



Standard Administrative Procedure (SAP)

31.01.09.L0.01 Overtime

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Procedure Statement and Reason for Procedure

The purpose of this SAP is to establish procedures for the approval of overtime.

Under the federal Fair Labor Standards Act (FLSA), non-exempt employees who work more than 40 hours in a workweek (**FLSA Overtime**) must receive either time off or payment for the additional hours. Under Texas law, a non-exempt employee with a combination of hours worked, paid leave, compensatory time, and paid holidays totaling more than 40 hours in a workweek (**State Overtime**) must also receive either time off or payment for the additional hours.

Texas A&M International University (TAMIU) compensates overtime with **Compensatory Time** (time off) as opposed to the outright payment of overtime, except as permitted by [System Regulation 31.01.09, Overtime](#) and this SAP.

Definitions for FLSA Overtime, State Overtime, and Compensatory Time are provided in the *Definitions* section below.

Procedures and Responsibilities

1. NON-EXEMPT EMPLOYEES

- 1.1 Authorization for overtime must be provided by the supervisor or designated representative on the determination of need, work load, emergencies, or other demands which require work by employees with specific skills, training, or experience. Overtime work should be scheduled to provide fair and even distribution of overtime work among staff members whose job classifications are appropriate for the required work.

- 1.2 A non-exempt employee is required to request permission in advance from his/her supervisor prior to working more than his/her predetermined 40-hour workweek schedule.
- 1.3 Work that is not requested by the supervisor, but is permitted, must be counted as hours worked. However, non-exempt employees who work without authorization are subject to disciplinary action, up to and including termination, in accordance with [System Regulation 32.02.02, Discipline and Dismissal of Nonfaculty Employees](#).
- 1.4 The workweek is Sunday through Saturday, as defined by the Texas A&M University System. A supervisor may adjust a non-exempt employee's workweek schedule so the employee does not work overtime.
- 1.5 Non-exempt wage (non-benefits-eligible) employees should not be permitted to accrue overtime. If such a situation occurs, the overtime will be paid to the employee at 1.5 times the employee's current hourly rate of pay. To process payment, the department head must promptly submit a written request through the appropriate VP to the VP for Finance and Administration and provide the approved request to the Payroll Office for processing.

2. EXEMPT EMPLOYEES

Exempt employees are not eligible for overtime compensatory time (time off) or payment. However, under extraordinary circumstances and with the approval of the CEO or designee, an exempt employee may be approved for compensatory time (time off) as outlined in [System Regulation 31.01.09, Overtime](#).

3. USING OVERTIME

- 3.1 To minimize the administration of overtime, supervisors should encourage employees to use overtime during the 12-month period following the end of the workweek in which it was worked.
- 3.2 When requesting time off unrelated to sick leave, all non-exempt employees who have an FLSA Overtime balance must use that time before using vacation leave.

4. PAYMENT OF OVERTIME

- 4.1 FLSA Overtime and State Overtime may be paid out in instances such as those listed in Sections 4.2 and 4.3 below. FLSA Overtime will be paid at 1.5 times the employee's current hourly rate of pay, and State Overtime will be paid at straight-time multiplied by the employee's current hourly rate of pay. Both will include any longevity or hazardous duty pay received during the month in which the overtime occurred.

- 4.2 When granting compensatory time (time off) is impractical, employees may receive payment for overtime as permitted in Sections 3.2 and 4.2 of [System Regulation 31.01.09, Overtime](#). To process payment, the department head must promptly submit a written request through the appropriate VP to the VP for Finance and Administration and provide the approved request to the Payroll Office for processing.
- 4.3 Employees may accumulate no more than 240 hours of FLSA Overtime, however, employees in a public safety, emergency response, or seasonal job may accumulate no more than 480 hours of FLSA Overtime. Any employee who has reached the limit will be paid the overtime that is in excess of the limit. To process payment, the department head must promptly submit a written request through the appropriate VP to the VP for Finance and Administration and provide the approved request to the Payroll Office for processing.

5. TRANSFER OF OVERTIME

When an employee transfers between two TAMIU departments, the employee's overtime balance(s) will transfer with him/her to the receiving department.

Related Statutes, Policies, Regulations, or Rules

[System Regulation 31.01.09, Overtime](#)

Definitions

FLSA OVERTIME: Only jobs classified as "non-exempt" are eligible for FLSA Overtime. FLSA Overtime is earned from hours that are **physically** worked over 40 in a workweek (Sunday through Saturday). As required by the FLSA, excess hours **physically** worked over 40 must be calculated at time and a half (multiplied by 1.5). EXAMPLE: An employee who **physically** works 44 hours in a workweek has 4 hours over 40 calculated at time and a half ($4 \times 1.5 = 6$) resulting in 6 hours of FLSA Overtime accrued.

STATE OVERTIME: Only jobs classified as "non-exempt" are eligible for State Overtime. State Overtime is earned if the hours that are physically worked in a workweek (Sunday through Saturday) are 40 or less, but the combined worked time and time off (i.e., vacation, sick leave, holiday, etc.) in the workweek total more than 40. In this case, State Overtime is earned for the hours that exceed 40 in that workweek. State Overtime hours are not calculated at time and a half (each hour of time in excess of 40 earns one hour of State Overtime). EXAMPLE: An employee who physically works only 36 hours and is off for 8 hours of sick leave in a workweek has combined worked time and time off of 44 hours. The excess hours over 40 are 4 hours, and these 4 hours are accrued as State Overtime.

COMPENSATORY TIME: Time off (vs. payment) given as compensation for FLSA Overtime and/or State Overtime.

Contact Office

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