exempt Employees are guaranteed a minimum of two hours pay when call-back/call-in work hours, plus other work hours, creates mandatory overtime pay as described in Section E.1. below.

B. Holiday Premium

Employees are not authorized to work holidays unless specifically directed by their supervisor as job requirements dictate. Pay or compensatory time off is mandatory for qualifying hours worked on a legal holiday by all Exempt Employees except for Unclassified Employees and Fire/Crash Rescue Supervisors. Unclassified Employees and Fire/Crash Rescue Supervisors are not eligible for holiday premium.

If employees work on a holiday, employees shall receive compensatory time off at a rate of one and one-half times the number of hours worked, or a cash payment at a rate of one and one-half times the employee's regular rate for each hour the employee is assigned to work on a holiday. In addition, employees would receive the equivalent number of hours worked to use as legal holiday at a later date within the same calendar year. The option for compensatory time off or cash payment is at the discretion of the employer.

Legal Holidays Observed:

- 1) January 1
- 2) The 3rd Monday in January, which shall be the day of celebration for January 15
- 3) The last Monday in May, which shall be the day of celebration for May 30
- 4) July 4
- 5) The first Monday in September
- 6) The 4th Thursday in November
- 7) December 24
- 8) December 25
- 9) December 31
- 10) The day following if January 1, July 4 or December 25 falls on Sunday

C. Night Differential

Payment for night differential is at the discretion of the Appointing Authority for qualifying hours worked by all Exempt Employees other than employees in nursing related classifications allocated to pay schedule 11, Unclassified positions, and Fire Crash Rescue Supervisors. Nursing related classifications in pay schedule 11, Unclassified positions, and Fire Crash Rescue Supervisors are not eligible for night differential.

If approved, night differential is paid at the rate of \$0.80 per hour for hours worked between 6:00 pm and 6:00 am.

At the DMA, employees are not authorized to work hours that could qualify for night differential unless specifically directed by their supervisor to work such hours as job requirements dictate.

Supervisors in the classification of Cadet Specialist Supervisor or Military Affairs Security Officer Supervisor, who are normally scheduled to work during hours that incur night differential, will be paid night differential.

Hours worked at the request of the employee for flexible scheduling do not qualify for night differential.

D. Nursing Responsibility Differential

Payment is mandatory for qualifying hours worked by all Exempt Employees assigned to pay schedule 11 who provide professional nursing care. Nursing responsibility differential is paid at the rate of \$1.40 per hour. Qualifying hours are hours worked between 6:00 pm and 6:00 am.

E. Overtime

Salaries paid to Exempt Employees are generally intended to be compensation for the total responsibilities of the position regardless of the number of hours worked. However, under some circumstances, time off or cash payment for overtime hours worked in excess of 80 hours per pay period (in excess of 112 average hours for Fire/Crash Rescue Supervisors), is appropriate. Approved overtime will be compensated on an hour-for-hour basis.

Compensatory time off or cash payment authorization may be granted to at the discretion of the Appointing Authority or designee except in situations described in Section E.1. below. The option between compensatory time off or cash payment is also at the discretion of the employer.

Compensatory time off credits can accrue as a leave balance. Each year, any compensatory time not used by October 31 will be paid in cash in the following November at the employee's current regular rate of pay. Limited term employees are not eligible to accrue compensatory time credits.

In most circumstances, Exempt Employees will not receive compensatory time off or cash payment unless they work a minimum of 10 hours overtime within one pay period. There will be no blanket overtime approvals; each overtime request will be considered on a case-by-case basis.

Federal cooperative agreements for Fire/Crash Rescue Supervisor positions limit the hours worked per pay period to an average of 112. Therefore, Fire Chiefs and Fire/Crash Rescue Supervisors must closely monitor hours worked to adhere to the limitations within the agreements.

