

General Information

Under the [Fair Labor Standards Act \(FLSA\)](#), employees in positions which are determined to be "non-exempt" are eligible for overtime compensation. Effective January 18, 1995, employees in non-exempt positions are eligible for overtime compensation for all hours **worked** over 40 in a work week. Hours paid but not worked, such as sick or vacation leave or compensatory time used will not count toward overtime; however, holiday credit (the paid time for a holiday when it is not worked) does count toward the calculation of overtime eligibility for all non-exempt employees.

All hourly (non-exempt) employees sign a [Compensatory Time Agreement](#) at the time of hire.

If an hourly (non-exempt) employee works more than 40 hours in a work week, his or her line manager must approve compensating hours worked over 40 with one of the following: 1) **compensatory time** or 2) **overtime pay**. The election of either compensatory time or overtime pay is made when time worked and leave taken is entered in the electronic time card. If no election is made, the employee will earn compensatory time.

Compensatory time is earned at the rate of 1.5 hours for every hour worked over 40. Overtime pay is paid at the rate of 1.5 time regular rate for every hour worked over 40.

Line managers must approve overtime hours **before** they are worked. Each department should have procedures for approving overtime before it is worked. A record of approved overtime should be kept in the department. Departments can use the [Overtime Approval Form](#) or can develop a similar form to use.

Reporting Overtime Hours Worked:

Hourly (non-exempt) employees enter hours worked in GUS HR on an electronic time card. The employee selects either compensatory time or overtime pay. GUS HR will only use this selection if the employee is eligible for overtime compensation either week of the pay period.

If the employee enters time worked and leave taken in GUS HR, the supervisor (line manager) electronically approves those hours when the time card is approved in GUS HR.

Compensatory time earned is kept in a compensatory time bank. Compensatory time bank balances must be at or below the appropriate maximum on the pay period identified in May of each year. For more information on compensatory time bank balances, [click here](#).

For more information on FLSA click [here](#)

Using Compensatory Time

Compensatory time that is banked can be used subject to the department's policy for requesting time off. If approved, the employee will select "Comp Time" from the drop down menu when completing the electronic time card and identifying the appropriate amount of time to report.

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