



POLICY & PROCEDURE DOCUMENT

NUMBER: 4.4000
DIVISION: Finance and Administration
TITLE: Hours Worked and Overtime Compensation
DATE: February 1, 1999
REVISED: December 5, 2016
Policy for: All Non-Exempt Employees

Authorized by: Director, Human Resources

I. Purpose and Scope

Consistent with its legal obligation, but also as a matter of ethical and appropriate business policy, the University is committed to pay practices that comply with requirements of the U.S. Department of Labor's Fair Labor Standards Act (FLSA).

The Department of Human Resources has oversight responsibilities for institutional compliance with the FLSA. These responsibilities include the assignment of positions as exempt (from overtime requirements) or non-exempt (subject to overtime), based on job duties, responsibilities, job qualifications and pay rates.

II. Policy

The FLSA, applicable Kentucky law and corresponding University policy provide that positions classified as non-exempt be paid at time and one-half for all hours worked in excess of 40 in a given work week.

Aside from compelling circumstances, supervisors and department/unit heads are expected to allocate employee workloads in such a way that work is generally accomplished within the regular work schedule (37.5 hours per week). It is recognized that peak workloads, unforeseen circumstances, or emergency situations may dictate, work beyond the customary schedule and where overtime compensation may apply.

Supervisors and department/unit heads are authorized to approve overtime work as determined necessary and following any unique divisional approvals. As a best practice,

employees should only be permitted to work beyond their customary working schedule when approved in advance by the applicable supervisor or department/unit head.

A. Definition of Hours Worked

A workweek is the seven consecutive 24-hour periods or workdays beginning 12:01am on Monday and ending at 12:00 midnight on the following Sunday.

“Hours worked” include any time that a non-exempt employee is required or permitted to perform activities beneficial to the employer and on the University’s premises or at a prescribed work location. This includes time spent by the employee in physical or mental exertion, whether burdensome or not, that is controlled, required or permitted (even if not officially requested by the employer) by the University.

Hours worked include the following:

- Breaks or rest periods of short duration, such as five (5) to fifteen (15) minutes
- Meal periods of less than thirty (30) minutes
- Time engaged in training or other professional activities as approved by the University
- Time engaged in approved travel
- On-call status when the employee is required to remain on site or even if off site, if the employee cannot use time effectively for his/her own purposes

Non-working time includes the following:

- Time when an employee is completely relieved from duty
- Meal periods of thirty (30) or more minutes
- Travel time between the employee’s residence and the work location
- When an employee is not engaged in work and using accumulated vacation or medical leave or other approved leave

B. Volunteer Status

Non-exempt employees are not permitted to “volunteer” their time and services in any way in conjunction with their job duties. An employee may only serve as a “volunteer” when engaged in endeavors which are clearly identified as community, public service or special events and typically are open to other individuals. The Department of Human Resources is available to clarify and help determine instances where volunteer status is appropriate. A Volunteer Services Agreement is typically completed describing the volunteer arrangement.

C. Compensatory Time Disallowed

Compensatory time off in lieu of earned overtime pay is prohibited by Kentucky law. Therefore, employees must be paid for all time worked—including regular and any overtime hours. Working time may not be shifted from one week to another week in order to avoid earned overtime compensation.

While compensatory time off is disallowed, please reference the University’s policy for Alternative Work Arrangements (flex time, flex place), Policy #4.2501

D. Agricultural Exemption

As an employer having employees engaged in agriculture and farming operations, WKU has adopted the overtime exemption for covered employees as permitted under the FLSA.

Employees having positions in agriculture and farming operations are not eligible for overtime compensation for hours worked in excess of forty (40) per week.

III. Procedure

1. Employees are to be paid at their regular rate for all hours actually worked up to 40 hours during a work week (Note: the University's standard workweek is 37.5 hours). Overtime work is defined as those hours actually worked beyond 40 hours during a given workweek. A workweek begins at 12:01 a.m. on Monday and ends at 12:00 midnight on the following Sunday. If a non-exempt employee is required or allowed to work overtime, the employee shall be paid at one and one-half times his/her regular rate of pay (or if applicable, the rate of pay in place at the time the overtime occurred). For purposes of computing overtime, each workweek stands alone. Hours worked during two or more workweeks may not be combined or averaged to determine overtime pay due.
2. For purposes of determining any overtime due, time spent in the following activities **is not considered** (counted) when determining qualifying overtime pay.
 - Vacation leave
 - Sick leave
 - Official University holidays
 - Bereavement leave
 - Jury duty
 - Military leave
 - University closures related to weather or other unique circumstances
3. If an employee holds two (2) or more non-exempt positions at different rates of pay, any overtime compensation due shall be computed at the higher rate of pay.

IV. Pay for Time Worked on a Designated University Holiday

While the University observes certain official holidays by closing regular business and academic operations, in certain units continuous (or on-demand) services are continued. This reality may require employees to work all or part of a holiday. In instances where employees are required to work on a holiday, one (1) of the following two (2) options are available with respect to compensation:

- a. The employee is paid at the straight time rate for all hours "actually worked" on the holiday **plus** the designated holiday pay.

OR

- b. The employee is paid at the straight time rate for all hours "actually worked" and **no** holiday pay; the holiday, along with the designated holiday pay, is rescheduled at a later time not to exceed ninety (90) calendar days from the official holiday. The option to reschedule the holiday as outlined above may be initiated by the affected employee

or by the applicable department/unit official. The department/unit has ultimate authority for the final decision.

Note: In instances where time “actually worked” on a holiday is **less than a full workday (7.5 hours)**, then the employee must be paid for the hours “actually worked” plus the designated holiday pay. In other words, the holiday cannot be rescheduled.

V. Related Policies

See also:

VI. Reason for Revision

Revisions made for general clarity and to specify “working” and “non-working” hours. Changes made consistent with institutional decision pertaining to the treatment of time worked on a holiday. Included a provision related to the adoption of an Agricultural Exemption pertaining to University farm employees. Clarification related to volunteers.

Appendices: Fair Labor Standards Act; KY Wage and Hour Laws; University Policy