

**University of
North Carolina School of the Arts
Policy on
Overtime for Employees Subject to the State Personnel Act and the overtime provisions of the Fair
Labor Standards Act**

Authority:	Director of Human Resources
Sources of Authority:	State Personnel Manual: Section Four, Salary Administration; Hours of Work and Overtime Compensation
History:	Effective March 2006
Related Policies:	Policy on Compensatory Time for SPA Employees Exempt from to Fair Labor Standards Act; Policy on Occasional and Sporadic Employment; Policy on Additional Employment;
Responsible Offices:	Human Resources, Payroll;

1. PURPOSE

This policy outlines the policy and procedures for compensating hours worked over forty in a workweek.

2. SCOPE

This policy applies to all employees subject to the State Personnel Act (SPA Employees), including probationary, permanent, and time-limited who are subject to the overtime provisions of the Fair Labor Standards Act (FLSA). [The FLSA status of an employee's position is determined by the Office of Human Resources based upon the duties, responsibilities and salary of the position. A position determined to be subject to FLSA shall be referred to as "Subject" and a position determined to be exempt from FLSA shall be referred to as "Exempt."]

The compensatory time provisions of this policy do not apply to temporary employees; all temporary employees must be paid for overtime as it is accumulated.

3. POLICY

3.1 Workweek

The NCSA workweek is Monday 12:01 AM to Sunday 12:00 PM.

3.2 Tracking Time

All hours of work shall be recorded and compensated in units of one-tenth of an hour.

3.3 General

Supervisors shall hold hours worked by an employee to the State's established 40-hour workweek standard except in those cases in which excessive hours of work are necessary because of weather conditions, necessary seasonal activity or emergencies as determined by the direct supervisor. If an employee works more than the regular schedule on one day, the supervisor may allow or direct the employee to take off an equal amount of time during the **same workweek** (without charge to leave) so that the total work time does not exceed 40 hours for the workweek. Equal time off may **not** be taken in **another workweek**.

Prior to employment, each successful candidate for NCSA employment in a position Subject to FLSA must sign Conditions of Employment acknowledging that NCSA retains the right to determine whether to compensate overtime work by scheduled paid time off, rather than the payment of overtime pay. Agreement to this is a condition of employment; failure or refusal to sign such agreement will prevent employment of that person. This signed form shall be a part of the employee's personnel file and shall be kept for at least three years following that person's separation from State employment.

All hours worked in excess of 40 within a workweek must be tracked on the SPA Subject Employee Time Record and paid in the form of compensatory time or monetary compensation at the premium rate of time and one-half. It is the policy of the State of North Carolina and NCSA to pay hours worked in excess of 40 in time off, as compensatory time, instead of dollars. However, NCSA recognizes that in those cases in which excessive hours of work are necessary it is both to the benefit of NCSA and the employee to pay overtime in dollars. In these situations the supervisor may follow the procedures outlined below to request overtime payment in dollars in the employee's next regular paycheck. In all cases, any compensatory time shown on the December time record will be paid out in the January pay check each year.

3.4 Compensatory Time

- 3.4.1** Compensatory time may be accumulated up to a maximum of 240 hours (160 hours straight time). Any overtime worked above this amount shall be paid in the employee's next regular paycheck.
- 3.4.2** Supervisors should allow compensatory time to be taken as soon as possible, preferably within 30 days from accruing the compensatory time.
- 3.4.3** Compensatory time shall be taken before any vacation leave.
- 3.4.4** Compensatory time off cannot be denied to an employee unless the compensatory time off will unduly disrupt agency operations.
- 3.4.5** If compensatory time off is not taken by the end of May each year, the compensatory time shall be paid in the employee's June paycheck.
- 3.4.6** An SPA Subject employee who leaves NCSA employment will be paid a lump sum payment for accumulated compensatory time up to 240 hours.
- 3.4.7** An employee whose FLSA status changes from subject to exempt must be paid for all accumulated and unused compensatory time off at the time of the status change.
- 3.4.8** Compensatory time earned in one department is not automatically transferred to another department. If the employee transfers to another department within NCSA, the supervisor of the department to which the employee transfers must sign a document indicating acceptance or rejection of the compensatory time of the employee. The following consequences will result:
 - If accepted, this time becomes the liability of the new department.
 - Time not transferred to the new department must be paid by the department where the work was performed. The payment should be made prior to the employee transferring to the new department.

4. Procedures

- Each month every SPA Subject employee must record all hours worked on the employee's SPA Subject Employee Time Record.

- The supervisor must review and approve the hours as accurate by signing the SPA Subject Employee Time Record
- All time records must be submitted directly to Human Resources no later than the 5th of each month.
- All requests to pay hours worked over 40 in monetary compensation must be made in a letter written and signed by the direct supervisor and must be submitted to Human Resources with the monthly time sheet.
- Should the compensatory hours exceed 240 or a balance remain at the end of the month of December, the direct supervisor must request payment of the compensatory time in a letter written and signed by the direct supervisor and submitted with the SPA Subject Employee Time Record to Human Resources.