

**CITY OF NEW ORLEANS
CHIEF ADMINISTRATIVE OFFICE**

Policy Memorandum No. 69(R)

January 28, 2026

TO: All Departments, Boards, Agencies, and Commissions

FROM: Joseph I. Giarrusso III, Chief Administrative Officer **JIG III**

SUBJECT: OVERTIME POLICY AND PROCEDURES

I. PURPOSE

CAO Policy Memorandum No. 69(R) is hereby revised to implement the overtime planning requirements established by 30,522 M.C.S., and to standardize how departments project and receive approval for overtime spending. This memorandum establishes policies and procedures for departments to request and project overtime and related premium pay, including overtime that may be paid from the Employee Emergency Payroll Fund.

II. DEFINITIONS

Overtime / Premium Pay. Hours or pay that qualify as overtime or other premium pay under the Fair Labor Standards Act (FLSA), Civil Service Rules, any applicable CAO Policy including holiday pay, event overtime (major events, second lines, etc.), scheduled overtime, coverage overtime, and unplanned or contingency overtime.

Employee Emergency Payroll Fund (“Fund”). The fund created by Ordinance Number 30,522 M.C.S. (Sections 70-415.344-349, Code of the City of New Orleans) to address the City’s budget exigencies and to pay only those payroll expenses expressly authorized by Council resolution and ordinance, including approved overtime and fringe benefits.

Departmental Overtime Projection – 90 Days (“DOP-90”). A department’s rolling overtime projection for the next 90 days (13 weeks), submitted monthly via CAO-provided Excel template, detailing anticipated overtime and premium pay by week, service or function, and overtime category. Projections shall include actual anticipated use of overtime and are not to be based solely on historical spending trends.

Planning Stage. The required drop-down field in the DOP-90 that indicates how firm a department’s projection is at a given moment. Departments must select one of four stages for each entry in the Holidays, Events, and Daily Operations & Summary/Overtime Total tabs: “Estimate,” “Preliminary Plan,” “Approved Plan,” or “Contingency Only,” as described in the Mandatory Overtime Planning section below.

Overtime Categories (Daily Operations). Standard overtime categories for the Daily Operations & Summary/Overtime Total tab in the DOP-90: Built-In Overtime (predictable, recurring overtime structurally embedded in an employee’s schedule or compensation plan); Coverage Overtime (planned overtime used to cover a known staffing shortfall such as a vacancy or long-term leave); and Unplanned Overtime (overtime used for unanticipated needs, including unexpected absences, late calls or holdovers, or short-notice operational needs, and serving as a contingency reserve).

III. GOVERNING AUTHORITY

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- A. City Code §§ 70-415.344 through 70-415.349 (Employee Emergency Payroll Fund ordinance, 30,522 M.C.S.).
- B. Louisiana Local Government Budget Act (La. R.S. 39:1301, et seq.).
- C. Home Rule Charter of the City of New Orleans, § 4-302(5), which authorizes the Chief Administrative Officer to prescribe accepted standards of administrative practice to be followed by all offices, departments, and boards.
- D. Applicable Civil Service Rules.

IV. GENERAL OVERTIME POLICY

- A. Departmental Overtime Policies and Strategic Minimizing of Overtime. Departments are required to maintain written internal overtime policies and procedures. These policies must establish clear procedures to ensure continuity of essential operations while also minimizing overall overtime usage through strategic staffing, use of compensatory time, and other appropriate measures.

Subject to revision of this policy effective January 15, 2026, all departmental overtime policies must be submitted to the CAO for review no later than March 15, 2026. Any subsequent revisions to a departmental overtime policy must be resubmitted to the CAO prior to implementation.

