



THE UNIVERSITY of
MISSISSIPPI

INTEROFFICE MEMORANDUM

HUMAN RESOURCES

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TO: UM Employees
FROM: Audrey Floyd, Manager of Payroll
DATE: May 4, 2016
SUBJECT: Online Time Recording and FLSA Overtime Calculation

This is a reminder that all eligible employees are required to utilize the online Employee Self-Service (ESS) Time Entry/Approval application in myOleMiss. Consistent and accurate application of policies related to overtime and leave requests is essential to maximize the convenience and efficiency of the electronic timesheets. To aid in compliance with policies and reporting requirements, please review this memo in its entirety and ensure other appropriate individuals within your area also read it and follow-up as needed.

In general, permanent employees who do not record their time against Facilities Management or Telecommunications work orders are required to log into the myOleMiss portal to record their time. Employees who currently use approved time clock systems, student employees, and Rebel Reserve employees may not use the online timesheet and should continue to utilize Form UM4/HR12. The following guidelines should be observed:

- To maintain a separation of duties, no one employee may have authorization to enter AND approve time worked/leave taken in SAP. UM WebIDs and passwords should not be shared under any circumstances.
- The federal Fair Labor Standards Act (FLSA) requires all workers qualified for overtime pay to receive a minimum of 1.5 times their regular rate of pay for all hours worked over 40 in a 7-day workweek.
- The standard workweek for University employees is defined as beginning at 12:01 a.m. on Monday and ending at 12 midnight on the following Sunday.
- Overtime applies only to those hours over 40 hours within a workweek, not the hours beyond one 8-hour workday.

- Time for employees paid on an hourly basis should be recorded in quarter of an hour increments (7 minutes or less is rounded down, 8 minutes or more is rounded up).
- Paid or unpaid absences such as personal leave and major medical leave are not considered time worked for the purpose of calculating overtime. However, the University will continue its practice of allowing official holidays [HRO.PC.400.060] to count towards the hours used to accumulate 40 hours worked in a week. For example, if an employee is required to work extra hours during the week of Memorial Day, then any hours worked over 40 (counting the 8 hour holiday for Memorial Day) will be compensated either with compensatory time or overtime pay.
- Administrative Leave due to unforeseen closure of the University or special holidays designated by the Chancellor is not considered time worked for the purpose of calculating overtime.
- Overtime eligible employees who work in more than one area of the University during a workweek must combine the hours from all positions to calculate total hours worked.
- University policy states that Compensatory Leave (time off) is the first and preferred option for overtime compensation, but each department has the option to use overtime pay in lieu of Compensatory Leave.
- Each department should have an overtime authorization process that requires employees to obtain advance supervisory approval to work more than their regular 40-hour work schedule.
- Overtime eligible employees MUST be paid or have compensatory time entered for all hours worked whether overtime has been approved or not.
- The Compensation Area within Human Resources is responsible for determining the overtime status for all staff positions. All hourly paid permanent, temporary, and student workers are, by definition, eligible for overtime pay.

Review of the University policies on overtime [HRO.EM.300.150] and departmental time recording [HRO.PC.400.040] is encouraged. If you have questions regarding the application of the guidelines set forth in this memo or related policies, please contact the Payroll Office at x7431.

Fair Labor Standards Act - Compensatory Leave - Overtime

Summary/Purpose: The University is covered by the minimum wage and overtime provisions of the Fair Labor Standards Act, as amended. Minimum wage, how to use and maintain the Departmental Time Record, and how performing additional work for another department is regulated are explained. The general procedures are given for earning Compensatory Leave when a non-exempt employee works overtime.

Minimum Wage

The minimum wage paid to University employees is \$10.00 per hour. Student employees of the University must be paid at least the federal minimum wage rate.

Overtime Pay

The FLSA does not limit the number of hours that an employee can work, but simply requires overtime be paid to qualifying employees for any hours worked over forty (40) in a standard workweek at the rate of one and one-half (1.5) times the employee's regular hourly rate of pay. The University's standard workweek begins at 12:01 a.m. on Monday and runs through midnight on Sunday.

Any hours worked over forty (40) in a standard workweek will include holidays, as defined by the Official Holidays policy (HRO.PC.400.060) but does not include Major Medical and Personal Leave. The University will count authorized enrollment in course work by an employee during working hours as hours worked and will not deduct this time from hours worked in the standard workweek.

Employees may be required to work overtime when requested by the employing department. All non-exempt, or overtime eligible, employees must have prior notice and approval from his/her supervisor before any overtime work is performed. Supervisors should provide employees with as much advanced notice as possible and should assign and distribute overtime among all eligible employees. Please note that under the FLSA, overtime work performed by a non-exempt employee, whether approved by the supervisor or not, must be compensated as overtime. If an employee works overtime without permission, the department is still obligated to compensate the employee at an overtime rate. The employee may be subject to disciplinary action up to and including termination for failing to adhere to policy.

Occasionally full-time University employees with one department will be asked to perform additional work for another University department. Since all funds expended through the University are subject to the overtime regulations, this practice is not allowed without explicit approval as it may cause overtime to be paid to the employee involved.

