

## **PPP-05 Pay Procedures**

### **Work Schedule**

All employees of the university who are considered to be full-time shall work a minimum of 37.5 hours per week throughout the year; the official workday is 7.5 hours; the normal fiscal work year is 1,950 hours. This work schedule includes a one hour lunch/meal break and, as work flow permits, up to two 15 minute miscellaneous breaks. If schedules will allow, employees are permitted up to 15 minutes for a work-break period during the first half of his/her work shift and again during the second half of his/her work shift. Work breaks and/or lunch breaks cannot be accumulated or used to compensate for early departure from duty. For purposes of calculating the hours worked each week, lunch/meal breaks shall not be counted as "time worked" but miscellaneous breaks shall be counted. Some departments require irregular schedules or work hours to effectively perform required responsibilities.

The official work day will be 7.5 hours; and therefore, all attendance records, time sheets, leave records, payroll documents and other recordkeeping instruments shall be kept only in hours and tenths of hours reflecting the actual hours worked each day and week. In most cases, these should indicate 7.5 hours per day and 37.5 hours per week. Other documents, such as employee recruiting materials, orientation sessions, and comparative salary studies, should reflect this work week. The following schedule of tenths of hours shall be followed in the documenting of time worked per day.

.1 hour = 1 - 6 minutes .2 hours = 7 - 12 minutes .3 hours = 13 - 18 minutes .4 hours = 19 - 24 minutes .5 hours = 25 - 30 minutes .6 hours = 31 - 36 minutes .7 hours = 37 - 42 minutes .8 hours = 43 - 48 minutes .9 hours = 49 - 54 minutes 1.0 hours = 55 - 60 minutes

### **Overtime, Compensatory Time and Holidays**

Compensatory time and overtime payments are available to non-exempt employees only. No employee may work overtime without prior supervisory approval. Employees do not have the right to refuse to work overtime. The Fair Labor Standards Act requires employees to be compensated at a rate not less than 1.5 times their regular rate of pay for all hours worked in excess of 40 hours per week. The university is on a 37.5 hour workweek which begins at 12:01 a.m. on Sunday and ends at midnight on Saturday.

In lieu of monetary compensation and with prior approval from the supervisor, compensatory time may be awarded for overtime (rate of 1.5 hours in excess of 40 hours worked per week). Accrual of 240 hours of compensatory time is allowed. Compensatory time earned during the year will be paid at the employee's current rate of pay the last payroll of September if not otherwise used during the year in accordance with provisions of this policy.

If an employee is required to work on an official holiday, one hour off is given for each hour of "holiday" time worked and no overtime (1.5 times regular rate) would be involved (unless the workweek hours exceeded 40 hours). For non-exempt employees, holiday time worked is added to the employee's compensatory time. Any available hours will be paid each September at the

employee's current rate of pay as stated above for compensatory time. Holiday time earned during the year will be paid the last payroll of September if not otherwise used during the year in accordance with provisions of this policy. Accumulated worked holiday hours for exempt employees will be paid at the employee's current rate of pay in September each year if not otherwise used during the year in accordance with the provisions of this policy.

Accrued time worked shall include hours actually worked and holiday hours for the purposes of overtime calculation. Any hours other than the holiday hours and hours worked are excluded from overtime compensation.

Neither compensatory time nor overtime pay is authorized for attending meetings such as Staff Senate or physical plant advisory committee meetings. A condition of election to these bodies is that an employee's service is volunteered with no expected added compensation. As a general rule, commuting time to one's normally assigned place of work is not compensable, while travel time ordinarily is compensable through overtime payments or compensatory time.

If holiday time is available, it shall be used prior to compensatory time. In accordance with TCA § 8-50-801, when an employee requests annual leave and compensatory time is available, the compensatory time shall be used first, unless the accumulated annual leave balance at the beginning of the pay period is within two (2) days of the maximum accrual rate for the employee. If worked holiday time is available for exempt employees, it shall be used prior to annual leave. When an employee is within two (2) days of the maximum, annual leave may be used throughout the pay period. Any employee whose annual leave balance is not within the two (2) day maximum at the beginning of the pay period must use compensatory time during the entire pay period. Otherwise, the university will honor an employee's request for compensatory time off unless it would be unduly disruptive to the university's operations.

