



Policy and Procedures Manual

Application: Non-Exempt Personnel

Section A3.3 Overtime/Compensatory Time

A 3.3 OVERTIME/COMPENSATORY TIME FOR NON-EXEMPT EMPLOYEES

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

A 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 given 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 at one and one-half times the hourly rate. For salaried, non-exempt employees, hourly rate = monthly salary divided by 173.

A 3.3.2 Authorized 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 of 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 annual leave due to the accrual maximum.*

Compensatory time should be utilized before the end of the fiscal year during which it was accrued if possible. 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 hours allowed by law, it is desirable to limit the number maximum compensatory time accrual for employees other than campus police and physical plant employees to 60 hours when possible (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 desired 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.

A 3.3.3 Recordkeeping Requirements

Non-exempt employees are required to complete a monthly time record to record actual work, leave and compensatory time. The time record is to be approved by their supervisor and submitted to the payroll office by the tenth (10th) day of the succeeding month.

A 3.3.4 Employment Separation

Upon employment separation, a non exempt employee shall be paid for unused compensatory time in accordance with applicable law.