Under the FLSA, certain positions are considered exempt from the overtime requirement. The Department of Human Resources determines which positions meet the exemption standards of the Act. All faculty, executive, administrative, and other professional staff positions are exempt from the provisions of this policy. Exempt employees are expected to work the hours required to

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successfully perform the duties of his/her job and do not qualify for overtime compensation set forth by the FLSA.

Compensatory Leave

The FLSA allows flexibility for public employees regarding overtime compensation. The Act authorizes a public agency to provide compensatory time off in lieu of monetary overtime compensation, at a rate not less than one and one-half (1.5) hours of compensatory time for each hour of overtime worked. Compensatory Leave is the University's preferred means of overtime compensation, however each department has the discretion to determine its employee's means of overtime compensation; either compensatory leave or overtime pay.

An employee and his/her supervisor must arrive at an agreement or understanding that compensatory time will be granted in lieu of monetary compensation prior to the performance of overtime work. This agreement is not required to be in writing, but a record of the compensatory time must be kept.

An employee who has accrued Compensatory Leave and requests use of the time must be permitted to use the time off within a reasonable period after making the request if it does not unduly disrupt the operations of the department. Compensatory Leave must be earned before it can be used and must be used prior to the use of accrued Personal Leave.

The maximum amount of Compensatory Leave that an employee may accrue is 240 hours. Once an employee has reached the maximum accrual amount of Compensatory Leave, she/he must be compensated at the employee's overtime rate of pay for any hours worked over forty (40) in a regular workweek.

If an employee transfers to another department within the University or changes from a non-exempt to an exempt position, the employee must either use or be paid for all accrued compensatory time before the change in position occurs. Additionally, the employee's transfer must occur at the beginning of a payroll period since an employee can not be an exempt and non-exempt employee during the same pay period.

Upon termination, employees must be paid for unused Compensatory Leave. The rate of pay will be the final regular rate received by the employee, or an average of the employee's regular rate for the last three years of employment, whichever is greater.

Recordkeeping Requirements

The Departmental Time Record (UM4/HR12) is used by budget officers to record the hours worked by non-exempt employees. This record must be maintained on all non-exempt employees and signed by the employee and department head or supervisor upon completion.

The UM4 and HR12 are to be retained in the department office for seven years and be made readily available for audit. Student employees are also covered by these regulations therefore time records must be kept on them.

PAY PERIOD START DATE 24-Apr END DATE 8-May

EXAMPLE 1: INCORRECT

		SUN	MON	TUES	WED	THUR	FRI	SAT	SUN	MON	TUES	WED	THURS	FRI	SAT	SUN		
		4/24	4/25	4/26	4/27	4/28	4/29	4/30	5/1	5/2	5/3	5/4	5/5	5/6	5/7	5/8		TOTALS
REGULAR SCHEDULED HOURS	AHRS					8.00	8.00			8.00	8.00	8.00	8.00	8.00				56.00
OVERTIME - PAID	AOTP						2.00											2.00
OVERTIME - COMP	AOTC																	0.00
VACATION LEAVE (PERSONAL)	VACA		8.00	8.00	8.00													24.00
1ST DAY ILLNESS	1DAY																	0.00
SICK LEAVE (MAJOR MED)	SICK																	0.00
HOLIDAY PAY	HLDY																	0.00
ADMINISTRATIVE/JURY DUTY	JURY																	0.00
BEREAVEMENT LEAVE	BRVM																	0.00
TOTALS		0.00	8.00	8.00	8.00	8.00	10.00	0.00	0.00	8.00	8.00	8.00	8.00	8.00	0.00	0.00	0.00	82.00

PAY PERIOD START DATE 24-Apr END DATE 8-May

EXAMPLE 1: CORRECT

		SUN	MON	TUES	WED	THUR	FRI	SAT	SUN	MON	TUES	WED	THURS	FRI	SAT	SUN		
		4/24	4/25	4/26	4/27	4/28	4/29	4/30	5/1	5/2	5/3	5/4	5/5	5/6	5/7	5/8		TOTALS
REGULAR SCHEDULED HOURS	AHRS					8.00	10.00			8.00	8.00	8.00	8.00	8.00				58.00
OVERTIME - PAID	AOTP																	0.00
OVERTIME - COMP	AOTC																	0.00
VACATION LEAVE (PERSONAL)	VACA		8.00	8.00	8.00													24.00
1ST DAY ILLNESS	1DAY																	0.00
SICK LEAVE (MAJOR MED)	SICK																	0.00
HOLIDAY PAY	HLDY																	0.00
ADMINISTRATIVE/JURY DUTY	JURY																	0.00
BEREAVEMENT LEAVE	BRVM																	0.00
TOTALS		0.00	8.00	8.00	8.00	8.00	10.00	0.00	0.00	8.00	8.00	8.00	8.00	8.00	0.00	0.00	0.00	82.00

