

# UIC HR Policies and Procedures

NUMBER

403-03

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MANUAL

Human Resources

SECTION

Job Description and Compensation

SUBJECT

***Overtime or Compensatory Time***

EFFECTIVE

07/01/2006

REVISED

9/1/2013

ISSUED BY

Assistant Vice President for Human Resources

APPROVED BY

Chancellor

## PURPOSE

To clarify the guidelines for approving and compensating eligible employees for time worked in excess of their regular schedule.

## SOURCES AND BACKGROUND

Fair Labor Standards Act (FLSA)  
University of Illinois Policy and Rules  
Collective Bargaining Agreements

## APPLICABILITY

All employees eligible for overtime compensation according to the FLSA.

## POLICY

The University may require employees to work overtime. Overtime work should be limited to unusual, essential, or emergency situations, shall be as equally distributed as possible, and shall be ordered and approved in writing in advance if requested for a non-emergency situation.

Overtime pay or compensatory time for students and hourly employees will be determined in accordance with the general criteria applicable under the Fair Labor Standards Act (FLSA). Nonexempt employees covered by FLSA must receive overtime pay or compensatory time for hours worked in excess of 40 hours in a week at a rate not less than time and one-half of their regular rates of pay for the work performed. There is no provision in the Act for overtime for hours in excess of eight hours per day or for work on Saturdays, Sundays, holidays, or regular days of rest. Each workweek stands alone, and, as such, does not permit averaging of hours over two or more weeks.

Nonexempt support staff employees receive overtime or compensatory time at time and one-half of their regular hourly rates of pay for the work performed for the number of hours *in pay status* in a workweek that are in excess of the number of hours in the approved *full-time* daily or weekly work schedule of their classification in their department, whichever provides the greater number of overtime hours. Where collective bargaining agreements exist, the guidelines of the contract are followed. Compensatory time can be received in lieu of overtime when mutually agreeable to the department and the employee. Compensatory time earned and used will be recorded on each employee's daily time report. Where

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collective bargaining agreements exist, the guidelines of the contract are followed. An employee may not accumulate compensatory time hours in excess of two times the number of hours in the weekly work schedule for the employee's position. Upon transfer to a different department, arrangements for the use or payment of compensatory time must be resolved by the department(s) involved before the employee's transfer is effective.

Upon an employee's termination for any reason, an employee must be paid for unused, accrued compensatory time at the employee's current hourly rate of pay.

Under FLSA, additional one-half time compensation will be computed and paid to eligible employees on additional pay items earned in a week where overtime is worked. Additional pay items include pay, goods or services not tied to specific hours of work, such as on-call pay, non-discretionary bonuses, and lump sum payments. Payment is calculated by dividing the total hours in the period covered by the value or pay of the additional pay item for that period to determine the incremental straight time component of the hourly rate. If overtime hours are worked in the period, an additional one-half times the incremental hourly rate is due for the number of overtime hours worked.

The payment of an overtime premium for any hour excludes that hour from consideration for other overtime premiums, including daily overtime, weekly overtime, holiday work premiums, overtime for other specially designated premium days, call back time, or any other basis.

Overtime must be assigned. Supervisors should provide employees with as much advance notice of required overtime as can be anticipated or planned. Overtime provisions of collective bargaining agreements must be followed. No overtime should be worked without the express approval of the supervisor. There is no voluntary overtime. Supervisors must prohibit unauthorized overtime. Nevertheless, all overtime worked, whether authorized or unauthorized, must be compensated to avoid liability. Employees who work overtime in non-emergency situations without supervisor approval will be subject to disciplinary procedures.

If a supervisor agrees to allow an employee to make up hours for an excused, unpaid absence in the same week the absence occurred, the "make up" hours are paid at straight time. Nevertheless, provisions of collective bargaining agreements that prohibit straight time "make-up" hours must be followed. If "make-up" hours are worked in a different work week, an employee is compensated for overtime where "make-up" hours create overtime.

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Department Heads (supervisors) are responsible for the correct computation of overtime and compensatory time hours due an employee. Each department shall keep records of written assignment of overtime work and of hours worked for each nonexempt employee. All hours worked and other payments due to the employee shall be promptly reported so that all wages may be paid in full on payday

## PROCEDURES

### RESPONSIBILITY

### ACTION

#### ***Overtime Work***

- |               |   |
|---------------|---|
| 1. Supervisor | Determines that overtime is necessary. Identifies employee(s) to work overtime, following collective bargaining agreements where applicable. Informs employee(s), in writing, as soon as possible. Retains copies of written overtime work assignments. Discusses possible compensatory time with employee, if applicable.  |
| 2. Employee   | Discusses overtime and possible compensatory time with and reaches consensus with the Supervisor. Works overtime and records overtime or compensatory time earned on the daily time report.   |
| 3. Supervisor | Tracks overtime and compares records to employee's time report. Resolves any discrepancies with employee. Calculates and records any overtime to be paid on the standard time report. If compensatory time is accrued, calculates the amount of compensatory time due and marks daily time report to indicate compensatory time as the form of remuneration. Keeps records of compensatory time accumulation in the department assuring accumulation does not exceed the maximum allowable. |

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## PROCEDURES

### RESPONSIBILITY

### ACTION

#### ***Using Compensatory Time***

- |               |   |
|---------------|---|
| 1. Employee   | Requests time to be absent from work using compensatory time.   |
| 2. Supervisor | Discusses compensatory time remuneration with employee to reach consensus, and if compensatory time is desired, follows collective bargaining agreements, where applicable. Approves absence and compensatory time. |
| 3. Employee   | Records compensatory time used on daily time sheet.   |
| 4. Supervisor | Reviews and approves daily time sheet. Reports compensatory time used as hours worked on the standard time report. Debits the compensatory time accumulation records maintained in the department.                  |