1. Supervisory Overtime

Supervisory Exempt Employees must receive overtime if all the following conditions apply:

- The supervisor's position is assigned to pay range 81-04 or a counterpart pay range in a different schedule or lower. At the DMA, supervisory positions in pay schedule/range 81-04 or lower are Building and Grounds Supervisors, Cadet Specialist Supervisors, Custodial Services Supervisors, Fire/Crash Rescue Supervisors, Food Service Supervisor, Military Affairs Security Officer Supervisors, and the Shipping and Mailing Supervisors.

- The supervisor is directed to work hours in addition to their normal work hours and such additional work hours result in overtime hours
- The purpose of the additional work hours is to supervise employees who also are directed to work additional hours
- The additional work hours of the employees supervised generate overtime compensation for that workweek or work period; and
- The additional work hours by both the supervisor and employees supervised are generated by the same cause or situation.

Exempt Employees in professional supervisory or confidential/supervisory positions (DP Unit Code 17 or 98) will be compensated on an hour-for-hour basis. Exempt Employees in nonprofessional supervisory and nonprofessional confidential/supervisory positions (DP Unit Code 16 or 96) will be compensated at the premium rate or granted time off at the number of overtime hours multiplied by 1.5.

2. Overtime During a Declared State or Federal Emergency

During a declared emergency under Wis. Stat. §§ 20.901(1)(b) and 20.922(2), Exempt Employees, except project employees, who are not required to respond to declared emergencies as part of their broader job responsibilities may be temporarily assigned to perform duties that are not normally performed or that are not described in the employee's position description.

When such assignments result in overtime hours directly attributable to the declared emergency, the Exempt Employee will receive the premium rate or compensatory time off at the rate of 1.5 hours for each overtime hour worked.

Any employee sent out of state by the DMA to respond to emergencies under an Emergency Management Assistance Compact (EMAC), or other equivalent mutual aid agreement, may be paid up to 1.5 times the employee's regular rate of pay.

F. Standby Pay

When an Exempt Employee is off duty and the employer requires that they be able to report to work in less than one hour, the Appointing Authority may grant standby pay for each hour in standby status at the rate of \$2.25 per hour. Standby pay is at the discretion of the Appointing Authority. Limited term and Unclassified Employees are not eligible for standby pay.

The rules governing standby hours are as follows:

- Supervisors are responsible for creating the standby schedule for their unit, taking into consideration staff availability and equal scheduling to ensure the responsibility is rotated throughout the team. Once a schedule has been established, employees should make every effort to cover the days/weeks that have been scheduled. The standby schedule must be provided to DMA Payroll when standby pay is requested.

- Employees must provide prompt response to a phone call or incident.
- Employees must refrain from alcohol or other substances that could impair the ability to perform work if called.
- Standby pay will not be authorized during any time the employee is being compensated for hours worked. This includes any type of paid leave status (except an observed holiday, see below).
- Standby pay will not be authorized for an employee who calls in sick for their shift or goes home sick from their shift due to their own illness. The employee also is not authorized for standby pay for 24 hours following their illness.
- Standby pay is authorized before and/or after an employee's shift if the employee uses leave to cover an absence for a prescheduled medical appointment or family member's illness.

Example: Employee has a prescheduled medical appointment at 3:00 pm. Employee uses sick leave from 3:00 pm to 5:00 pm, which completes their shift. The Appointing Authority requires the employee to be available for work and be able to report to work in less than one hour, during the hours of 5:00 pm to 7:00 am the following day. The employee is authorized for standby pay.

- When standby pay is required on an observed legal holiday, hours reported on the timesheet will not exceed 32 hours on that day.

Example: An employee is on standby on a legal holiday and will be compensated for 8 hours of holiday leave. This employee will receive standby pay for 24 hours in addition to a maximum of 8 hours of holiday leave pay; the total amount compensated on this day would be 32 hours.

G. Weekend Differential

A weekend differential for Exempt Employees may be paid at the Appointing Authority's discretion for qualifying weekend hours worked by all Exempt Employees except Unclassified Employees and Fire Crash Rescue Supervisors. Unclassified Employees and Fire Crash Rescue Supervisors are not eligible for weekend differential.