PAY PERIOD START DATE 25-May END DATE 8-Jun

EXAMPLE 2: INCORRECT

		WED	THURS	FRI	SAT	SUN	MON	TUES	WED	THURS	FRI	SAT	SUN	MON	TUES	WED		
		5/25	5/26	5/27	5/28	5/29	5/30	5/31	6/1	6/2	6/3	6/4	6/5	6/6	6/7	6/8		TOTALS
REGULAR SCHEDULED HOURS	AHRS	8.00	8.00	8.00				8.00	8.00	8.00	8.00			8.00	8.00	8.00		80.00
OVERTIME - PAID	AOTP							1.00	1.00									2.00
OVERTIME - COMP	AOTC																	0.00
VACATION LEAVE (PERSONAL)	VACA																	0.00
1ST DAY ILLNESS	1DAY																	0.00
SICK LEAVE (MAJOR MED)	SICK																	0.00
HOLIDAY PAY	HLDY						8.00											8.00
ADMINISTRATIVE/JURY DUTY	JURY																	0.00
BEREAVEMENT LEAVE	BRVM																	0.00
TOTALS		8.00	8.00	8.00	0.00	0.00	8.00	9.00	9.00	8.00	8.00	0.00	0.00	8.00	8.00	8.00	0.00	90.00

PAY PERIOD START DATE 25-May END DATE 8-Jun

EXAMPLE 2: CORRECT

		WED	THURS	FRI	SAT	SUN	MON	TUES	WED	THURS	FRI	SAT	SUN	MON	TUES	WED		
		5/25	5/26	5/27	5/28	5/29	5/30	5/31	6/1	6/2	6/3	6/4	6/5	6/6	6/7	6/8		TOTALS
REGULAR SCHEDULED HOURS	AHRS	8.00	8.00	8.00				9.00	9.00	8.00	6.00			8.00	8.00	8.00		80.00
OVERTIME - PAID	AOTP										2.00							2.00
OVERTIME - COMP	AOTC																	0.00
VACATION LEAVE (PERSONAL)	VACA																	0.00
1ST DAY ILLNESS	1DAY																	0.00
SICK LEAVE (MAJOR MED)	SICK																	0.00
HOLIDAY PAY	HLDY						8.00											8.00
ADMINISTRATIVE/JURY DUTY	JURY																	0.00
BEREAVEMENT LEAVE	BRVM																	0.00
TOTALS		8.00	8.00	8.00	0.00	0.00	8.00	9.00	9.00	8.00	8.00	0.00	0.00	8.00	8.00	8.00	0.00	90.00

PAY PERIOD START DATE 24-Apr END DATE 8-May

EXAMPLE 3: INCORRECT

		SUN	MON	TUES	WED	THURS	FRI	SAT	SUN	MON	TUES	WED	THURS	FRI	SAT	SUN		
		4/24	4/25	4/26	4/27	4/28	4/29	4/30	5/1	5/2	5/3	5/4	5/5	5/6	5/7	5/8		TOTALS
REGULAR SCHEDULED HOURS	AHRS		8.00	8.00	8.00	8.00	8.00			8.00	8.00	8.00	8.00	8.00				80.00
OVERTIME - PAID	AOTP									1.00	1.00	0.50	1.00	0.75				4.25
OVERTIME - COMP	AOTC																	0.00
VACATION LEAVE (PERSONAL)	VACA																	0.00
1ST DAY ILLNESS	1DAY																	0.00
SICK LEAVE (MAJOR MED)	SICK																	0.00
HOLIDAY PAY	HLDY																	0.00
ADMINISTRATIVE/JURY DUTY	JURY																	0.00
BEREAVEMENT LEAVE	BRVM																	0.00
TOTALS		0.00	8.00	8.00	8.00	8.00	8.00	0.00	0.00	9.00	9.00	8.50	9.00	8.75	0.00	0.00	0.00	84.25

PAY PERIOD START DATE 24-Apr END DATE 8-May

EXAMPLE 3: CORRECT

		SUN	MON	TUES	WED	THURS	FRI	SAT	SUN	MON	TUES	WED	THURS	FRI	SAT	SUN		
		4/24	4/25	4/26	4/27	4/28	4/29	4/30	5/1	5/2	5/3	5/4	5/5	5/6	5/7	5/8		TOTALS
REGULAR SCHEDULED HOURS	AHRS		8.00	8.00	8.00	8.00	8.00			9.00	9.00	8.50	9.00	4.50				80.00
OVERTIME - PAID	AOTP													4.25				4.25
OVERTIME - COMP	AOTC																	0.00
VACATION LEAVE (PERSONAL)	VACA																	0.00
1ST DAY ILLNESS	1DAY																	0.00
SICK LEAVE (MAJOR MED)	SICK																	0.00
HOLIDAY PAY	HLDY																	0.00
ADMINISTRATIVE/JURY DUTY	JURY																	0.00
BEREAVEMENT LEAVE	BRVM																	0.00
TOTALS		0.00	8.00	8.00	8.00	8.00	8.00	0.00	0.00	9.00	9.00	8.50	9.00	8.75	0.00	0.00	0.00	84.25