

Christopher Newport University

Policy: Overtime Policy

Policy Number: 5085

Executive Oversight: Vice President for Finance and Planning/CFO
Contact Office: Office of Human Resources
Frequency of Review: Annually
Date of Last Review: Fall 2023

A. PURPOSE

This policy sets out which employees are eligible to earn overtime compensation and under what circumstances. It also establishes the process for approval, submission and payment of overtime. In addition to providing clear direction to eligible employees and their supervisors, these provisions are also necessary and intended to ensure that the University complies with state and federal law.

B. POLICY STATEMENT

Full-time employees of the University are paid a salary based on 40 hours of work in a week.

Full-time and hourly employees who are not exempt from the provisions of the Fair Labor Standards Act (FLSA) are eligible to be compensated for time worked in excess of 40 hours in a week. In order to be compensated for overtime work, an eligible employee must obtain approval to work overtime **in advance, as provided by paragraph C.2. of this policy**, and choose whether to be compensated with accrued leave (full-time employees only), or payment of time and a half the employee's hourly rate for all portion of hours of overtime worked.

Full-time employees who are exempt from the provisions of the FLSA are not eligible to be compensated for time worked in excess of 40 hours in a week.

Overtime leave is only available if the approved overtime hours are to be paid at time and a half when an employee exceeds over 40 regular hours worked and not for compensation of work on a non-work day (e.g. when the University is closed for a holiday).

These procedures for overtime work and compensation shall be reviewed with new employees, as applicable, during new hire orientation.

C. PROCEDURES

1. FLSA Status

Employees are provided a position description during orientation that, among other things, defines their FLSA status as either exempt or non-exempt. In the Cardinal timekeeping system, employees are only able to select overtime leave or pay if they are eligible based on that status.

2. Authorization to Work Overtime

To be paid for overtime work, the overtime must be approved in advance and in writing by the appropriate Vice President, Provost, Chief of Staff, or their designee. A copy of the written approval must be provided to the Office of Human Resources by the approving division head.

Work over 40 hours in a week without prior approval – to include voluntary work through a meal break or after the end of the work day – will be compensated, however, the employee (may or shall) be subject to disciplinary action.

3. Overtime Payment and Leave Elections

Non-exempt, full-time employees may elect to be compensated for overtime hours worked as pay or as overtime leave. In either case, they shall be compensated at a rate of time and one half of their ordinary hourly rate.

Overtime leave is available as compensation each pay period, subject to a total accrual limit of 240 hours. Supervisors who approve overtime are also responsible for ensuring an employee's overtime leave balance does not exceed 240 hours when approving the employee's overtime.

Overtime leave does not expire. However, employees who have accrued 240 hours of overtime leave must select pay as compensation for any overtime hours above the 240-hour limit. Once an employee uses leave and thus reduces their overtime leave balance to below the 240-hour maximum, they may again elect to be compensated for overtime with leave, rather than pay, subject to the 240 hour limit.

Hourly and Wage employees are not eligible to accrue overtime leave. They shall be compensated with pay, at time-and-a-half, for work in excess of 40 regular hours in an FLSA week. Overtime must be approved in writing by the appropriate administrator as provided above in paragraph C.2.

4. Payment of Overtime

In accordance with state payroll regulations, overtime is paid in arrears and overtime compensation will be received based on both the pay period when the timesheet is submitted and approved.

Overtime is only earned when the additional time worked results in time in excess of 40 hours in a work week (not for more than 8 hours worked in a work day).

Employees who are separating from the University, or transferring from a non-exempt position to an exempt position, will receive a payout of their existing overtime leave balance.

Any exception to the policy regarding existing overtime leave balance payouts and limits as referenced in C.3. must be approved in advance by the division Vice President or Provost, or designee, in writing.

The university reserves the right to use an employee's accrued overtime leave instead of docking their pay when there is no other paid leave available for use and the employee is out of work for personal or medical reasons.

Overtime leave is compensable at separation or when transferring to an exempt position.

5. Compensatory Pay and Leave

Compensatory pay or leave is also available to full-time employees at the employee's hourly rate. Employees who work additional hours not over 40 hours in a workweek, e.g. work on an official office closing day, a holiday, or a scheduled day off, or when a holiday falls on an employee's scheduled day off can select compensatory pay or leave. This compensation is limited to the number of hours equal to the employee's ordinary work day, not to exceed eight (8) hours. Compensatory leave expires after one year from time of accrual. Compensatory pay and leave are not available to wage and hourly employees.

D. DEFINITIONS

Non-Exempt Employee: An employee who is not exempt from the overtime provisions of the FLSA and therefore must be compensated for time worked over 40 hours in a workweek.

Exempt Employee: An employee who meets the specific legal criteria for exemption from the overtime provisions of the FLSA and accordingly is not eligible to earn overtime.

Hourly Rate: The hourly rate for classified nonexempt employees is the employee's salary divided by the number of hours in the pay period. The rate for wage employee's is their present regular pay, which is defined as the total remuneration divided by the total hours worked. The hourly rate does not include shift differentials, temporary pay, benefits, overtime, incentives, bonuses, or other similar non-base pay compensation.

Overtime: Hours actually worked (no holiday or leave hours included) over 40 in a workweek are considered overtime.

Regular Hours: Hours actually worked, not including holiday or any other type of leave such as annual leave, flex leave, sick leave, family/personal or Virginia Sickness and Disability Plan leave.

Workweek: An employee's workweek is a fixed and regularly recurring period of seven consecutive 24-hour days. The workweek adopted by Christopher Newport University is defined to begin at 12:01 Sunday morning and end on Saturday night at midnight.

E. REFERENCES

Fair Labor Standards Act (FLSA)
DHRM Policy 3.15 - Overtime Leave

F. APPROVAL AND REVISIONS

Approved By: Policy Committee, October 20, 2016
Amended: Policy Committee, October 5, 2020
Revision 1: Policy Committee, November 11, 2020
Revision 2: Policy Committee, August 1, 2021
Revision 3: Policy Committee, October 27, 2021
Revision 4: Policy Committee, August 24, 2023

G. NEXT REVIEW DATE: Fall 2024