In addition to the above, departmental overtime policies shall strive to incorporate best practices, including but not limited to:

1. Limiting overtime to circumstances necessary to maintain essential operations, respond to emergencies, or address unanticipated staffing needs,
 2. Requiring advance supervisory approval for overtime, except in clearly defined emergency situations,
 3. Utilizing scheduling adjustments, cross-training, and redeployment of staff to reduce reliance on overtime where feasible,
 4. Prioritizing the use of compensatory time in lieu of paid overtime where permitted by law, civil service rules, and applicable collective bargaining agreements,
 5. Monitoring overtime usage on a regular basis to identify trends, recurring drivers, and potential corrective actions,
 6. Ensuring equitable distribution of overtime opportunities and compliance with all applicable laws, rules, and labor agreements, and
 7. Prohibiting routine or recurring overtime as a substitute for appropriate staffing levels without documented justification.
- B. Necessity and Reasonableness. Overtime assignments should be reasonable both in total hours and in cost. Departments should ensure that overtime is assigned, whenever practical, to staff whose hourly rates result in the most efficient use of resources.

- C. Prior Approval Required. Except where operationally impossible due to an immediate emergency, overtime must be requested and approved in advance by the CAO. No overtime will be considered approved without said approval of the CAO. After-the-fact approvals are permitted only when documented with written justification explaining the emergent circumstances. Approval of departments' DOP-90 will be granted on a monthly basis by the CAO. Departments must provide supplementary documentation and written justification in advance to the CAO when overtime spending is expected to exceed their DOP-90. In cases of emergency, supplementary documentation must be provided within one business week of the event or operation that caused overtime projections to be exceeded.
- D. Compliance With Law. Nothing in this Policy alters any employee's eligibility for overtime or the applicable overtime rate under Civil Service Rules or the FLSA. Departments must ensure that all overtime worked and paid complies with those authorities.

V. MANDATORY OVERTIME PLANNING: MONTHLY 90-DAY PROJECTIONS

- A. Reporting Timeline and Submission. Each department must maintain a rolling 90-day (13-week) overtime projection (DOP-90) that is updated and submitted to the Chief Administrative Officer on a monthly basis for review and approval prior to transmission to the Council. Departments shall submit updated 90-day projections one (1) calendar week prior to the first of the month, consistent with the submission schedule specified in the CAO-approved DOP-90 and official CAO communications.
- B. Scope of Projection. The DOP-90 must reflect all anticipated overtime and premium pay covered by this Policy for the next 90 days, including holiday pay, event overtime, scheduled overtime, coverage overtime, and unplanned or contingency overtime, regardless of whether the amounts are expected to be paid from the General Fund or from other lawful funding sources.
- C. Directions for Completing Projections. Please refer to the "Directions" tab within the sample DOP-90 attached to this policy.
- D. Department Applicability. Departments approved by the Chief Administrative Officer to incur overtime must comply with all terms of this Policy Memo.

VI. OVERTIME APPROVALS AND USAGE – GENERAL RULES

A. Necessary Conditions for Overtime Approval

A department may not schedule or approve overtime or premium pay for its employees unless all of the following conditions are satisfied:

1. Current DOP-90 on File. The department has submitted a current 90-Day Departmental Overtime Projection (DOP-90) in accordance with the reporting timeline and submission instructions contained therein. *If the department does not have a current DOP-90 on file, overtime and premium pay may not be approved under this Policy.*

2. Overtime Incorporated into the DOP-90. The overtime or premium pay at issue is reflected in one of the categories in the DOP-90 (for example, holiday pay, event overtime, Built-In Overtime, Coverage Overtime, or Unplanned/Contingency Overtime) as part of the existing projection for the relevant week and service or function.

3. Overtime Triggering Contingent Events – Supplemental Communication Required. If an overtime-triggering contingent event arises such that the department anticipates material changes to its projections between monthly submissions, the department is not required to submit a new DOP-90. A material change constitutes any use of actual overtime that causes a department's actual monthly overtime total to exceed its projected monthly overtime total by 5% or more. In such cases, the department head must notify the CAO in writing and provide supplementary documents and justification, which will be subject to CAO review and approval. This supplemental submission does not apply to declared emergencies, during which departments may use overtime immediately (*See VI(C) of this Policy, "Emergency Overtime"*).

4. Consistent Planning Stage. The overtime or premium pay is consistent with the Planning Stage selected in the workbook for the relevant entry (Estimate, Preliminary Plan, Approved Plan, or Contingency Only).

5. Within Available Limits. The proposed overtime or premium pay is within: (a) the department's projected totals for the affected weeks in the DOP-90; and (b) any applicable Council-approved overtime spending plan (if applicable). Approval of a DOP-90 does not override budgetary or appropriation limits; the usage of overtime is contingent on the availability of appropriated funds.

