## **University Policy**

The University may require employees to work overtime. Overtime work shall be limited to unusual, essential, or emergency situations and, insofar as practicable, shall be fairly distributed.

## Rule 6.01 - Overtime Compensation Eligibility

Eligibility of University employees for overtime pay will be determined in accordance with the criteria applicable under the Fair Labor Standards Act of 1938 (29 U.S.C. § 201 *et seq.*). In general, employees in classes identified as nonexempt under the Fair Labor Standards Act will be eligible for overtime pay, while employees in classes identified as exempt under the Fair Labor Standards Act will not be eligible for overtime pay. Claims concerning eligibility of University employees for overtime pay are subject to the requirements and limitations under the Fair Labor Standards Act.

## <u>Regulation</u>

6.011 Classes Eligible for Overtime

The establishment of classes eligible for overtime and overtime rates will be recommended by the campus human resources office to the University human resources office. Each office will maintain a current record of classes with appropriate vacationovertime codes, indicating eligibility for overtime, which will be open for inspection during regular office hours.

## Rule 6.02 - Overtime Compensation for Eligible Employees

Eligible employees will be compensated at one and one-half times their regular hourly rates for the hours in pay status in a workweek that exceed the number of hours in the approved full-time daily or weekly work schedule of their respective classes, whichever provides the greater number of overtime hours.

#### Exceptions:

#### A. <u>Work Schedule Deviations</u>

When a deviation of the daily work schedule has been approved pursuant to Rule 4.03 (Work Schedules), an employee is eligible for the overtime premium based on the work schedule to which the employee's position is assigned.

## B. <u>Prevailing Rate Employees</u>

For prevailing rate employees, the number of hours before daily and/or weekly overtime begins and the rate of overtime pay will depend on the number of hours and the prevailing rate as set forth by the Department of Labor for the location involved.

## C. <u>Compensatory Time in Lieu of Overtime Pay</u>

When mutually agreeable to the unit head and to the employee, any eligible employee may, in lieu of receiving overtime pay, receive compensatory time off at the rate of one and one-half (1 1/2) hours for each hour of overtime worked. Compensatory time may not be accumulated in excess of two times the number of hours in the employee's weekly work schedule or the basic full-time work schedule of the employee's class, whichever is least.

Eligible employees who work at more than one pay rate will receive overtime compensation at one and one-half times the hourly rate applicable to the same work when performed during nonovertime hours for overtime work performed in that job unless the additional work falls under the occasional or sporadic employment exemption of the Fair Labor Standards Act. The hourly rate upon which overtime is paid will include the base hourly rate for the work being performed plus any differentials directly associated with that hour of work at that time. If the additional work is occasional or sporadic, an exception from overtime compensation must have prior approval of the Assistant Vice President for Human Resources.

## Rule 6.02 - Overtime Compensation for Eligible Employees

## **Regulations**

6.021 Part Time Employees

Eligible employees in part-time appointments will be paid at overtime rates whenever their working hours exceed the number of hours in the full-time daily or weekly schedule (Schedule I or Schedule II, as provided in Rule 4.03) as applicable for their classes and/or positions at a place of employment.

## 6.022 <u>Compensatory Time</u>

Compensatory time earned and used will be recorded on each employee's daily time report. An employee whose employment with the University is terminated for any reason must be paid for unused accrued compensatory time at the employee's then current hourly rate of pay. If an employee with accrued compensatory time moves from one class and/or unit to another within the University, arrangements for the transfer or payment of the compensatory time must be resolved by the units involved prior to the employee's move. If mutually agreeable to the current unit and the employee, time off to use accrued compensatory time may be taken prior to the transfer.

## Rule 6.03 - Overtime Compensation for Additional Pay Items

In accordance with the Fair Labor Standards Act, additional one-half time compensation will be computed and paid to eligible employees on additional pay items not tied to specific hours of work if the hours worked by the employee in any workweek associated with the additional pay item exceed the full-time weekly work schedule of the class.

