

The University of North Texas at Dallas Policy Manual	Chapter 5.000
5.018 Compensatory Leave and Overtime	Human Resources

Policy Statement. The University of North Texas at Dallas compensates employees for overtime worked in accordance with the Fair Labor Standards Act (FLSA) and with state law.

Application of Policy. This policy applies to all employees.

Definitions.

1. **Exempt Position.** “Exempt Position” means a position that does not earn overtime or compensatory time under the FLSA or state law when the employee works more than 40 hours in a workweek.
2. **Federal Overtime.** “Federal Overtime” occurs when a non-exempt employee works in excess of 40 hours in a workweek. Holidays, vacation, sick leave, or other leave (paid or unpaid) are not considered hours worked for the purposes of federal overtime.
3. **Non-exempt Position.** “Non-exempt Position” means a position that is entitled to be paid overtime or accrue compensatory time under the FLSA when the employee works more than 40 hours in a workweek.
4. **Regular Rate of Pay.** “Regular Rate of Pay” means the employee’s annual salary including shift pay, differential pay, longevity pay, hazardous duty pay, benefit replacement pay, and standby pay divided by 2,080 (52 weeks at 40 hours a week).
5. **State Overtime.** “State Overtime” occurs when a non-exempt employee works no more than 40 hours in a workweek but the work time and paid leave or holidays total more than 40 hours.
6. **Workweek.** The University defines the normal “workweek” as Sunday through Saturday. State law sets the minimum workweek for regular full-time salaried employees at 40 hours.

Procedures and Responsibilities.

1. **Approval of Overtime and Timekeeping.** All overtime worked must be approved in advance by the supervisor who has the authority to approve it. The supervisor may arrange work schedules to prevent overtime from occurring. The supervisor is responsible for ensuring that detailed time records are maintained in compliance with the FLSA and state law.

Responsible Party: Supervisor

2. Compensation for Overtime.

2.01. Federal Overtime.

- i. Non-exempt employees receive one and one-half hours of federal compensatory time for each federal overtime hour worked.
- ii. Employees may accumulate up to 240 hours of federal compensatory time. Employees who work in a public safety, emergency response, or a seasonal job may accumulate up to 480 hours of federal compensatory time. Employees will be paid for any overtime that exceeds these limits at a rate of one and a half times the regular rate of pay.
- iii. Employees will be paid for unused federal compensatory time upon separation from the University.

2.02. State Overtime.

- i. Non-exempt employees receive one hour of state compensatory time for each state overtime hour worked.
- ii. No employee shall accrue state compensatory time for work conducted at any location other than the employee's regular place of employment or assigned duty point. In no event shall an employee's personal residence be deemed to be the employee's regular place of business or duty point when determining state compensatory time.
- iii. State compensatory time must be taken during the 12-month period following the end of the workweek in which the compensatory time was accrued or it lapses.
- iv. The University may elect to pay the employee at the employee's regular rate of pay for that compensatory time if the University determines that taking the compensatory time off would disrupt critical functions of the University.

- v. If an employee submits a written request for permission to use the accrued compensatory time to their supervisor not later than the 90th day before the date on which the accrued compensatory time will lapse, the supervisor shall approve in writing the employee's request or provide the employee with all alternate date(s) on which the employee may use the compensatory time.
- vi. The employee may request permission to use accrued state compensatory time within 90 days of the date on which it will lapse, and supervisors are encouraged to reasonably accommodate the employee's use of the accrued compensatory time before it lapses.
- vii. State law prohibits payment for state compensatory time after termination of employment.
- viii. Compensatory leave accruals cannot be transferred from one State agency to another.

Responsible Party: Employee and Supervisor

- 3. **Part-Time Employees.** Part-time non-exempt employees do not accrue state compensatory time unless the total of paid leave and hours worked exceeds 40 hours. Part-time employees who work beyond their regular scheduled hours, but do not exceed 40 hours in the workweek, will be paid their normal hourly rate of pay for the additional work.

Responsible Party: Human Resources

4. **Compensatory Time.**

- 4.01. A supervisor shall notify his or her employees annually of the policy on compensatory time.
- 4.02. The supervisor shall accommodate to the extent practicable an employee's request to use accrued compensatory time.

- 4.03. An employee activated to military service as a member of the reserve component of the armed forces shall be provided a statement containing the balance of the employee's accrued state compensatory time. Supervisors should accommodate an employee's request to use the balance of the employee's accrued state compensatory time before the compensatory time expires.

Responsible Party: Supervisor and Human Resources

References and Cross-references.

Attorney General Opinion No. H-883 (September 29, 1976)

Fair Labor Standards Act of 1938, as amended

Texas Government Code, Section 659

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