



POLICY STATEMENT 61 EMPLOYEE OVERTIME

POLICY DIGEST

Monitoring Unit: Office of Human Resource Management
Initially Issued: November 29, 2004
Last Revised: May 2, 2022

I. PURPOSE

To provide for overtime for LSU staff within the requirements of the Fair Labor Standards Act (FLSA), Civil Service rules, and other pertinent laws and regulations.

II. DEFINITIONS

Fair Labor Standards Act (FLSA): the federal law regarding overtime; administered by the Wage and Hour Division of the Department of Labor; protects employees by providing basic guarantees for overtime and minimum wage

Overtime: compensation at a premium rate for non-exempt positions who exceed 40 hours worked in a workweek.

Compensatory Time Off: often referred to as 'K-time'; earned as a result of working overtime and serves in place of actual payment for performing the overtime work; it is to be requested, recorded, and used in a similar manner as annual leave.

Exempt: for the purposes of this policy, the term used to categorize employees performing certain types of work for which the federal law requiring overtime does not apply. Employers are not required to provide any compensation to exempt employees for overtime but have the option to do so. An exempt job must fit in one of three FLSA categories: executive, administrative, or professional. The Office of Human Resource Management (HRM) makes the determination concerning the exempt status of jobs according to FLSA guidelines.

Non-Exempt: for the purposes of this policy, the term used in the FLSA for employees performing work which cannot be categorized as executive, administrative or professional. Employees in jobs such as skilled technicians, custodians, office clerical workers, and food service workers are typically 'non-exempt' and therefore, are covered by the FLSA. Employers are required to compensate non-exempt employees for overtime at a rate of time and one-half.

III. GENERAL POLICY

A. Overtime

A standard workweek for LSU is 40 hours and runs from Saturday 12:01 a.m. - Friday midnight. Overtime begins once an employee exceeds 40 hours worked during that workweek. However, only hours actually worked count toward the base 40-hour

workweek for overtime computation. This excludes hours for holidays or leave taken in the workweek, and the employee will not be eligible for the premium rate (1.5) until they have actually worked 40 hours. Overtime compensation may be paid, or compensatory time may be awarded for hours worked over 40 hours in a work week.

The Fair Labor Standards Act has a provision that law enforcement and fire protection *Title 29 § CFR 553.230* may have a variation in overtime, whereas overtime is not assessed until after up to 86 hours in a 14 day work period is worked. All LSUPD positions whose duties meet the characteristics as outlined in the Law Enforcement and Fire Protection provisions of the FLSA will not be paid at the time and one-half rate until the hours actually worked exceed 84 hours in the two week work period that begins on the first Saturday of a wage period at 12:01 am through midnight Friday of the second week of the wage period. This excludes hours for holidays or leave taken in the work period, and the employee will not be eligible for the premium rate (1.5) until they have actually worked 84 hours. Overtime compensation may be paid or compensatory time may be awarded for hours worked over 84 hours in the work period.

Hourly employees exempt from the FLSA earn overtime (paid or compensatory time) on an hour-for-hour basis (paid: regular hourly rate times the number of overtime hours; or compensatory time: number of overtime hours). Hourly, Non-exempt employees covered by FLSA earn overtime (paid or compensatory time) at a time and one-half rate (paid: regular hourly rate multiplied by 1.5 multiplied by the number of overtime hours; or compensatory time: 1.5 multiplied by the number of overtime hours).

Staffing should be planned so that most jobs require minimal overtime. Other alternatives should be considered when significant and recurring overtime is required such as additional temporary help, redistribution of the workload, or postponement of the work. Overtime pay should not be used solely as a means to provide supplemental pay to an employee.

Employees must not be permitted to perform overtime without proper authorization or remuneration. Civil Service rules for classified employees and Executive Orders for unclassified employees provide LSU with the authority to require an employee to work overtime. Departments must give as much advance notice as possible when overtime is required. All qualified employees within the unit must be given an opportunity for overtime work and each department must administer the policy equitably and in accordance with PS 1. Department heads must comply with FLSA by prohibiting non-exempt employees from working unpaid overtime, even if the employee volunteers to work.

Employees must be given appropriate time off during each workday (e.g., lunch time-30 minutes) to ensure the workweek will not exceed 40 hours per week. The overtime rate will be time and one-half for non-exempt employees and at the regular rate hour for hour basis for exempt employees.

B. Eligibility for Overtime

Administrative and professional (exempt unclassified) employees are not entitled to earn overtime or compensatory time off. It is expected that employees in unclassified positions work a minimum of 40 hours in a workweek.

It is the responsibility of HRM to determine the FLSA status (i.e., exempt or non-exempt) of all job classes. The status for each job is reflected in the LSU Pay Plans for classified employees provided to all departments and available from HRM's website under the compensation section. Employees may inquire about their exemption status with HRM if there are any questions or concerns.

