

Policy: Hours Worked and Overtime	Policy Number: I-2.2
Policy Owner(s): Human Resources	Original Date: 3/10/2006
Last Revised Date: 8/31/2016	Approved Date: 10/17/2016

- I. **POLICY:** John Carroll University administers compensation in compliance with the Fair Labor Standards Act (FLSA) as amended. Non-exempt Employees are covered by the FLSA minimum wage and overtime requirements, and are generally paid at the rate of time and one-half for all hours worked in excess of forty (40) hours per week.
- II. **PURPOSE:** This policy provides guidelines for ensuring compliance with overtime and other general provisions of the FLSA.
- III. **SCOPE:** All John Carroll University employees.

IV. **DEFINITIONS:**

Exempt Employee is defined under the Fair Labor Standards Act as an employee holding a *bona fide* executive, administrative or professional position that is not subject to the overtime provisions of the Act. Exempt employees are paid on a salary basis. (*Faculty and instructors are exempt from the FLSA overtime and minimum wage provisions.*)

Fair Labor Standards Act (FLSA) is the federal law and related regulations that prescribe standards for the basic federal minimum wage and overtime pay. It generally requires employers to pay covered Non-exempt Employees at least the federal minimum wage and overtime pay of 1.5 times their regular hourly rate of pay.

Hours of Work is defined as a Workday or Workweek during which a Non-exempt Employee is engaged in any type of work-related activity that is conducted on behalf of the University, whether or not controlled or required by the supervisor or the University.

Non-exempt Employee is defined under the FLSA as an employee holding a position that is subject to the provisions of the FLSA. Non-exempt Employees are generally paid on an hourly basis.

Overtime Hours is defined as time worked by a Non-exempt Employee in excess of 40 hours in any Workweek.

Workday is defined as the 24-hour period that commences at 12:00 am and concludes at 11:59 pm.

Workweek is defined as the 168-hour period, encompassing seven (7) consecutive 24-hour periods, which commences on Sunday at 12:00 am and concludes at 11:59 pm the following Saturday.

V. PROCEDURES:

- A. Full-time Non-exempt Employees are typically scheduled to work 7.5 hours per day, up to 37.5 hours per week. However, certain designated Full-time non-exempt positions may be scheduled to work 8 hours per day, up to 40 hours per week.
- B. If a full-time Non-exempt Employee does not work at least their typical scheduled hours in a Workweek, the employee is required to make up the difference by using their available accrued time-off balances (i.e. sick, vacation, personal time) prior to requesting leave without pay.
- C. All Non-exempt Employees are paid for all hours worked. Non-exempt Employees receive their regular hourly rate for all hours worked up to 40 hours in a Workweek.
- D. Non-exempt Employees receive pay equal to 1.5 times their regular hourly rate of pay for all Overtime Hours worked in a Workweek.
- E. Hours paid, but not worked (e.g., vacation, holiday, sick, personal, funeral, jury duty, mission and other leave time), are not considered hours worked for the purpose of computing Overtime Hours.
- F. Non-exempt Employees may be required to work extra hours on a given Workday during the Workweek. If this occurs, the supervisor may permit or require the employee to take an equal number of hours off within the same Workweek.
 - 1. Time off in lieu of pay for hours worked in excess of scheduled work hours must be taken within the same Workweek and must receive prior approval of the supervisor.
 - 2. The FLSA **does not** permit the University to provide compensatory time (e.g. time taken or banked for extra hours worked in a previous Workweek) in lieu of payment for Overtime Hours.
- G. The supervisor or University may modify a Non-exempt Employee's work schedule. However, the FLSA requires that Overtime Hours worked in a Workweek be paid within that Workweek's pay and not be carried forward to future weeks as compensatory time, or backward to a past week to make up for missed time.
- H. Based on the nature of the work performed, certain positions may require employees to be called-in to perform work outside of normal work hours. These positions are designated by Human Resources in consultation with department supervisors and certain non-exempt positions may be eligible for additional compensation.
- I. The FLSA establishes criteria for employees who are eligible and who are exempt from wage and hour requirements, which the University must follow in determining whether a position is exempt or non-exempt from the Act's overtime and minimum wage provisions.

