LAKE SUPERIOR STATE UNIVERSITY PROCEDURES MANUAL Administrative Policy

Section: Business and Support Operations Section Number: 3.19.5

Subject: Salaries and Wages: Overtime Work Authorization & Compensation Policy Page: 1 of 2

Date of Present Issue:

07/24

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01/87, 09/89, 09/90, 11/92, 09/95, 07/96, 03/00, 07/01, 08/03

POLICY:

In accordance with the Fair Labor Standards Act of 1983 and 1985, as amended Section 7, part 778, it is the policy of the University to pay non-exempt employees time and one-half of their regular hourly rate, for all hours worked in any work week in excess of the maximum of forty (40) hours, for those eligible. It is an employee's responsibility for following University procedures regarding the approval of overtime hours prior to working those hours, and to properly report those hours upon completion in accordance with University procedures. An employee's immediate supervisor has the responsibility for following University procedures regarding the approval and submission of overtime hours.

<u>Exempt</u> employees are those in executive, administrative, managerial, and professional positions, whose duties, responsibilities and type of work exempt them from the minimum wage and overtime provisions of the Fair Labor Standards Act.

<u>Non-exempt</u> employees are those involved in routine office, or manual types of work, under direct supervision of an administrator, and paid on an hourly basis, who are subject to the minimum wage and overtime provisions of the Fair Labor Standards Act.

Student employees of the University are limited to working nineteen (19) hours in a week during the academic year, and forty (40) hours a week during summer and semester breaks, and may <u>not</u> work any overtime hours without prior approval from the Director of Human Resources.

Bargaining unit members, in addition to FLSA standards, are subject to contract provisions regarding overtime compensation.

The following procedures apply to all employees who qualify for the overtime provisions of the Fair Labor Standards Act (as amended, 1985).

Employees in the Hourly-Paid Bargaining Unit and non-exempt employees in the non-Union group (Administrative/Professional):

Time and one-half the applicable regular straight time rate will be paid to eligible employees for all hours worked in excess of forty (40) hours per week. Hourly paid bargaining unit employees are also eligible for overtime for all hours worked in excess of eight (8) hours per day. "Hours worked" include all hours in which an employee is required to be on duty at a prescribed workplace and all hours during which an employee is "suffered or permitted" to work, as well as actual hours worked. The computation for overtime pay will be made at one and one-half times the regular straight time rate that applies for the starting shift. For the purpose of computing overtime pay for over forty (40) hours in an employee's work week, a holiday, a sick day, or a vacation day for which the employee receives pay will be counted as a day worked.

Employees may not work any additional time outside of their regular eight-hour schedule without <u>prior</u> approval of their supervisor. It is the responsibility of the supervisor to ascertain that no employee is permitted to work any unauthorized time over the normal eight-hour schedule.

Overtime hours worked must be reported on the bi-weekly time sheets, in the pay period in which the work is performed. Payment of overtime must be approved on the employee's time sheet with the signature or web time entry approval of the appropriate approving authority. All overtime worked must receive prior permission from the immediate supervisor <u>before</u> it is performed. Account executives must ensure that funds are available to cover overtime cost before approval is granted.

Employees who anticipate the need for overtime to complete the week's work must notify their supervisors in

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advance and obtain approval prior to working hours that extend beyond their normal schedule. Written approval is required for hours that exceed 40 hours in a workweek. Employees who fail to obtain approval prior to working hours that extend beyond their normal workweek will be subject to disciplinary action up to and including termination.

Supervisors who continually rely on the use of overtime hours without budget approval to complete a week's work without it being deemed as extenuating circumstances by management will be subject to disciplinary action.

Definitions:

<u>Exemption from the FLSA</u>: Executive, administrative, managerial, supervisory and professional (including faculty) employees are exempt from provisions of the law and are not eligible for overtime pay or compensatory time off under the FLSA standards.