When cash payment is made for overtime, it shall be calculated at the rate earned by the employee at the time of the payment. When meals and/or lodging are provided as part of the base pay, then the value of such must be included in determining the hourly overtime rate. However, where cash payment is made upon termination, the employee shall be paid for accrued compensatory time at the higher of the following:

- a) the average regular rate received by the employee during the last 3 years of employment;
- b) the final regular rate received by the employee.

Information is provided to every non-exempt employee explaining the overtime provisions of the Fair Labor Standards Act (FLSA), and his/her rights and obligations under those provisions. See Attachment A.

Exempt employees will be paid on a salary basis. Exempt employees must be paid a set amount of money that does not change each week regardless of the quantity or quality of work performed. Intermittent leave under the Family Medical Leave Act does not defeat the salary basis of an exempt employee pursuant to 29 C.F.R. Sec. 541.602 (b) (7).

### **Emergency Call Back Time for Non-Exempt Employees**

A minimum of three (3) hours of compensable time will be provided for employees who are “called back” (return to job site) to work for emergency reasons. If the employee has completed their work and is called back to work within the same 3 hours window, the employee cannot claim another 3 hours of call back time.

### **On-Call Time for Non-Exempt Employees**

Employees who are scheduled to be “on-call” and provide services during off-duty hours will be paid overtime pay or compensatory time for the actual hours worked. Whether the hours spent on-call is actually hours worked must be decided on a case-by-case basis. (Please see On-Call Time Guidelines for Supervisors for additional guidance, Appendix B.)

### **Travel Time Pay for Non-Exempt Employees**

The principles which apply in determining whether time spent in travel is compensable time depends upon the kind of travel involved. (Please see Travel Time Guidelines for Supervisors for additional guidance, Appendix C.)

### **Paydays**

Physical Plant and Department of Public Safety employees are paid on both the 15th and the last working day of each calendar month. Academic year (9-month) faculty are paid on the last working day of each month. Summer session instructors will be paid the last working day in June, July and/or August depending on session(s) taught. Temporary employees are held two weeks in arrears and are paid on the 15th and the last working day of each calendar month.

Exempt graduate assistants are paid on the last working day of each month (see table below for schedule). Non-exempt graduate assistants are paid on both the 15th and the last working day of each calendar month (see table below for schedule). All other full-time employees, including 12-month, fiscal year faculty, are paid on the last working day of each month.

- Yearly appointments: last working day of the month;
- Academic year appointments: last working day of the month September – April
- Fall Semester: four monthly payments for September– December
- Spring Semester: four monthly payments for January- April

*Source: Tennessee Board of Regents Personnel Guideline No. P-020. Revised by President’s Council, March 16, 2011; Revised by Executive Staff October 2016.*

### **Attachment A**

## Rights and Responsibilities of Employees Under the Overtime Provisions of the Fair Labor Standards Act (FLSA)

- Any hours worked between 37.5 and 40 in a workweek must be compensated at additional straight time (either by pay or compensatory time as determined by the supervisor).
- Any hours worked beyond 40 in a workweek must be compensated at time and one-half (either by pay or compensatory time (“comp time”) as determined by the supervisor).
- The value of meals or lodging received must be added to an employee’s regular hourly rate to determine an overtime rate of pay.
- All compensation, including stipends, must be added to a non-exempt employee’s regular hourly rate to determine an overtime rate of pay.
- There should be specific permission requested and authorized each time from the employee’s supervisor before beginning work early (i.e., 7:45) or working late or during lunch. Any time worked beyond 7.5 hours per day, even if it is “just to finish up” must be paid as overtime.
- Time cannot be volunteered. A non-exempt employee must receive pay or comp time for all hours worked.
- A supervisor is in violation of the law if a non-exempt employee is permitted to work extra time without compensation.
- The FLSA states that an employee does not have the right to refuse overtime.
- A supervisor has the right to schedule comp time instead of paying overtime. If this is done within the same workweek, it is given off at equal time. If comp time is given off within the pay period, though not within the same workweek, it is at time and one-half for any hours worked beyond 40 in a workweek.
- In determining whether to pay extra hours at straight time or overtime, time actually worked plus holiday hours are counted. Examples are shown below:

### Hours Worked

M – 7.5  
T – 7.5  
W – 7.5  
T – 7.5  
F – 2.5 (5.0 Sick Leave)  
S – 7.5

### Compensation

In this case, an employee actually worked 32.5 hours by the end of the day Friday as 5.0 hours of sick leave was used. The employee worked 7.5 hours extra on Saturday. The total hours to be paid equal 45. Only 40 hours were actually worked. This means that the 7.5 extra hours would all be paid at straight time.

