



# Eligibility for Overtime Compensation

<b>Policy Number</b>	3-010.2
<b>Responsible Authority</b>	Associate Vice President and Chief Human Resources Officer
<b>Initiating Authority</b>	Senior Vice President for Administration and Finance
<b>Effective Date</b>	7/7/2023
<b>Date of Origin</b>	6/3/2010

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## APPLICABILITY/ACCOUNTABILITY

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This policy applies to all employees of the university.

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## POLICY STATEMENT

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The University of Central Florida complies with the Fair Labor Standards Act (FLSA) and applicable state laws in designating the status of employees who are eligible for overtime payments and in making overtime payments as specified in federal and state laws and related regulations.

Employees who are classified as nonexempt are subject to the overtime provisions and must be paid overtime at a rate 1.5 times their hourly wage for all hours actually worked beyond 40 in the university's work week. There are limited exceptions including an exception relating to law enforcement personnel. Potential or actual errors regarding classification or employee compensation must be reported immediately per this policy's procedures.

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## DEFINITIONS

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**Exempt employee.** An exempt employee, in the context of this policy, is any employee of the university who qualifies for an exemption from the overtime requirements of the Fair Labor Standards Act (FLSA), state laws or regulations.

**FLSA.** FLSA establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector, and in federal, state, and local governments.

**Nonexempt employee.** A nonexempt employee, in the context of this policy, is any employee who is not qualified for an exemption from the overtime requirements of the FLSA, state laws or regulations.

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## PROCEDURES

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### I. Overtime/Compensatory Time

Employees who are classified as nonexempt must be paid overtime (generally at the rate of 1.5 times their hourly wage or hours beyond 40) for all hours actually worked beyond 40 in the employer's designated work week (Friday through Thursday). There are limited exceptions to the workweek rule as authorized by FLSA including an exception relating to law enforcement personnel. Law enforcement personnel will also be permitted to receive overtime pay or accrue compensatory time. When leave is used or paid holidays occur, those hours do not count toward the calculation of hours worked unless required by university procedure or collective bargaining agreement.

Employees who are classified as exempt from the overtime provisions of the FLSA are paid on a salary basis at a rate intended to compensate the employee for all hours worked during the pay period. Employees classified as exempt also do not accrue compensatory time.

### II. Mistakes Regarding Classification or Calculation of Hours

Any employee (or supervisor of an employee) who believes he or she is misclassified as an exempt employee or is not receiving required compensation as a nonexempt employee under the FLSA, state laws or related regulations, is required to promptly notify the university. The university makes available to all employees an on-line pay advice which provides all leave balances and salary payment information on a bi-weekly basis, in addition to a year-to-date basis. Such information allows employees to determine if their wages and leave are being calculated correctly. In addition, nonexempt employees are required to certify their time each pay period, which must accurately reflect their work hours and leave usage.

If an employee believes he or she is improperly designated as exempt, the employee must immediately report this information to a supervisor. If the employee feels uncomfortable discussing the problem with a supervisor (or has not received a prompt reply), the employee should promptly report this information to the university's Compensation Department. The employee must specify in writing the specific reasons for eligibility for overtime in accordance with FLSA. Reports of improper FLSA designation will be promptly investigated. If it is determined that the employee's compensation has been improperly affected, the university will take corrective action, including, but not limited to, full reimbursement to the employee during the next earliest possible pay period.

If an employee is not being credited with overtime pay properly, the employee must immediately

report this information to a supervisor. If the employee feels uncomfortable discussing the problem with a supervisor (or has not received a prompt reply), the employee should promptly report this information to the university's Payroll Department. The employee must document in writing the specific circumstances of the discrepancy and whether it has occurred on other occasions. Reports of improper compensation and related issues will be promptly investigated. If it is determined that the employee's compensation has been improperly affected, the university will take corrective action, including, but not limited to, full reimbursement to the employee during the next earliest possible pay period and addressing through disciplinary action any intentional misapplication of policy if applicable.

The University of Central Florida will not tolerate any form of retaliation against individuals who report a concern regarding the payment of wages, report alleged violations of this policy, or cooperate in the university's investigation of such reports. Retaliation in violation of this policy will result in disciplinary action, up to and including discharge.

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## CONTACTS

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Office of Human Resources, UCF, 12201 Research Parkway, Suite 200 Orlando, FL 32826  
Phone: (407) 823-2771.

Payroll Department, Office of Human Resources, UCF, 12201 Research Parkway, Suite 200  
Orlando, FL 32826-3229 Phone: (407) 823-2771.

Compensation Department, Office of Human Resources, UCF, 12201 Research Parkway, Suite  
200 Orlando, FL 32826 Phone: (407) 823-2771.

<b>POLICY APPROVAL</b> <b>(For use by the Office of the President)</b>	
Policy Number: 3-010.2	
Initiating Authority: 	Date: <u>7/3/2023</u>
University Policies and Procedures Committee Chair: 	Date: <u>6/27/2023</u>
President or Designee: Alexander Cartwright 	Date: _____
<small>Digitally signed by Alexander Cartwright Date: 2023.07.07 08:38:20 -05'00'</small>	

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