

NORTHEAST COMMUNITY COLLEGE

ADMINISTRATIVE PROCEDURE NUMBER: AP-7291.0

FOR POLICY NUMBER: NONE

NON-EXEMPT COMPENSATORY TIME PROCEDURES

1. PROCEDURE SUMMARY STATEMENT

The purpose of this procedure is to provide uniform guidelines for the accrual, use, and payment of compensatory time and to ensure conformity with the federal Fair Labor Standards Act (FLSA).

2. DEFINITIONS

2.1 Non-exempt employees are subject to the wage and hour laws established by the Fair Labor Standards Act (FLSA), a US law that was enacted in 1938. Employees defined as such must be paid at least the minimum wage determined by the US Congress or the states in which they work, whichever is higher. Non-exempt employees must receive overtime pay at the rate of one and a half times their regular rate of pay for each hour worked above 40 hours a week or must receive compensatory time off.

2.2 For non-exempt employees, compensatory time off or 'comp time' is paid time off accrued by employees in lieu of "immediate cash payment" for working in excess of the applicable maximum hours standard of the FLSA or overtime.

2.3 Hours worked includes all time spent on the employer's premises or at a designated work place. Also included in hours worked is any work which the employee performs for the employer's benefit outside of work hours on or off the employer's premises. Holiday leave, sick leave, annual leave, comp time used, and emergency leave hours are not considered hours worked.

2.4 Fiscal Year: The College's fiscal year is July 1st through June 30th.

3. PROCEDURE

3.1 General

3.1.1 Compensatory time is time off granted in lieu of overtime pay for authorized overtime worked and earned when non-exempt (hourly) employees works more than 40 hours during the College work week (Sunday through Saturday). Non-exempt employees earn compensatory time at the same rate as overtime, 1.0 or 1.5 times the number of overtime hours worked. Employees can choose whether they take the compensation for hours worked in excess of 40 hours as overtime payment or as compensatory time off.

- 3.1.2 All compensatory time and overtime must be approved by the supervisor in advance of its accrual and use. The supervisor, not the employee performing such overtime, has both the authority and responsibility to make that decision. If the immediate supervisor is unavailable to give permission, the next higher supervisor must be consulted for approval prior to the employee working in excess of 40 hours.
- 3.1.3 Supervisors may implement schedule changes when workloads allow, that may eliminate the need for overtime pay and/or compensatory time. Changes in normal work hours are to be made in advance, if possible, to allow the employee ample opportunity to adjust his/her personal schedule. Such changes shall be kept to a minimum.

3.2 Record Keeping

- 3.2.1 Compensatory time accrued or used shall be recorded and maintained on employee timesheets.
- 3.2.2 The Payroll Office shall be responsible for maintaining the official records of compensatory time.

3.3 Accrual Maximums

- 3.3.1 Non-exempt compensatory time may be accrued for a maximum of 12 months or 40 hours. (See 3.4.2 below)

3.4 Use and Payout

- 3.4.1 Compensatory time shall be used before annual leave hours, even if this results in accrued annual leave being forfeited at fiscal yearend (June 30th) because the employee has reached the maximum accumulation for annual leave. Employees should consider their annual leave accruals prior to requesting compensatory time rather than being paid overtime prior to hours in excess of 40 being worked.
- 3.4.2 At the end of each fiscal year, accrued compensatory time shall be paid out to the non-exempt employee on the last payroll cycle of the fiscal year.
- 3.4.3 If a non-exempt employee with accrued compensatory time transfers to a non-exempt position in another department, the accrued compensatory time earned prior to the transfer shall be paid to the employee by the original department on the next scheduled pay date following the transfer, unless the receiving department agrees to accept the accrued compensatory time.
- 3.4.4 If the employee transfers from a non-exempt position to an exempt position, the accrued compensatory time shall be paid to the employee on the next scheduled pay date following the transfer.

3.4.5 All unused compensatory time shall be paid to the non-exempt employee when he/she separates from the College, with the expense being paid by the College department where the employee last worked.

4. APPLICABILITY

All non-exempt, full time employees are eligible for the accrual, use, and payment of compensatory time as stated in these procedures.

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SCHEDULE FOR REVIEW: 2019

DIVISIONS/DEPARTMENT RESPONSIBLE FOR REVIEW & UPDATE: Human Services

SPONSORING DIVISION/DEPARTMENT: Human Resources

RELATED PROCEDURES/ REFERENCE: none

PROCEDURE KEY WORDS: compensatory time, FLSA