

## FLSA TIME REPORTING AND OVERTIME COMPENSATION GUIDELINES FOR CLASSIFIED EMPLOYEES

The U.S. Supreme Court has ruled that public employers are subject to provisions of the federal Fair Labor Standards Act (FLSA). This document addresses FLSA compliance for overtime compensation. Depending on the specific duties assigned to the position, a position is designated as either being FLSA-exempt (not qualified for overtime pay) or FLSA non-exempt (qualified for overtime pay).

### **DEFINITIONS**

**Comp time:** Compensatory leave time is leave accrued in lieu of payment for time worked in excess of eight (8) hours in a day or forty (40) hours in a week by an FLSA non-exempt, classified employee. Comp-time is accrued at the rate of time-and-one-half up to a maximum accrual of 120 hours at any time. The sum of all comp time and all exchange time accrued and available to an employee may not exceed a total of 120 hours at any time.

**Exchange time:** Exchange time is leave accrued at the rate of an hour for each hour worked in excess of eight (8) hours in a day or forty (40) hours in a week by an FLSA exempt, classified employee. The sum of all comp time and all exchange time accrued and available to an employee may not exceed a total of 120 hours at any time.

**FLSA:** Fair Labor Standards Act, the federal law which governs minimum wage and overtime compensation.

**FLSA exempt:** Employees who, because of their salary or duties, are exempted from the FLSA requirement for overtime compensation.

**FLSA non-exempt:** Employees who, because of their salary or duties, are **not** exempted from the FLSA requirement for overtime compensation and, therefore, qualify for overtime compensation.

**FLSA overtime:** The FLSA defines overtime as time actually worked in excess of 40 hours in a single workweek. Paid leave time is not considered time worked.

**Non-FLSA overtime:** The collective bargaining agreement between the Oregon University System and the Service Employees International Union Local 503, OPEU, defines overtime as time worked in excess of eight (8) hours per workday or 40 hours per workweek. For employees working either a flexible or irregular schedule, overtime is defined as time worked in excess of the regularly scheduled hours per day or 40 hours per workweek. Under these provisions, paid leave time is considered time worked for purposes of deciding overtime eligibility. Therefore, classified employees can work overtime which is not FLSA overtime.

**Straight time eligible:** Term used in the OUS/SEIU Collective Bargaining Agreement to describe FLSA-exempt employees who are eligible to earn exchange time at the rate of an hour for each hour worked in excess of eight (8) hours in a day or forty (40) hours in a week.

### **OVERTIME ADMINISTRATION FOR FLSA NON-EXEMPT CLASSIFIED EMPLOYEES**

1. An FLSA non-exempt classified employee must obtain the supervisor's approval before working overtime.
2. Overtime worked shall be compensated at the rate of time and one-half. Nonexempt employees shall receive pay for overtime worked unless the employee elects to receive compensatory time off.
3. Employees electing to receive comp-time in lieu of pay must submit a written request to the supervisor no later than the first regular workday following the date the overtime was worked. Employees may accrue up to 120 hours of comp time and/or exchange time. Overtime worked by an employee in excess of the maximum accrual of 120 hours of comp time must be paid as compensation. Comp time is to be cashed out upon termination from the university.
4. Employees required to work on a university recognized holiday shall be entitled to comp time or compensation at the rate of one and one-half, **in addition** to their regular monthly pay.
5. All overtime worked and comp time accrued and used must be recorded on the employee's monthly leave form.
6. Employees and supervisors may **not** make agreements which circumvent provisions of the FLSA or the collective bargaining agreement (e.g., exchanging a holiday for another day off at straight time).

## **OVERTIME ADMINISTRATION FOR FLSA EXEMPT CLASSIFIED EMPLOYEES**

1. An FLSA exempt classified employee must obtain the supervisor's approval before working overtime.
2. Employees in exempt positions who work overtime are eligible to receive time off (exchange time), pursuant to the collective bargaining agreement, on the basis of one hour off for each hour of overtime worked. Employees may accrue a maximum of 120 hours of exchange time and/or comp time. Overtime worked by an employee who has accrued 120 hours of exchange time will be **uncompensated and lost**. It is the responsibility of the employee to request use of accrued exchange time when he/she is approaching the maximum accrual of 120 hours.
3. Exchange time must be used within the fiscal year earned or it will be lost. However, time earned in the last 90 days of the fiscal year may, at the department's discretion, be carried forward to the next fiscal year. Such carry forward shall not increase the 120-hour maximum accrual amount for the next fiscal year.
4. It is the employee's responsibility to take all necessary steps to request the use of exchange time during the fiscal year. If the employee's request for use of exchange time prior to the end of the fiscal year is denied, the accrued leave shall be paid as compensation.
5. All time worked and leave taken must be reported on the employee's monthly leave form.