

UNIVERSITY OF COLORADO AT COLORADO SPRINGS

Overtime Basics

The Fair Labor Standards Act (FLSA) was passed by Congress in 1938 to establish, among other things, overtime compensation standards. The US Supreme Court, in 1985, mandated the application of the Act to all state and local governments effective April 15, 1986. In brief, the FLSA requires the overtime pay at one and one-half times the regular rate for time worked over 40 hours in a workweek for all eligible employees.

The FLSA applies to all employees – classified or non-classified, temporary or permanent. All employees are entitled to overtime compensation, unless they are specifically exempted under the guidelines established as part of the FLSA:

- Executives – those employees with management as their primary duty, who direct the work of two or more FTE, exercise a high degree of independent judgment and do not devote more than 40% of their time to non-management functions.
- Professionals – those employees whose work usually requires an advanced academic degree and is predominantly intellectual in nature and requires consistent exercise of discretion and judgment. Some typical examples are accounting, engineering, law, medicine and teaching.
- Computer Professionals – those employees whose primary duties include applying systems analysis techniques and procedures, designing computer systems, creating computer programs or other duties specifically defined.
- Administrators – those employees who perform office or non-manual work which is directly related to management policies or the administration of an educational institution. This is the most stringent exemption criterion.

For all classified positions, the FLSA designation is determined at the time a position is created and classified or whenever it is reclassified. Faculty positions are exempt from overtime compensation because of the professional nature of their work. Officers and exempt professionals are typically employed on the basis of contract for professional services and, therefore, are not eligible for overtime pay, but individual positions may be eligible based on a review of the duties and responsibilities.

General Information - All full-time employees shall work an established workweek of not more than 40 hours. Overtime does not accrue until after 40 hours are worked during the established workweek. Part-time employees who work more hours than their typical work schedule are not eligible for overtime compensation until the hours worked exceeds 40 hours in that workweek. Holidays and other periods of paid leave which occur during an established work week shall not be counted as time worked in determining overtime except for those positions determined during the classification process to be essential.

Established Workweek - For the University of Colorado at Colorado Springs, the established workweek is 12:01 A.M., Saturday, through 12:00 Midnight, Friday. Some work units may have approval for a different established workweek. Any deviation from the established workweek

must be specifically approved, in writing, in advance, through the UCCS Personnel Department.

Hours Worked - This is the time for which an employee is entitled to compensation. Overtime work must be pre-approved by the supervisor and/or appointing authority. Unauthorized overtime may result in corrective and/or disciplinary actions. But, authorized or not, once overtime work is received and acknowledged, an eligible employee must be compensated.

Overtime Compensation

- **Compensatory Time** – Compensatory time is allowed only for the public sector, and is granted at the rate of one and one-half hours of comp time for each hour of overtime worked. A compensatory time agreement must be reached between the supervisor and employee. (sample agreement included below). Eligible employees may accumulate up to 60 hours of comp time. Any overtime worked in excess of this amount must be paid for in cash. State Personnel rules specify that accumulated comp time must be taken within **four** months after the end of the pay period in which it was worked.
- **Cash Payments** – Cash payments must be paid at one and one-half times the regular rate of pay, and must be paid at the next regularly scheduled pay day following the pay period in which it was worked (e.g., if overtime hours are worked during the month of May, payment must be made in June).

Compensatory Time Agreement

I agree to accept compensatory time off in lieu of cash payment for overtime work performed by me for my department. I understand that the rate of compensatory time off will be one-and-one half (1 ½) times all actual overtime work hours. I also understand that by signing this agreement, my department has the option to use either cash or compensatory time to pay the overtime work performed by me.

I have reached this agreement with my department freely and without coercion or pressure. This agreement stays in effect until it is voided by mutual agreement by both my department and myself.

_____	_____
Employee signature	Date
_____	_____
Supervisor signature	Date

OR

As a non-exempt employee (eligible for overtime compensation), I agree that my overtime work may, at my department's discretion, be reimbursed in compensatory time off in lieu of cash, at the rate of 1 ½ times the hours actually worked. This agreement between my department and me is effective for the term of my employment. Accumulated compensatory time off must be taken within four months from the time it is earned. The scheduled time for taking compensatory time off may be directed by my department, provided that I can use the compensatory time for my own personal purposes. My supervisor has the responsibility to reschedule my work during one workweek in order to ensure that unnecessary overtime work may not be incurred.

_____	_____
Employee signature	Date
_____	_____
Supervisor signature	Date