The purpose of this memorandum is to remind you of the following University and Medical School policies regarding the use of overtime and compensatory time by nonexempt employees.

1. Overtime
   a. To comply with the Fair Labor Standards Act (FSLA), all nonexempt employees must receive overtime pay for hours worked in excess of 40 hours in a designated University workweek at a rate of one and one-half times their regular hourly rate of pay. Averaging hours over two or more weeks is not permitted.

   b. The overtime requirement to pay an employee for hours worked under FSLA may not be waived by agreement between the employee and his/her supervisor. Employees may not volunteer to perform work that is within their normal duty function as the University must count that time as hours worked.

   c. Under the “suffer or permit to work” provisions of the FSLA, time spent doing work not requested by the supervisor, but still allowed is hours worked and subject to payment of overtime. Suffer or permit to work examples; an employee may voluntarily continue to work at the end of regular working hours to finish an assigned task, prepare reports, finish waiting on a student or even may take work home to complete in the evening or on weekends to meet a deadline. Also under “suffer or permit to work”, if such time is worked by the employees without advance approval there will be administrative disciplinary action taken that can include termination.

   d. Overtime will be utilized only when all other avenues have been exhausted for accomplishing the daily operations of the Department. Impact of time delays, alternative scheduling and other management initiatives should be considered before using overtime.

   e. Overtime must be approved in advance by the appropriate Director and/or Dean.

2. Compensatory Time
   a. Nonexempt employees are not authorized compensatory time off in lieu of immediate overtime pay. This applies to both officially approved and “unofficially” authorized compensatory time off in lieu of required overtime payment under FSLA.

If you have any questions regarding the payment of overtime, please discuss your specific circumstances with the Business Office prior to allowing an employee to work overtime.

**Prepared By:** BUSINESS OFFICE

**Approved By:**

[Signature]

BETTY M. DREES, M.D., F.A.C.P.
DEAN AND PROFESSOR OF MEDICINE