

Compensatory Leave and Overtime Guidelines

The provisions of the Fair Labor Standards Act (FLSA) cover all GMU employees. FLSA establishes rules for minimum wage, overtime pay, equal pay, child labor, and recordkeeping; and it defines exemptions from overtime pay regulations.

The chart below shows who is exempt or non-exempt.

Employee Type	Pay Band	FLSA status
Classified (Employee Class CN or CP)	1, 2 and 3	Non-exempt
Classified (Employee Class CN or CP if non-exempt. CE or PE if exempt)	4	Non-exempt, unless the position meets the requirements of any of the FLSA exemption tests applied by HR
Classified (Employee Class CE or PE)	5 and above	Exempt
Hourly Wage (Employee Class WG or WS)		Non-exempt
Faculty	N/A	Exempt

Definitions:

Work Week: Sunday 12:01 a.m. through Saturday midnight 12:00 a.m.

Overtime Pay: Non-exempt employees will be paid for *physically* working beyond 40 hours in a work week at a rate of one and one-half times the employee's regular hourly rate. Note: when the work week splits between two pay periods, overtime will be credited in the pay period that the week ends.

Overtime Leave: Non-exempt employees may elect to receive overtime leave at a rate of 1.5 hours for hours worked over 40 in the work week. The election is made by completing the Overtime Leave Agreement and sending the form to Human Resources during the stated election period. Your election is considered irrevocable until the following year's election period. <http://hr.gmu.edu/forms/index.shtml#payaction>

Compensatory leave: Employees must manually enter any comp leave hours earned on their timesheets when they meet the requirements outlined below. *Note: All compensatory leave hours must be **earned** prior to use.*

Non-exempt: hour for hour leave earned when the total hours in the work week exceed 40 but the employee has not *physically* worked 40 hours. *Example*: Physically worked 34 hours and used 8 hours of sick leave in the work week. The total hours in the work week are 42; and the employee would earn 2 hours of compensatory leave.

Exempt: Comp hours accrued by exempt employees may be approved under special pre-approved circumstances on an hour for hour basis for hours worked beyond 40 hours in a work week.

Note: Compensatory leave is also earned by any classified employee who is required to work during a regularly scheduled holiday. This leave is granted hour-for-hour for work done on the holiday regardless of the FLSA status of the classified employee

Non-exempt employees

- Non-exempt employees must be paid time and one-half for all hours worked more than 40 in a workweek (from 12:01 a.m. Sunday through midnight on the following Saturday). Each workweek stands alone in calculating regular and overtime hours worked.
- Non-exempt law enforcement employees are paid time and one-half for all hours worked more than 80 in a two week period. Leave time and holidays do not count as physical hours worked.
- An employee must be required and authorized by the manager to work additional hours – **employees may not approve or authorize their own additional hours.**
- University business operating procedures **prohibit** tracking employee time “off the record”. Employees must enter the exact number of hours worked on their electronic timesheet.
- Although the employee is required to get management approval for overtime in advance, any verifiable hours worked beyond 40 must be paid at time and one-half.
- Managers may adjust an employee’s schedule within a workweek to avoid or minimize overtime payments. See the example below.

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
Regular		8.0	10	8.0	8.0	6	

- Compensatory leave may be accrued if the employee is declared essential (designated) and is required to work during authorized University closings (e.g., inclement weather). Compensatory leave may also be accrued if a holiday falls on an employee’s regular day off. Managers may adjust an employee’s schedule within a workweek to avoid or minimize accrual of compensatory leave. See the example below.

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
Regular		8.0	8.0	8.0	8.0	0	

Holiday		8.0					
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- Classified non-exempt employees must have their supervisor's approval prior to working a second job. Hours worked on the second job may require payment of overtime. All hours that an employee works in excess of 40 in a workweek, in combination with his/her first and all secondary jobs, will be paid in accordance with FLSA procedures. See chart below.

FIRST JOB FLSA STATUS	SECONDARY JOB FLSA STATUS	1 ½ OVERTIME PAYMENT
EXEMPT	EXEMPT	NO
EXEMPT	NON-EXEMPT	NO
NON-EXEMPT	EXEMPT	YES
NON-EXEMPT	NON-EXEMPT	YES

- Classified non-exempt employees may not receive lump sum payments for hours worked.

Exempt Employees

Exempt employees are not required to be paid overtime or to be granted compensatory leave for additional hours worked. Managers should limit approval of compensatory leave for exempt employees to the rare instances that require an excessive amount of additional work time or adjust the work schedule to minimize compensatory leave balances.

Accrual Rates and Recordkeeping

- Each non-exempt employee may accrue not more than **240 hours** of Overtime Leave. Individual managers can set a lower maximum Overtime Leave accrual. Non-exempt public safety, law enforcement, emergency or seasonal positions shall not exceed 480 hours.
- Overtime Leave balances do not expire; the hours are either used by the employee or paid out to the employee upon separation or termination.
- Employees who transfer within GMU may be allowed to keep their accrued Overtime Leave hours, provided the new department will accept the leave liability. In cases where this is not practicable, the leave balance or a portion thereof will be paid out.

- Once the employee reaches the maximum accrual, all other overtime hours must be paid until Overtime Leave balances drop below the 240-hour maximum.
- Employees may not accrue more than **96 hours** of compensatory leave. Leave expires one year from the pay period in which the hours are accrued.

Questions regarding timesheets and leave issues should be directed to Payroll at 3-2629, or HR & Payroll customer service at 3-2600