



**ADMINISTRATIVE
POLICIES AND PROCEDURES MANUAL**

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SUBJECT

PAY ADMINISTRATION

SUB-TOPIC

OVERTIME COMPENSATION

The University of Texas at Dallas, as a component of the U.T. System, is required to use definitions and standards applicable under the Fair Labor Standards Act to comply with the General Appropriations Act, Article IX, Section 2, concerning overtime compensation requirements.

The schedule of activities should be organized such that employees are not required to work in excess of established work periods (see "Hours of Work," this section) except when operating necessities demand it. Any overtime served which results in an employee being paid for his/her services must have the advance written approval of the President or his/her designee. *The President has delegated this authority to the department heads.*

Monthly records of payment for overtime shall be maintained by Payroll showing the number of employees compensated and total amount paid.

NON-EXEMPT EMPLOYEES

Employees in a non-exempt status required or permitted to work in excess of forty hours in a work week shall be compensated for such overtime either:

1. By receiving compensatory time off during the six (6) month period following the end of the work week in which the overtime was accrued at the rate of one and one-half (1 1/2) hours off for each hour of overtime, or;
2. By receiving pay for the overtime at the rate equal to one and one-half (1 1/2) the employee's regular rate of pay.

NOTE: An employee who fails to utilize time off during the stated six month period does not remove the supervisor's responsibility to ensure paid time or time off.

Any paid leave or holidays taken are not counted as hours worked in determining overtime hours. In situations in which the employee has not worked more than 40 hours in a work week but the total hours worked and hours of paid leave or paid holidays exceeds 40 hours, the employee shall be allowed equivalent compensatory time off for the excess hours.



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OVERTIME COMPENSATION, Continued

NON-EXEMPT EMPLOYEES, Continued

Employees who have accrued, but unused, compensatory time off shall be paid for such overtime upon termination, death or when the compensatory time balances: 480 hours for employees engaged in public safety or emergency response activities; 240 hours for all other categories of employees. (**NOTE:** The 480 hour limit represents 320 hours of actual overtime hours worked times the one-and-one-half premium rate, and the 240 hour limit represents 160 hours of actual overtime worked times the one-and-one-half premium rate.) The regular rate of pay shall include longevity pay, hazardous duty pay and housing emoluments.

EXEMPT EMPLOYEES

Those employees who are not subject to the overtime provisions of the Fair Labor Standards Act may, at the discretion of the appropriate administrative official, be allowed compensatory time off for hours worked in excess of 40 hours in a work week in which the combination of hours worked, paid leave and holidays exceeds a total of 40 hours. Such compensatory time off may be allowed during the 12 month period following the end of the work week in which the overtime was accrued, at a rate not to exceed equivalent time.