

# **Overtime and Compensatory Time**

Non-exempt employees who work in excess of 40 hours in a work week must be compensated for the overtime hours they worked. Payment for overtime hours by default is given as compensatory time. Compensatory time, or comp time, refers to paid time off for hours worked beyond 40 weekly hours in lieu of overtime pay.

In general, the College does not approve overtime hours. Supervisors should make every effort to avoid having non-exempt employees work in excess of 40 hours during the work week. Should overtime hours be approved by written approval by area vice presidents, compensatory will be the method of overtime payment.

# Eligibility

The Fair Labor Standards Act (FLSA) governs the exempt or non-exempt status of a job and the overtime requirements. Exempt positions are not eligible for overtime pay or given comp time. Non-exempt positions are eligible for overtime pay and comp time and for any hours worked over 40 hours in a specified workweek and must be paid either through overtime pay or granted comp time.

# Authorization

In general, the College does not permit non-exempt employees to exceed their weekly contracted hours. However, there are times when business operations and/or emergencies may necessitate overtime hours be worked. In these instances, written area vice president and supervisor approval is required before the employee exceeds their weekly contracted hours. Employees who work overtime without the supervisor's approval may be subject to disciplinary action.

## Work Week

Per policy #329, the workweek starts Saturday morning at 12:01 am and ends Friday at midnight.

# Accrual & Limits

Comp time is accrued at a rate of time and one-half (1.5) for every hour of overtime worked. Employees may not accrue more than 120 hours (80 hours of overtime multiplied by 1.5).

Employees should complete the Comp Time Earned Kuali form and submit it by the 10<sup>th</sup> of the following month that overtime was worked. If the overtime was worked during a week where the Friday crosses over into the next month, the Comp Time Earned form will be processed during the next month. When the form is processed by the payroll office, the comp hours are added to the employee's leave balance and are available to be used on the employee's leave report as time off.

# **Using Comp Time**

Employees should use comp time before using any vacation time in the Leave Report. To use earned comp time, employees should work with their supervisor to schedule that time off. Then those hours should be reported in the monthly Leave Report using the Comp Time Earn Code in the drop-down menu. For detailed instructions see <u>HERE</u>.



# **Record Keeping**

The FLSA requires that complete and accurate time records be kept for all non-exempt employees. Supervisors are responsible for maintaining accurate records of compensatory time earned and used.

Following the month overtime is worked, employees should submit the Comp Time Earned form. This form will automatically route to supervisors for approval and the payroll office for processing.

#### Payout

Comp time not used at the time of employment separation will be calculated and paid out at the normal hourly rate.

## **Important Forms**

Non-Exempt Employee Form

Overtime Request Form

Comp Time Earned Form



## Q & A

#### Q: How do I get approval to work overtime hours?

A: Use the Kuali form to request the overtime hours. The form will automatically route to your supervisor for approval and notify your VP of the request.

#### Q: Does any of my paid leave count towards the weekly total hours to qualify for overtime?

A: No, overtime hours are only earned for hours worked. *Example: Monday was a paid holiday earning 8 hours of paid leave. An employee worked a total of 36 hours for the week in addition to the 8 hours of holiday leave bringing the weekly hour total hours to 44. Because 8 of those hours are paid leave time, the 4 hours over 40 hours do not qualify as overtime, but will be considered as straight time.* 

#### Q: Should I count and report the time I am on call?

A: It depends. If you are required to remain on the college's premises or so close to the premises that you cannot effectively use the time for your own purposes, the on-call time is considered hours worked.

# Q: How do I account for time spent off the clock for quick tasks such as a phone call, email or text?

A: All time worked should be recorded.

