

Fair Labor Standards Act: Overtime and Compensatory Time Policy

(This policy applies to STAFF employees only)

Adopted by President's Cabinet 2-28-17

All non-exempt staff employees are covered by the provisions of this act which, in part, establishes a minimum hourly wage and requires the payment of overtime for work performed in excess of forty hours per workweek at a rate not less than one and one-half times the employees' regular hourly rate of pay.

In lieu of payment for approved overtime work, compensatory time is granted to the employee. Compensatory time will not be accrued until an employee has physically worked forty hours in a workweek, not including holiday, vacation, or sick leave.

Employees eligible for overtime pay must maintain a record of the total hours they work each day. Reported time must accurately reflect all regular and overtime hours worked, any absences, early or late arrivals, early or late departures and meal breaks, and should regularly be submitted for verification and approval. Employees are prohibited from performing any "off-the-clock" work, which means work performed, but unreported, in time management.

For the purposes of calculating a forty-hour workweek, the week begins at 12:01 A.M. Saturday and ends at 12:00 P.M. (midnight) the following Friday. **(Note: the workweek will change with the implementation of the oneUSG project: Sunday – Saturday.)**

Should any employee be required to work beyond the normal work day, the direct supervisor should make provision for comparable time off to compensate for the overtime within that forty-hour workweek. Compensatory time taken in the same week of the potential overtime work is granted 1:1 (one hour compensatory time for each potential overtime hour worked) because by taking the compensatory time in the week it is earned, the employee has not exceeded his or her forty hour workweek. Therefore, this is a preferred method of managing fluctuations in work load.

If that is not possible, then such overtime will be recorded on the time records and taken as compensatory time. Compensatory time taken after the week in which it is accrued is granted one and one-half hours for each hour of overtime work. Employees unable to take compensatory time in the same week of the overtime work may accumulate compensatory time up to 100 hours.

Employees are required to use all accrued compensatory time by April 30 of each year. Employees are prohibited from accumulating compensatory time during the month of May. Employees and supervisors are subject to disciplinary action if requirements are not met. Compensatory time earned in June will carry forward into the upcoming fiscal year.

Employees are required to use accrued compensatory time prior to using other leave (including annual). Subject to manager approval, this requirement may be suspended during December if an employee needs to use accumulated annual leave to reduce their annual leave balance to 360 by December 31 to avoid forfeiture of hours over 360. Managers are expected to manage employee leave proactively during the calendar year to reduce if not eliminate this scenario.

Employees transferring from a non-exempt position to an exempt position must use compensatory time before transfer.

Employees transferring to a non-exempt position must use compensatory time before the transfer or have the new supervisor's approval to transfer compensatory time to the new position.

Employees resigning or retiring are prohibited from accumulating compensatory time during the time between the announced departure and the last day of work or one month, whichever is less. Supervisors are expected to proactively manage these situations to minimize potential cost to the institution.

Employees and supervisors are required to monitor work hours and compensatory time to ensure all requirements are met. The Vice President for Business Affairs shall have the option to prohibit the use of compensatory time by employees and supervisors that fail to meet the requirements of this policy. Other disciplinary action is also an option.

Employees are prohibited from working overtime or working any hours outside of the scheduled work day unless a supervisor has authorized the unscheduled work in advance. Any employee who fails to report or inaccurately reports any hours worked or fails to gain supervisor approval in advance will be subject to disciplinary action, up to and including discharge.

EGSC may allow for the payment of overtime in extraordinary circumstances and only if prior approval is obtained from the employee's supervisor and the Vice President for Business Affairs. Overtime will not be paid until an employee has physically worked forty hours in one week, not including holiday, vacation, or sick leave.

The Fair Labor Standards Act also provides that employees of one sex must not be paid wages at rates lower than those paid employees of the other sex for equal work on jobs requiring equal skill, effort, and responsibility which are performed under similar working conditions.

The Fair Labor Standards Act (FLSA) establishes minimum wage, overtime pay, record keeping, and child labor standards affecting full-time and part-time workers in the private sector and in Federal, State, and local governments. The FLSA also allows public employers to provide paid leave programs that may be used by employees to account for their absences from the workplace. Such leave programs do not jeopardize the exempt status of an employee even if leave is reported in hour increments or some variation thereof. Public employers may also dock the pay of an exempt employee for leave taken when the employee's accumulated leave is insufficient to cover the leave without jeopardizing the employee's exempt status.