

System-wide Policy: HR0445 - Overtime Compensation	
Version: 14	Effective Date: 10/16/2019

HR0445 – Overtime Compensation

Topics:

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Objective:

To compensate staff and student employees in non-exempt wage and hour categories who work in excess of 40 hours per week.

Policy:

1. Any work by a non-exempt student or staff employee that exceeds 40 hours in a workweek is considered “overtime.” The university’s workweek begins at 12:00 a.m. Monday and concludes at 11:59 p.m. Sunday. Supervisors may require employees to work overtime. An employee who wishes to work overtime voluntarily must first receive approval from an appropriate supervisor. No employee is authorized to work overtime without first receiving either instruction or approval from an appropriate supervisor.
2. When an eligible employee works overtime, the university will provide compensatory time in accordance with this policy, unless campus procedure or department practice provides for the payment of monetary compensation. The university provides compensatory time at the rate of one and one-half hours of compensatory time for every hour over 40 worked in a workweek. Overtime pay is provided at the rate of one and one-half times an employee’s regular hourly rate of pay for every hour over 40 hours worked in that workweek. Holidays and administrative closings are included in hours worked; all other leave with pay is excluded from overtime calculations.

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3. Part-time employees, temporary employees and student employees are not eligible for compensatory time and will receive pay for overtime in accordance with this policy.

Compensatory Time Banking [https://policy.tennessee.edu/hr_policy/hr0445/ - top](https://policy.tennessee.edu/hr_policy/hr0445/)

4. A maximum of 240 hours of compensatory time may be banked. After the employee has banked the maximum compensatory time, any future overtime hours must be paid.
5. Payment or use of banked compensatory time is required prior to the transfer of any employee to a different account or from a non-exempt position to an exempt position. All hours banked must be paid at termination. All payments of banked compensatory time will be paid at the regular rate earned by the employee at the time such payment becomes due.
6. Employees wishing to use banked compensatory time must obtain permission from their supervisor in accordance with departmental practices regarding the use of annual leave. Banked compensatory time must be exhausted before an employee may use annual leave. The use of annual leave is not automatically granted and should be monitored by the supervisor.

Multiple Appointments

7. If an individual regularly works in more than one job position and is paid at different salary rates, any overtime is paid at the weighted average hourly rate for hours worked in that pay period.

Occasional and Sporadic Work

Employees who perform what is considered “occasional and sporadic work” are exempt from the overtime provisions of the Fair Labor Standards Act (FLSA) while performing that work and will be paid at the rate appropriate for that work, not at their regular hourly rate. Time spent performing occasional and sporadic work will not constitute hours worked in calculating overtime pay or compensatory time. Occasional and sporadic

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work must be: (1) substantially different from any job in which the employee regularly works, (2) located in a different department, (3) solely at the employee's option, and (4) performed on an occasional and sporadic basis.

8. The university defines "occasional and sporadic" as working twelve or fewer "events" within a calendar year. Examples of "occasional and sporadic" events are shown below. These examples are not exhaustive or all inclusive.
- a sports game or competition (double-headers are considered one "event");
 - a performance of a play, concert, lecture, movie or other similar event;
 - a camp, such as a sports related camp, or athletic tournament, the duration of which does not exceed three (3) consecutive days;
 - proctoring an examination;
 - instructing a non-credit course (each class in the course is considered an "event");
 - judging at a competition, provided the competition does not continue beyond three (3) consecutive days; and
 - Ancillary activities related to an event such as parking and/or directing traffic.

Exempt Employees

9. Exempt employees are paid on a salaried basis and are not eligible for overtime compensation. Full-time exempt employees are expected to average at least 40 hours per week; exempt employees may be required to work more than 40 hours per week in order to fulfill their job duties. Deductions from salary generally are not permitted and can be made only with prior approval of a supervisor and Human Resources. Exempt employees who believe their salaries have been improperly deducted should contact Human Resources. The university will promptly reimburse any exempt employee whose pay was improperly reduced.

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PROCEDURES:

To view links to campus policies and procedures, click here:

<https://policy.tennessee.edu/campus-policies-procedures>

Related Policies: [FI0445 - Employee Services Between the University Board of Regents Institutions and State Agencies](#)