- J. The Human Resources Department is responsible for determining the appropriate exemption status for all job classifications based upon FLSA provisions and should be consulted if there is any question concerning the exempt or non-exempt status of any job classification or position.
- K. In certain instances, as permitted under the FLSA, Non-exempt Employees may be paid on a fixed salary basis for Hours of Work during a Workweek, when appropriate and necessary based on the nature of the position and the work schedule, and as determined by Human Resources and the department or division.
 - 1. Such employees will be paid appropriate overtime pay as required by the FLSA for hours worked over 40 in a Workweek.
 - 2. Human Resources, in consultation with the department or division, will determine whether a Non-exempt position may be paid on a fixed salary basis.

VI. APPROVAL OF OVERTIME:

- A. Non-exempt Employees are not permitted to work Overtime Hours on behalf of their office or department or on behalf of another University office or department without the prior approval of their supervisor
- B. Overtime Hours may be assigned to a Non-exempt Employee by their supervisor or by the University in advance.
- C. The supervisor is responsible for being aware of and communicating with Non-exempt Employees about their work schedule within a Workweek. It is also the responsibility of the supervisor to communicate expectations that work is not to be performed by a Non-exempt Employee when it has not been assigned, including work that is performed away from the work site, in the employee's home, or on a voluntary basis.
- D. Overtime Hours worked but not assigned in advance must nevertheless be paid in accordance with the FLSA. However, Non-exempt Employees who work Overtime Hours without prior authorization may be subject to the University's Corrective Action Policy.
- E. The supervisor may require Non-exempt Employees to work a reasonable amount of Overtime Hours based on operational needs. In these situations, the immediate supervisor will attempt to provide affected employee(s) with as much advance notice as possible, under the circumstances, and will assign additional work as fairly and consistently as possible given the nature of the work to be performed and employee's capabilities.
- F. Refusal to work scheduled Overtime Hours may subject the employee to the University's Corrective Action Policy.

VII. PAYMENT OF OVERTIME HOURS:

- A. Pay for Overtime Hours is based on time actually worked and is calculated at the rate of 1.5 times the Non-exempt Employee's regular hourly rate for each hour worked beyond 40 hours during each Workweek

- B. A meal period is unpaid so long as the Non-exempt Employees is completely relieved of all duties. The unpaid meal period will not be included in the calculation of Hours of Work for purposes of determining whether Overtime Hours have been worked.
- C. Non-exempt Employees are responsible for accurately, honestly and timely recording hours worked on the University's time reporting system and in accordance with departmental policies. A violation of this policy will subject the employee to the University's Corrective Action Policy.
- D. The immediate supervisor will review and approve time reporting records at the conclusion of each pay period in accordance with the University's pay schedule.
- E. When a Non-exempt Employee works more than one non-exempt job for the University during a Workweek, the overtime pay calculation will be based on the combined hours for all jobs worked during that Workweek.
- F. A Non-exempt Employee's attendance at work-related meetings, workshops, training programs and similar activities are counted as Hours of Work. However, a Non-exempt Employee's attendance at meetings, workshops, training programs and similar activities will not be counted as Hours of Work under the FLSA if **all** of the following conditions are met:
 - 1. Attendance is outside the Non-exempt Employees regular work hours; **and**
 - 2. Attendance is voluntary; **and**
 - 3. The meeting, workshop, training program or similar activity is not directly related to the Non-exempt Employee's job; **and**
 - 4. The Non-exempt Employee does not perform any productive work during that time.
- G. If a Non-exempt Employee travels on University-related business, the time spent in travel may be counted as Hours of Work for purposes of calculating Overtime Hours in accordance with the FLSA. The immediate supervisor should consult with a Human Resources Representative to review these situations to ensure proper payment of Overtime Hours for travel in compliance with the FLSA.
- H. Exempt Employees are required to work as much time as necessary in order to fulfill the requirements of the position without additional compensation, even if they are required to work beyond their normal work hours. Supervisors of Exempt Employees assign and oversee the work schedule for Exempt employees. Any deviations of pay for Exempt employees must be reviewed and approved by the Executive Vice President and Chief Financial Officer and the Assistant Vice President of Human Resources.

VIII. CROSS REFERENCES:

- A. Corrective Action Policy
- B. Employment At Will Policy
- C. Family Medical Leave Act Policy
- D. General Leaves Policy
- E. Personal Time Policy