

X-19 Compensatory Time and Overtime

NORTHWESTERN STATE UNIVERSITY

Compensatory Time and Overtime

- I. Purpose and Scope:** This procedure outlines the process and procedure to be followed in processing University Personnel Actions for earned Compensatory Time and Overtime.
- II. Reference:** University Human Resources Hiring Procedure;
Civil Service Rules and Regulations;
State of Louisiana & Federal Regulations;
University of Louisiana Board of Supervisors Policy and Procedures

III. Procedure:

Compensatory Time and Overtime

The normal business on a university or college campus is not restricted to the forty (40) hour work week observed by state agencies. On the contrary, many functions and activities occur in the evening hours and weekends when many employees are required to attend. This may require work in excess of an employee's normal schedule of hours.

In order to more appropriately compensate staff for work performed beyond the forty (40) hour work week, the following policy is established, effective **July 1, 2006** regarding the accrual and use of earned compensatory leave. This compensatory time policy shall consist of (1) **"State" compensatory time** and (2) **"FLSA" compensatory time**. ["State" compensatory time shall be earned at a ratio of 1:1 whereas "FLSA" compensatory time is earned at a ratio of 1.5:1 for hours considered under the FLSA to be "overtime hours" and required for persons found to be non-exempt under the Fair Labor Standards Act (29 USC 201 et seq. and 29 CFR Parts 541.1-5 or Sec. 7(k) Reg. 553.] Certain unclassified positions are considered "non-exempt" for purposes of earning "FLSA compensatory" time.

Compensatory Time for Unclassified Exempt Employees:

In accordance with **University of Louisiana Board of Supervisors Policy**, the following is the university's policy for FLSA exempt (annual leave earning employees) professional unclassified staff (12-month) employees effective July 1, 2006. Please note that the policy states "compensatory leave shall not be earned by the following employees: presidents, vice presidents, deans, athletic director, and athletic head coaches." These non-compensatory leave earning employees are allowed to work a flexible work schedule of 40 hours per week and are not required to take leave during University closures.

FLSA exempt (hereafter "exempt") employees/professional unclassified staff are hired on an annual basis but are not compensated for extra work beyond the normal forty (40) hour work week.

In order to more appropriately compensate exempt professional unclassified staff for work performed, the following policy is established, effective July 1, 1999, regarding the accrual and use of compensatory leave. This compensatory time shall be referred to as **"State" compensatory time** to distinguish it from **"FLSA" compensatory time**. ["State" compensatory time shall be earned at a ratio of 1:1.]

"State" Compensatory Time:

State compensatory leave may be granted to an employee for extra hours worked outside the regular work week that is less than forty (40) hours (when an employee has not worked FLSA overtime) due to holiday or leave taken. "State" compensatory time will be computed on an hour for hour basis in half hour increments. Earning of state compensatory leave must have approval of the immediate Supervisor.

State compensatory leave shall be promptly credited to the employee and may be used with the approval of the immediate Supervisor. Not more than forty-five (45) days or the equivalent thereof in hours (360 hours) can be earned during the fiscal year. Any balance in excess of forty-five (45) days (360 hours) remaining on June 30 of each fiscal year shall be liquidated. An appointing authority may require employees to use their earned state compensatory leave at any time as required by the appropriate Vice President or President of the university.

Any non-exempt employee (classified and non-exempt unclassified) will be paid for any balance of his/her state compensatory leave upon separation of his/her position.

In the event that an employee transfers without a break in service to another position within the state service, state compensatory leave may be credited to the employee at the discretion of the new appointing authority.

In every case possible, the employee's work schedule shall be adjusted by his/her supervisor to avoid earning compensatory leave. Employees will not earn compensatory leave while "on call" status unless specifically approved by the appropriate Vice President or President of the university.

When an employee has earned a total of forty-five (45) working days or the equivalent thereof in hours (360 hours) of state compensatory leave during any fiscal year, further approval of state compensatory leave shall cease. Supervisors are to take the necessary precautions to preclude approval of state compensatory leave beyond the maximum allowed.

Compensatory leave should not be confused with a flexible time policy. Employees cannot arbitrarily determine their own work schedules. In addition, unauthorized work undertaken while at home does not constitute the earning of compensatory time.

Fair Labor Standards Act "FLSA" Compensatory Time:

"FLSA" compensatory time is earned at a ratio of 1.5:1 and is required only for persons found to be non-exempt (classified and non-exempt unclassified employees) under the Fair Labor Standards Act (29 USC 201 et seq. and 29 CFR Parts 541.1-5.) It generally requires overtime to be paid at time and one half for any hours actually, physically worked in excess of 40 hours per week.

