

# The University of Tennessee Health Science Center

## Overtime Compensation Procedure

Section 400, Procedure #445

Related Forms: Biweekly Time Report, Salaried Employee Time Report

Effective: 3/01/2014

Revised: 03/03/2014

### Objective:

To clarify the definition of compensable work time under the Federal Fair Labor Standards Act (FLSA); to clarify the guidelines governing eligibility for overtime premium compensation in accordance with FLSA and University policy; to clarify the procedures for recording, banking, and using compensatory time off.

### Who is affected?

Staff and student employees in non-exempt wage and hour categories who, due to the needs of the university, are required to work in excess of 40 hours per week.

### Procedure:

#### 1. When Overtime Occurs

Overtime begins to accrue once a non-exempt employee has exceeded 40 hours of time worked in a one week period. Holidays and administrative closing are counted as hours worked when calculating overtime. The university's standard workweek for pay computation purposes is 12:01 a.m. Monday through 12:00 midnight Sunday.

#### 2. How Overtime is Paid

Generally, the employee may be paid for overtime at the rate of one and one half times their regular hourly earnings. Alternatively, employees who have earned overtime will receive compensatory time off equal to one and one half times the amount of overtime worked.

#### 3. Reporting Overtime

Overtime is reported in IRIS on the appropriate time report. It is imperative that overtime be reported accurately.

#### 4. Legal Implications

It is inappropriate and unlawful for any manager, supervisor, faculty member or research director to suggest to a non-exempt employee that he/she should not report overtime hours, put any pressure on a non-exempt employee not to report all time correctly, or even allow or require a non-exempt employee to work uncompensated overtime. Time reports are State records and should be accurately kept and submitted for appropriate legal payment. FLSA requires an honest, true, and accurate recording of time.