

3.3 OVERTIME/COMPENSATORY TIME (NON-EXEMPT EMPLOYEES ONLY)

The University's policy is to give compensatory time off in lieu of payment for overtime hours worked. This policy should be followed in every possible situation.

3.3.1 Accrual

When a non-exempt employee works more than 40 hours during the work week (see section 3.1), he/she will be provided compensatory time at the rate of one and one-half hours for each hour worked over 40. Accrual of compensatory time must be approved in advance by the employee's supervisor except in cases of emergency. For the purpose of computing compensatory time, all paid leave, i.e., annual leave, sick leave, etc. as well as compensatory time used will not be counted as actual hours worked. **Payment** of overtime is one and one-half times the hourly rate. For salaried, non-exempt employees, the hourly rate = monthly salary amount divided by 173.

3.3.2 Authorization and Utilization

Compensatory time accrued for overtime hours worked will be utilized at a time mutually agreeable to the employee and his/her supervisor. This time will also be utilized with the least amount of disruption to University operations and departmental hardship. Use of compensatory time must be approved in advance by the employee's supervisor except in cases of emergency. **Payment** for overtime hours worked must be approved in advance by the Vice President of Administration and Finance. *A compensatory time balance must be exhausted before use of annual leave unless this action will result in a loss of vacation leave due to the accrual maximum.*

Compensatory time will be utilized before the end of the fiscal year during which it was accrued. In accordance with FLSA (Fair Labor Standards Act) standards, the maximum compensatory time accrual for non-exempt employees is 240 hours (160 hours of actual overtime hours worked). Non-exempt campus police may accrue a maximum of 480 hours (320 hours of actual overtime hours worked). Although these are the maximum number of hours allowed by law, it shall be the policy of East Central University to limit the number maximum compensatory time accrual for employees other than campus police and physical plant employees to 60 hours (40 hours of actual overtime hours worked); campus police and physical plant employees may accrue a maximum of 81 hours (54 hours of actual overtime hours worked). *The applicable Vice President must approve, in advance, the accrual of hours beyond the amount limited by this policy (60 and 81 hours), but may not approve any additional hours that exceeds the limit established by law.*

When an employee transfers from one department to another, he/she is required to use accrued compensatory time prior to the transfer unless circumstances prevent the use of compensatory time. The Vice President of Administration and Finance must approve overtime **payment** of those hours. In addition, when an employee takes a medical leave of absence, accrued compensatory time can be added to other appropriate leave time for additional time off when necessary. This additional time must be approved by the employee's supervisor.

3.3.3 Recordkeeping Requirements

Each department will assume the responsibility for maintaining adequate overtime/compensatory records for its eligible employees. Compensatory balances for campus police and physical plant employees must be maintained and documented on a monthly spreadsheet submitted to the Benefits Coordinator in the office of Administration and Finance.

3.3.4 Employment Separation

Upon employment separation, a non-exempt employee shall be paid for unused compensatory time in accordance with U.S. Department of Labor Title 29, Chapter 5, part 553.27.

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