C. Compensatory Time (K-time)

Departments may offer compensatory time to employees working beyond their 40-hour per week schedule in lieu of payment for overtime. Each department will have the option to select the compensation mode, either compensatory time off or payment for working greater than 40 hours per week; or 84 hours for eligible LSUPD positions. The compensatory time rate is earned at the same rate as for paid overtime: non-exempt (time and one-half) and exempt (regular rate) employees.

FLSA provisions and Civil Service rules limit each employee's total compensatory time accrual to a maximum of 240 hours; 480 hours for police and protective service positions. Lower limits may be established by a department. Departments must use paid overtime to compensate employees once the employee's compensatory time limit is exceeded. Compensatory time must be exhausted before annual leave is used by the employee. Compensatory time earned but not taken will be paid to the employee upon promotion to an unclassified Exempt position, transfer to another campus, or separation from LSU. Departments should encourage use of compensatory time when possible to reduce LSU's payout liability. With the concurrence of HRM, departments may require an employee to take all or part of the compensatory time at any time. Departments may pay compensatory time balances in whole or in part for hourly employees in the department at any time.

Compensatory time earned at other state agencies by employees transferring to LSU will not be credited.

D. Paid Overtime

Departments must limit the amount of paid overtime earned by an employee to the extent possible. Typically, if an employee earns an amount of overtime more than \$5,000 or 30% of base salary, then the department should contact HRM about alternatives to overtime. Departments may be asked to provide written explanation if excessive overtime is taken or earned.

E. Holiday Pay and Overtime

All eligible staff receive payment for up to 14 holidays per fiscal year (see PM 5 for holidays and PS 12 for leave). Holiday pay is based on the number of hours in the employee's regular work schedule (e.g., eight hours of holiday pay is received if the employee regularly works eight hours per day).

Some hourly staff are required to work on a holiday. Non-exempt, hourly employees who work on a holiday (or a designated holiday, if the holiday falls on their day off) will be paid time and a half for hours worked on the holiday, regardless of the number of hours worked that week and, in addition to holiday pay. Exempt, hourly employees who work on a holiday (or designated holiday) will be paid their regular rate hour-for-hour for hours

worked on the holiday, regardless of the number of hours worked that week and, in addition to holiday pay.

F. Overtime in Emergencies

The President may authorize pay or compensatory time up to the time and one-half rate in addition to regular pay for any non-exempt classified employee who are required to work in response to a national or local emergency, act of God, or other situations of an extraordinary nature, which threaten life and property and represent real danger and/or hardship to the employee. Exempt classified employees may be paid or given compensatory time at their regular rate on an hour-for-hour basis in addition to their regular pay for work during these emergency situations.

G. Department Responsibility

Departments which frequently require hourly workers to work overtime (paid and/or compensatory time) must develop written procedures for administering overtime. The department must make the procedures known to their employees. The procedures should contain the method of authorizing overtime, advance notification, selection for overtime work, and criteria for determining mode of payment (i. e., compensatory time or payment).

IV. OVERTIME AUTHORIZATION

A. Budgeted Overtime

It is the expectation that departments that have justifiable recurring overtime needs have an overtime line item established in their budgets. Normal budgetary and payroll procedures apply.

B. Unbudgeted Overtime

Departments without department funds for paid overtime may offer compensatory time for overtime prior to offering payment for overtime. However, departments not having budgeted overtime may request paid overtime before the overtime hours are worked, by obtaining approval from their Unit Head for consideration of their budget.

C. Records

Each department shall designate an employee to be responsible for maintaining and processing accurate overtime records. The total number of hours worked must be accurately recorded in LSU's HR system of record for that day (hours cannot be shifted to another day). Overtime hours submitted will be paid unless recorded as compensatory time earned.

Employees should submit requests to take compensatory time off following the same department procedures which apply to annual leave. Compensatory time off will also be recorded in LSU's HR system of record. Adjustments to correct compensatory time balances (earned/ taken) must be made using LSU's HR system of record. A quarterly evaluation overtime/compensatory time accrued shall be performed by the Office of Human Resource Management and cases of significance will be reviewed and provided to the department head for review.

D. Special Cases

The Office of Human Resource Management must be consulted in these special cases, outlined below, in which extra work may be involved. Normally, overtime should not be paid in these situations, but it may be required for non-exempt employees.

1. While performing civilian duty during an officially declared national, regional or local emergency
2. While *on call* away from post of duty
3. While attending or traveling to or from conventions, workshops, seminars, training courses, and related activities
4. While performing duty of emergency nature, which threatens or affects the peace or property of the LSU employees, students, or general public as determined by the Appointing Authority
5. While employed on a Transient appointment or WAE basis working over forty (40) hours in a particular workweek. Employees on Transient appointments and employees paid on an intermittent (When Actually Employed – WAE) basis are not eligible for compensatory time. Holidays, leave, and other time off are not counted as hours worked.
6. While appearing before a Civil Service Commission pre-trial conference, etc.
7. While performing work for a different LSU department for additional compensation

V. SOURCES

Fair Labor Standards Act
PM 5: University Holidays
PS 12: Leave Guidelines
PS 18: Emergency Response Plan
PS 79: Flexible Work Hours and Staffing