Nothing in this Policy alters any employee's eligibility for overtime or the applicable overtime rate under Civil Service Rules or the FLSA. Departments must ensure that all overtime worked and paid complies with those authorities. Any department and/or employee that violates this policy may be subject to appropriate corrective action to be enforced by the Chief Administrative Office—such as corrective budgetary plans and potential reductions elsewhere—to prevent further unauthorized overtime.

B. Step-By-Step Example for Departments: Scheduling Overtime in Advance

When a department wishes to schedule employees to work overtime, the following steps shall be followed:

Identify the Operational Need. The departmental supervisor identifies an articulable operational need that cannot be met within regular hours (e.g., a major event, required minimum staffing, etc.) and determines which services or functions will require overtime.

Review and Approval. The DOP-90 is then filled out according to the instructions provided therein and discussed in greater detail in Section V of this Policy. Once the DOP-90 is submitted, it is reviewed to confirm that the requested overtime is operationally necessary and reasonable in amount. If all conditions are satisfied, the request is approved. The relevant requesting party will be notified of the approval along with any limits or modifying conditions (for example, maximum hours, dates, etc.) imposed on the request.

Entry and Certification in ADP. After the overtime is worked, the supervisor approves the overtime in ADP only if the overtime: (a) was scheduled and approved in accordance with

this Policy; and (b) is consistent with the hours and purpose previously approved. If actual hours or purpose materially differ from what was approved, the supervisor must document the variance and, where appropriate, the department must update the DOP-90 for the next submission date to reflect revised expectations for future periods.

Overtime Worked without Approval. During the course of a pay period, should unapproved overtime occur in a given day, the relevant department head should review staffing and scheduling to prevent the recurrence of unapproved overtime in future periods and, where legally permissible, adjust upcoming schedules consistent with Civil Service Rules and the FLSA.

C. Emergency Overtime

Where the Council votes to declare an emergency (such as an act of God, riot, or other serious threat to life, health, or property), supervisors may authorize overtime immediately as needed to respond, even if the overtime is not currently reflected in the DOP-90 or is above existing projections. In cases of emergency, supplementary documentation must be provided within one business week of the event or operation that caused overtime projections to be exceeded.

VII. DOCUMENTATION, RECORDKEEPING, AND AUDIT COOPERATION

Required Documentation. Departments shall maintain: (a) overtime requests and approvals (including after-the-fact approvals for emergencies), whether electronic or written; (b) time sheets, rosters, and timekeeping records; (c) job, call-out, or incident logs tied to overtime work; (d) any orders, mandates, event plans, or legal requirements necessitating overtime; (e) the DOP-90 and any supporting materials used to prepare them; and (f) approved departmental overtime policies.

Supplementary Documentation. In addition to completing the DOP-90, departments should attach to their monthly projections any relevant supporting documentation that helps explain or validate projected overtime needs, including: (a) supervisory or managerial approvals required for planned overtime or specific events, operations, or schedules; (b) brief written justifications for overtime that exceeds historical averages, involves new operational needs, or relates to special circumstances; and (c) operational plans or staffing schedules, including draft or approved schedules, deployment plans, coverage plans, or event staffing outlines that clarify how overtime will be used.

Retention and Audit-Readiness. Records must be retained in accordance with applicable records-retention schedules and must be audit-ready. Documentation shall be sufficient to permit the CAO, the Director of Finance, the Louisiana Legislative Auditor, and other authorized reviewers to verify: (a) that overtime was necessary and properly approved; and (b) that projections submitted under this Policy are complete and accurate.

Cooperation With Citywide Reporting. Departments shall cooperate with any request from the CAO or Director of Finance for clarification, supplemental information, or corrections necessary to complete citywide payroll, overtime, and financial reporting required under City Code §§ 70-415.344 through 70-415.349 (Employee Emergency Payroll Fund ordinance, 30,522 M.C.S.).

VIII. INQUIRIES

Questions regarding this memorandum should be directed to the Chief Administrative Office at (504) 658-8600.

Attachment:

- Sample DOP-90