An exception to this rule is that employees engaged in "law enforcement" activities may be paid for overtime at time and one half for hours worked over 86 hours in a 14-day work cycle.

FLSA compensatory leave earned for work performed in excess of the normal work week or 14-day work period for "law enforcement" personnel must be prior approved by the employee's Supervisor.

Employees must record their compensatory time on the [Weekly Report of Compensatory Time/Overtime Earned](#) or [Bi-Weekly Report of University Police Compensatory Time/Overtime Earned](#) document in order to have the time credited to them.

Compensatory Time, Annual and Sick Leave Cannot Be Advanced!**Overtime for Classified and Non-Exempt Unclassified Employee:**

Classified employees and Non-Exempt Unclassified employees may elect overtime pay or earned Compensatory leave for work in excess of an employee's normal schedule of hours.

Overtime Rate

The overtime rate for Classified and Non-Exempt Unclassified employees is considered to be “FLSA” overtime under the Fair Labor Standards Act (29 USC 201 et seq. and 29 CFR Parts 54.1-5).

An employee must work in excess of 40 hours per week for overtime to be calculated at the rate of 1.5, that is “time” and one half for any hours actually worked in excess of 40 hours per week, and 86 hours per two week pay period for University Police.

If an “overtime qualifying” employee works less than 40 hour per week due to holiday, leave taken, etc. the overtime rate is hour for hour for hours worked beyond their daily scheduled work hours. If an employee is scheduled to work four (4) nine (9) hour days and one four (4) hour day for a forty (40) hour work week and taken four hours of leave, and actually worked only 36 regular work hours, and 2 hours of overtime, overtime will be paid at their hourly rate for each 2 hours of overtime, not 1.5 times their hourly rate.

Reporting Overtime vs. Earned Compensatory Time

When the employee completes the Weekly Report of Compensatory Time/Overtime Earned document for the prior approved work in excess of their normal schedule of hours enter the “overtime hours” in the Overtime Hours column to be paid overtime for the pay period.

If the employee chooses “earned compensatory time,” enter their hours in the Compensatory Time Hours column to have the compensatory time credited to their leave balance.

Recording “State” and “FLSA” Compensatory Time:

Record compensatory time earned in "half hour" increments, time earned less than fifteen minutes is rounded down and time earned fifteen minutes or more is rounded up.

"State" Compensatory Time is limited by Civil Service Policy, "FLSA" is limited by federal law to a maximum of 480 hours for "law enforcement" personnel and 240 hours for other non-exempt personnel. Therefore, records will be kept to separate the "State" and "FLSA" leave balances. Any available "FLSA" **leave balance must be taken first**, then "State" leave before any annual leave can be used. Employee's choice of overtime compensation by payment or leave is not binding upon the University. The University reserves the right to pay for any portion of FLSA compensatory time at any time.

The recording, request and approval of FLSA compensatory time will be the same as with state compensatory time with the exception that FLSA compensatory time that can be accrued is limited as noted above and FLSA compensatory time is due and payable upon termination or transfer. State compensatory time is only payable to FLSA non-exempt employees.

University Holidays

Employees are entitled to time off for holidays. Holidays will be observed as being for 8 hours (which is a normal day in a normal 40 hour week). In the event that an employee has elected to work a 40 hour optional schedule such as 10-hour days for four days per week or a schedule consisting of four 9-hour days plus a 4-hour day (all totaling 40 hours), credit will be given for an 8 hour holiday.

NOTE: *Holiday Leave without Pay (LWOP)*

Classified, Non-exempt Unclassified, and Exempt Unclassified employees who are on Leave without Pay (LWOP) are not eligible for Holiday Pay, unless they have sufficient leave accrued to take at least 1 hour leave before the Holiday period, or work 1 hour before the Holiday period.

The employee must also work at least 1 hour after the Holiday period or have sufficient leave to take 1 hour leave after the Holiday period.

Leave can be annual, compensatory, and/or sick leave, if sick.

The employee's supervisor must make sure the employee submits a Request for Leave for the Leave without Pay (LWOP) for the Holiday period.

Banner is not set up to perform this task automatically. It is the employee, supervisor, timekeeper, and approver's responsibility.

Employees receive 8 hours regular pay for Holidays. If the employee works during a Holiday, the employee may earn straight 1:1 compensatory time or 1:1 overtime for first 8 hours worked on the Holiday. If the employee works an excess of 40 total hours for the week, which includes the 8 hours of Holiday hours, Classified and Non-Exempt Unclassified employees will earn 1:1 compensatory time or 1:1 overtime, and Exempt Unclassified that qualify to earn compensatory time will earn 1.1 compensatory time for each hour in excess of 40 hours.