M – 7.5 (holiday)  
T – 7.5  
W – 7.5  
T – 7.5  
F – 10.0  
S – 2.5

In this case, an employee actually worked 32.5 hours by the end of the day Friday. The employee worked 2.5 hours on Saturday. Total hours actually worked equal 35.0. However, since holiday hours count as hours worked, extra pay would be based on 42.5 hours worked. This means that 2.5 hours would be paid at straight time and 2.5 hours at overtime.

Non-exempt employees have an obligation to immediately notify the Office of Human Resources if they feel these guidelines are not being followed. The employee should call the Office of Human Resources at 423-439-4457 or go to Burgin Dossett Hall, Room 307.

## Appendix B

### **On-Call Time Guidelines for Supervisors**

Non-exempt employees who are scheduled to be “on-call” and provide services during off-duty hours will be paid overtime pay or compensatory time for the actual hours worked. Whether the hours spent on-call is actually hours worked must be decided on a case-by-case basis.

All on-call time is not hours worked. Supervisors must consider the following facts for each situation (*based upon U.S. Department of Labor regulations*):

1. To qualify, employees must be required by their supervisor to restrict their off-duty activities to be immediately available for duty.
2. An employee who is required to remain on campus or so close thereto that he or she cannot use the time effectively for his or her own purposes is working while on-call.
3. An employee who is not required to remain on campus but is merely required to leave work where he or she may be reached is not working while on-call.
4. If the employee is able to use the on-call time effectively to engage in personal activities then they are not working while on-call.

*Although you may require an employee to be accessible by telephone or paging device, or you may establish rules governing the use of alcohol or participation in other activities while your employee is on-call, he or she may still be able to use the on-call time to engage in personal activities, such as cutting the grass, going to the movies, going to a ball game, or engaging in other activities of his or her choosing.*

5. If your employee is interrupted to such an extent the he or she cannot conduct his or her regular activities, your employee probably cannot use the on-call time for his or her own purposes. For example, if he or she is unable to finish a meal, read a story to his or her child or read a newspaper during the same on-call period, he or she probably cannot use the time effectively for his or her own purposes and would be working on-call.

## Appendix C

## **Travel Time Guidelines for Supervisors**

The principles which apply in determining whether time spent in travel is compensable time for non-exempt employees depends upon the kind of travel involved.

**Home to Work Travel:** An employee who travels from home before the regular workday and returns to his/her home at the end of the workday is engaged in ordinary home to work travel, which is not work time and not compensable.

**Home to Work on a Special One Day Assignment in Another City:** An employee who regularly works at a fixed location in one city is given a special one day assignment in another city and returns home the same day. The time spent in traveling to and returning from the other city is work time, except that the employer may deduct/not count that time the employee would normally spend commuting to the regular work site.

**Travel that is all in a Day's Work:** Time spent by an employee in travel as part of their principal activity, such as travel from job site to job site during the workday, is work time and must be counted as hours worked.

**Travel Away from Home Community:** Travel that keeps an employee away from home overnight is travel away from home. Travel away from home is work time when it cuts across the employee's workday. The time is not only hours worked on regular working days during normal working hours but also during corresponding hours on nonworking days. Thus, if an employee regularly works from 8:00 a.m. to 4:30 p.m. from Monday through Friday the travel time during these hours is worktime on Saturday and Sunday as well as on the other days. Regular meal period time is not counted.

### **Work performed while traveling:**

Any work which an employee is required to perform while traveling must be counted as hours worked. This includes an employee who drives a truck, bus, automobile, etc.; or an employee who is required to perform work (answering emails, telephone calls, etc.) while riding.

Time spent in travel away from home outside of regular working hours as a passenger where work is not required is not compensable.

For additional information see the *Non-Exempt Employee Travel Time Chart (HR website)*.