#### Q: Should I round my time to the nearest five, ten, or fifteen minute increments?

A: Our time keeping system rounds to the nearest minute. However, it is permissible to round using seven minute intervals to round to the nearest 15 minutes. *Example: You take a phone call after hours starting at 6:07 pm, you may round that to 6pm. If the call began at 6:09 pm, you would round the start of the call to 6:15 pm. A similar rounding would occur for the end times.* 

#### Q: Does my travel time count toward my hours worked and should I report it?

A: Travel time is considered work time if the travel occurs during the employee's regularly scheduled workweek. However, travel time outside of the regular workweek may or may not be eligible for comp time accrual. Time in travel outside of regularly scheduled workweeks excludes:

- Commuting time
  - Time spent between the employee's home and college premises.
  - Travel to or from a transportation terminal (i.e. airport).
  - Unusual waiting time proceeding or interrupting travel time (i.e. waiting at an airport).



# **Scenarios**

## Comp Time

**Scenario 1:** Emily is contracted to work 40 hours per week. However, due to a surge in projects and deadlines, Emily often finds herself working additional hours to ensure everything gets done on time. This week, she has worked a total of 44 hours.

As per her contract, Emily is contracted for 40 hours a week. However, she has exceeded her contracted hours by 4 hours this week. Instead of receiving immediate overtime pay for these extra hours, she is offered compensatory time, or comp time, as an alternative.

Emily will accrue comp time at a rate of 1.5 hours of comp time for every hour worked beyond her contracted 40 hours. So, for the 4 extra hours she worked this week, Emily earns 6 hours of comp time (4 hours x 1.5).

## Straight Time

**Scenario 2:** Jessica is an administrative assistant and contracted to work 36 hours per week. This week, due to a major project, her supervisor approved her to work a total of 40 hours to meet the deadlines.

Jessica's contract specifies a 36-hour workweek, but she has worked an additional 4 hours this week. Since she is a non-exempt employee, these extra hours are subject to compensation. However, the additional 4 hours she worked this week are only eligible for straight time.

Since Jessica is a non-exempt employee and her extra hours do not exceed the standard 40-hour workweek threshold for overtime per the FLSA, she is compensated at her regular hourly rate for these 4 extra hours, rather than at an overtime rate.

## Straight Time Off

**Scenario 3:** John is contracted to work 40 hours per week. He typically manages his workload efficiently and completes his tasks within regular working hours. This week, John finds himself completing all of his assigned projects by the end of the day Thursday, effectively reaching his 40-hour weekly quota ahead of schedule.

Having fulfilled his contractual obligation of 40 hours by Thursday afternoon, John has essentially completed his workweek early. Since he has already worked his required hours for the week, his supervisor approves him for straight time off, allowing him to not be required to work Friday and maintain a total of no more than 40 hours in the workweek.



### Glossary

**Compensatory Time:** Compensatory time, or comp time, is paid time off given to employees in lieu of overtime pay for hours worked beyond their 40 hours in a specified work week.

**Exempt Employee:** An exempt employee is a worker who is not entitled to overtime pay under the Fair Labor Standards Act (FLSA) due to their job duties and salary level, typically involving executive, administrative, or professional roles.

**Fair Labor Standards Act (FLSA):** The Fair Labor Standards Act (FLSA) is a U.S. federal law that establishes minimum wage, overtime pay, recordkeeping, and child labor standards for full-time and part-time workers in the private sector and in federal, state, and local governments.

**Non-exempt Employee:** A non-exempt employee is a worker who is entitled to overtime pay under the Fair Labor Standards Act (FLSA) for any hours worked over 40 in a workweek. They are typically paid hourly and must adhere to minimum wage and overtime regulations.

**Overtime:** Overtime for an employee refers to any hours worked beyond the standard 40-hour workweek, for which they are typically compensated at a higher pay rate, usually 1.5 times their regular hourly wage, as mandated by the Fair Labor Standards Act (FLSA).

**Straight time:** Straight time for an employee refers to the regular pay rate for hours worked up to 40 in a workweek. It is the standard hourly wage without any additional overtime or premium rates.

**Straight time off:** Straight time off for an employee refers to taking paid time off at their regular hourly rate, equivalent to the hours they have worked beyond their regular schedule, without the additional overtime premium. This is essentially exchanging extra hours worked for an equal amount of paid time off.