If approved, the differential pay for weekend work is \$.80 per hour. Qualifying hours are those worked between Saturday at 12:00:00 am and Sunday at 11:59:59 pm.

Supervisors in the classification of Cadet Specialist Supervisor or Military Affairs Security Officer Supervisor, who are normally scheduled to work during hours that incur weekend differential, will be paid weekend differential.

V. Procedure

A. Form

All requests for Exempt Employee supplemental pay must be submitted using the Supplemental Pay Request for Exempt Employees, DMA Form 3401.

If a request is denied by the Supervisor, WING Base Commander, Division Administrator, or Director, please continue routing to State Human Resources for further analysis.

All completed forms must be emailed to DMAPayroll@widma.gov as soon as possible/prior to the need for supplemental pay with limited exceptions. Updates to previous requests should also be submitted to the mailbox. Requests will be handled in an expeditious manner. Include the standby schedule when standby pay is being requested.

Requests will be reviewed and approved/denied based on several factors including:

- Are the additional hours required by the employer on a frequent and recurring basis? If only a few overtime hours are worked on an occasional basis, additional compensation should not normally be granted.
- Are the extra hours for a Governor or President-declared emergency? If so, all Exempt Employees, except project employees, are required to respond to the declared emergencies will be granted overtime as appropriate to perform their assigned duties.
- What is the usual and customary standard or expectation of the occupational area? In some occupations, it is customary to work overtime hours without additional payment.
- What is the status of subordinates or comparable employees? If the employee is supervising staff earning additional compensation for overtime hours, or the employee is working under similar conditions with employees who are earning additional compensation for overtime hours, granting overtime hours may be appropriate.
- Is there an option of letting the employee flex their schedule within the pay period? If so, overtime might not be warranted.
- Are the hours requested "hours worked"? Only qualifying overtime hours "worked" in a pay period will be considered for approval.

B. Supervisor Responsibilities

Supervisors are responsible for monitoring the need for Exempt Employee supplemental pay in their work units, ensuring requests are properly handled and routed, and timesheets are accurately coded and approved.

C. Administrative Responsibilities

If requests are submitted and approved after payroll processing deadlines, payment will be applied retroactively.

Claimed overtime that was not pre-approved or was not due to a known and communicated emergency, will be removed from the timesheet and will not be paid. If overtime is paid and later found to be paid in error, the employee will reimburse the State for any of the unapproved pay.

State Human Resources and/or State Budget and Finance review supplemental pay and may require further justification on approval/usage of these pay types.

D. Division of Personnel Management (DPM) Approval

Approval must be received from the Division of Personnel Management prior to granting Overtime, Standby Pay, Night Differential, or Weekend Differential to Exempt Employees. State Human Resources will ensure such approvals are obtained prior to processing these supplemental pay types.

VI. Authority and Cross Reference

[United States Department of Labor, Fair Labor Standards Act \(FLSA\)](#)

[Wis. Stats. Chapter 20.901\(1\)\(b\)](#)

[Wis. Stats. Chapter 20.922\(2\)](#)

Wis. Stats. Chapter [20.923\(4\)](#), [20.923\(8\)](#), [20.923\(9\)](#)

[Wis. Stats. Chapter 230](#)

[Wisconsin Administrative Code, Chapter ER 18, Absences](#)

[Wisconsin Compensation Plan](#)

[Wisconsin Human Resources Handbook, Chapter 520, Fair Labor Standards Act \(FLSA\)](#)

[Alphabetical Listing of Classifications](#)

VII. Associated Forms

[Supplemental Pay Request for Exempt Employees \(DMA Form 3401\)](#)

VIII. Administrative Reference

This policy was updated in February 2025 to reflect revisions to the form and to update differential rates to match the current State of Wisconsin Compensation Plan. In addition, practices specific to Wisconsin Emergency Management were removed.