IMPORTANT: *Classified and Non-Exempt Unclassified employees must physically work 40 hours to earn any compensatory or any overtime at 1:1.5 rate.*

Exempt Unclassified employees that do not qualify to earn compensatory time (presidents, vice presidents, deans, athletic director, and athletic head coaches) do not receive compensatory time for working Holidays.

Employee who are on shift work (Power Plant and University Police) receive 8 hours 1:1 compensatory time, if the Holiday falls on their scheduled day off.

NOTE: *Banner calculates the overtime rate based on the employee's class code, therefore, only enter the actual hours worked not the calculated hours. For example, if the employee works 8 hours on a day off, enter 8 hours on Weekly Report of Compensatory Time/Overtime Earned document or Bi-Weekly Report of University Police Compensatory Time/Overtime Earned document as overtime or compensatory time, not $8 \text{ hours} \times 1.5 = 12 \text{ hours}$. Banner calculates the 12 hours payment calculation.*

For example:

- Classified or Non-Exempt Unclassified employee works 9 hours on the 8 hour Holiday and works a total of 41 hours (including the 8 hour Holiday) for the work week:
 - The employee earns 8 hours of 1:1 compensatory time or 1:1 overtime for the holiday, and 1 hour of 1.0 compensatory time or 1.0 overtime for the 1 hour over the 40 hour week.

NOTE: *Employee has not physically worked 40 hours this week because of the holiday, all hours will be hour for hour (1:1).*

- Exempt Unclassified employee works 9 hours on the 8 hour Holiday and works a total of 41 hours (including the 8 hour Holiday) for the work week:
 - The employee earns 8 hours of 1:1 compensatory time for the holiday, and 1 hour of 1:1 compensatory time for the 1 hour over the 40 hour week.

- If an employee works 3 hours on the Holiday and works a total of 38 hours (including the 8 hour Holiday) for the work week.
 - The employee earns 3 hours of 1:1 compensatory time or 1:1 overtime for classified or non-exempt unclassified, and 1:1 compensatory time for unclassified, and will of course take appropriate leave for the 2 hours not worked in the 40 hour week.
- University Police employee works 9 hours on the 8 hour Holiday and works a total of 87 hours per pay period (including the 8 hour Holiday):
 - The employee earns 8 hours of 1:1 compensatory time or 1:1 overtime, and 1 hour of 1:1 compensatory time or 1:1 overtime for the 1 hour over the 86 hour pay period.

NOTE: The Employee has not physically worked 86 hours this pay period, because of the holiday.
- University Police employee works 3 hours on the Holiday and works a total of 84 hours (including the 8 hour Holiday) for the pay period.
 - The employee earns 3 hours of 1:1 compensatory time or 1:1 overtime, and 1:1 compensatory time, and will of course take appropriate leave for the 2 hours not worked in the 86 hour pay period.

Closure Days

Hourly employees, Wages of Labor or Student Employees, do not earn leave and therefore, are paid for closure days only for hours worked.

Classified, Non-Exempt Unclassified, and Exempt Unclassified employees must take compensatory time leave, annual leave, or leave without pay (LWOP) if they do not work the closure days. Exempt Unclassified employees that are exempt from earning compensatory time do not take leave during closures.

Faculty and Graduate Assistants are on Faculty Leave during closure days.

Sick Leave during Closure:

The University will allow sick leave during a closure period (Thanksgiving and Christmas) if an employee had prior knowledge and had submitted a leave request that had been approved for the sick leave prior to the starting of a closure period. If an employee is on approved annual leave, compensatory leave or leave without pay, and has to see a physician or has emergency treatment by a hospital or some other medical facility, the employee can substitute sick leave for annual, compensatory, or leave without pay. For approval of the sick leave substitution, the employee must present their supervisor a note from the doctor (original signature, signature stamp not acceptable) and/or the medical facility where treatment was received, immediately upon return to work. It is the responsibility of the employee's supervisor to approve/disapprove such a substitution of leave.

Bereavement Leave during Closure:

During University closures (Thanksgiving and Christmas) employees may substitute bereavement (funeral) leave for annual leave, compensatory leave, or leave without pay (LWOP) if they have attended the funeral or burial rites of a parent, step-parent, child, step-child, brother, step-brother, sister, step-sister, spouse, mother-

in-law, father-in-law, grandparent or grandchild, provided such time off shall not exceed two days on any one occasion. Notification of such leave substitution must be presented to the employee's supervisor immediately upon return to work after a closure period.

The above substitutions are only allowed for periods of University closures (Thanksgiving and Christmas) and does not apply to holidays observed by the University.

These substitutions require change to time and attendance documents, see [*Making Time and Attendance Changes and Submitting Hours outside the Current Pay Period*](#) section of the Departmental Time and Attendance Entry User's Guide.