## **Regulations**

## 6.031 Additional Pay Item

Additional pay items not tied to specific hours of work but considered payment for work in general by the Fair Labor Standards Act include, but are not limited to, such items as "on call pay" (may be either hourly or lump sum), non-discretionary "bonuses" or supplementary payments, commissions, prizes, performance awards, and, under certain conditions, reasonable cost of goods and services provided by the University. Employing units should contact the campus human resources office with questions about overtime compensation for additional pay items.

#### 6.032 Calculating Additional Pay Item Value

If an additional pay item covers a period longer than a workweek, the dollar amount of the additional item should be divided by the total hours in the period to convert the value of the item to an hourly rate. If the hours worked in any workweek within the period have exceeded the full time weekly work schedule of the class, the employee eligible to receive overtime shall receive an additional one-half times the hourly rate for the additional pay item for the number of hours worked over the full-time weekly work schedule of the class.

## 6.033 Payment

Additional overtime compensation for additional pay items is due and payable in the first pay check practicable following the end of the period in which the additional pay was earned.

## Rule 6.04 - Employees Not Eligible for Overtime Compensation

Employees in classes determined by the University to be ineligible for overtime pay (those identified as exempt under the Federal Labor Standards Act, consistent with Rule 6.01) are expected to work as required by their positions and normally will not receive overtime compensation.

#### Exception:

Some employees in classes determined to be ineligible for overtime pay are required to work a fixed shift and are additionally required to perform substantial amounts of work beyond their normal anticipated schedules. These employees may be compensated for such work hours at a premium rate that is equitable for the particular employment situation. Premium compensation eligibility and rates for employees in this group shall be established campus-wide by class by the campus human resources office with the concurrence of the Assistant Vice President for Human Resources.

## Rule 6.05 - Assignment of Overtime

Overtime must be assigned. An employee eligible for overtime shall not work additional hours or make-up time except at the direction of and with the express approval of the employee's supervisor. Selection of employees for overtime assignment may not be based upon any factor which is considered discriminatory under the University nondiscrimination policy.

## **Regulations**

#### 6.051 Authorization of Overtime

The University requires that an eligible employee receive overtime compensation in the event that a supervisor permits overtime to occur although not expressly approving or authorizing it. In order to avoid liability as stated, a supervisor must expressly and effectively prohibit overtime work, including so-called "voluntary" overtime. It is recommended that supervisors approve overtime work assigned in writing.

## 6.052 Advance Notice

When possible, supervisors shall provide employees with advance notice of overtime to be worked.

## **Rule 6.06 - Duplication of Overtime Premiums**

The payment of an overtime premium for any hour excludes that hour from consideration for other overtime premiums. Such premiums include daily overtime, weekly overtime, holiday work premium, overtime for other specially designated premium days, call back time, or any other basis. For example, if an employee receives compensation for two hours of daily overtime, the same hours cannot also be counted to determine weekly overtime.

## Rule 6.07 - Make-up Exception to Overtime Premium

Employees eligible for overtime payments whose work hours exceed the number of hours of work in the applicable daily schedule shall be compensated at straight time rates when the excess hours are make-up hours for (a) an excused, unpaid absence or (b) uncompensated time spent in class, providing the unpaid absence or uncompensated time spent in class and the make-up hours occur during the same workweek.

Time lost and unpaid due to an excused absence during one workweek cannot be made up the next or any following workweek unless the employee receives time and one-half overtime compensation for hours in excess of the number of hours of work in the subsequent applicable full-time daily or weekly work schedule.

## Rule 6.08 - Overtime Records

Employing units shall record hours worked for each employee eligible for overtime payments and, where applicable, employees shall sign their records of hours worked. Any paid time within an employee's basic work schedule will count as hours of work toward the accumulation of overtime in any workweek. All hours worked and other payments due to the employee shall be promptly reported so that all wages, including overtime, may be paid in full on payday. Unit heads are responsible for the correct computation of straight time and overtime hours due an employee.