



# University Compliance, Ethics, and Risk Office

UNIVERSITY OF CENTRAL FLORIDA

## University of Central Florida Draft Policy Submission Cover Memo Form

Policy No. and Title:

Initiating Authority:

Initiating Authority Approval Date:

Date of Submission for Review:

Submitted by:

Department:

New Policy

Existing Policy (5-year Review)

Existing Policy (Out of Cycle  
Review)

**Summary of Revisions:** (For a new policy, please provide a summary of the policy. For an existing policy, please provide a summary of the revisions made to the policy.)

**Stakeholders included in the Review Process:** (Provide a list of departments involved in the review/revision process.)

Stakeholder feedback must also be requested from the [Faculty Senate](#) and the [College Policy Liaisons](#). By checking the boxes below, you are confirming that feedback from these groups was requested, received, and considered in the draft policy.

College Policy Liaisons

Faculty Senate

**Regulatory Requirements** (if applicable): (Provide information on regulatory requirements pertaining to the policy, including specific statute or regulation number.)

**Presenters:** (Provide the name(s), position title(s), and email address(s) for all individuals who will be presenting the policy to the university's Policies and Procedures Committee.)



# DRAFT – Eligibility for Approval of Hours Worked and Overtime Compensation

**Policy Number** 3.010.~~22~~<sup>23</sup>  
**Responsible Authority** Associate Vice President and Chief Human Resources Officer  
**Initiating Authority** ~~Senior~~ Acting Vice President and Chief Financial Officer,  
Administration and Finance  
**Effective Date** 7/7/2023  
**Date of Origin** 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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## BACKGROUND INFORMATION

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The University of Central Florida (UCF) is committed to maintaining accurate records of hours worked and ensuring employees are paid correctly in accordance with federal and state laws, collective bargaining agreements, and university regulations. Failure to comply may result in regulatory violations and financial penalties.

Federal laws such as the Fair Labor Standards Act (FLSA) and Family Medical Leave Act (FMLA) require employers to keep precise records of employee information, hours worked, and wages earned. Additionally, other laws, such as the Affordable Care Act (ACA) mandate tracking of hours to determine eligibility for health insurance benefits. Further, the FLSA sets forth provisions for determining overtime eligibility and governs the proper payment of overtime wages as required by federal and state law.

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## POLICY STATEMENT

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The University of Central Florida complies with all applicable federal and state laws and regulations that govern overtime eligibility, payment of overtime, and accurate record keeping. ~~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.~~

Under FLSA rules, Employees ~~who are~~ classified as ~~nonexempt overtime eligible~~ are subject to the overtime provisions and must be paid 1.5 times their regular hourly rate ~~overtime at a rate~~

~~1.5 times their hourly wage~~ for all hours actually worked beyond 40 in the university's defined work week. ~~There are limited exceptions apply, including specific provisions for law enforcement personnel, an exception relating to law enforcement personnel. Any potential or actual errors regarding related to classification or employee compensation must be reported immediately in accordance with procedures outlined in per this policy's procedures.~~

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## DEFINITIONS

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**Approval Delegate.** An approval delegate is an employee who is assigned or delegated the ability to review and approve worked hours for a set of employees by a faculty supervisor to assist with time approval. Delegates should be employees that work closely with faculty supervisors or those employees to ensure hours are worked and appropriately documented. The use of an approval delegate must be approved by the appropriate dean or division vice president.

**Exempt employee.** An exempt employee, as defined by this policy in the context of this policy, is any university employee who meets the criteria for exemption from the overtime provisions of the FLSA, as well as applicable state laws and regulations. of the university who qualifies for an exemption from the overtime requirements of the Fair Labor Standards Act (FLSA), state laws or regulations.

**Fair Labor Standards Act (FLSA).** FLSA sets federal standards for minimum wage, overtime pay, recordkeeping, and youth employment. These requirements apply to employees across establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector, and in federal, state, and local government agencies.

**Nonexempt Overtime eligible employee.** An nonexempt overtime eligible employee, also referred to as non-exempt under FLSA, as defined in the context of this policy, is any university employee who does not meet the criteria for exemption from the overtime provision is not qualified for an exemption from the overtime requirements of the FLSA, as well as applicable state laws or regulations.

**Paid Time Off.** Paid time off refers to time away from work in which eligible employees receive their regular pay. These hours do not count toward overtime calculations unless required by university procedure or collective bargaining agreement. Paid time off can include annual, sick, personal, holiday or other administrative time off provided by the university.

**Supervisor.** A supervisor is an employee who is responsible for overseeing the work and performance of other employees, typically within a specific department or team. Supervisors provide communication and ensure that tasks and assigned work are completed correctly, efficiently and on time, and that hours submitted by their employees within their supervisory scope are accurate.

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## PROCEDURES

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## I. Approval of Hours Worked

### Employee Obligations.

Overtime eligible employees are responsible for recording and tracking their hours worked through a time clock or in the Workday system. Employees must enter the worked hours and any paid time off as applicable within the pay period entry dates and submit by the deadline so the supervisor can review, return for correction, and approve hours timely. All eligible employees are expected to enter absence requests for annual or sick paid time off into the Workday system to track time off hours used. Employees who repeatedly fail to submit hours and absence requests by the pay period deadline may be subject to corrective action, up to and including termination.

### Supervisors.

As part of their managerial responsibilities, supervisors are expected to review and approve worked hours submitted for overtime-eligible employees by the end of each pay period to ensure accurate time tracking and proper allocation of wages to the correct funding sources, including grants, contracts, and federal work study funds as applicable. Supervisors must also review and approve all eligible absence requests for all their employees within the same timeframe. Faculty supervisors may delegate this approval process to approval delegates within the department who can reasonably verify hours worked on behalf of the faculty supervisor. Faculty members are ultimately responsible for ensuring the delegates are performing their duties correctly and timely to ensure salary costs are appropriately applied to the correct funding sources. Delegates and supervisors who repeatedly fail to approve hours and absence requests by the pay period deadline may be subject to corrective action, up to and including termination. Additionally, supervisors who intentionally report hours or fraudulently adjust hours that do not accurately reflect the actual hours worked may be subject to corrective action, up to and including termination.

### Deans and Vice Presidents.

Deans and vice presidents hold ultimate responsibility for ensuring their employees comply with this policy. Deans and vice presidents who repeatedly fail to hold their supervisors accountable may be subject to corrective action, up to and including termination. Colleges and divisions with supervisors who consistently fail to approve hours and absences by the payroll deadline may incur fees to offset the administrative costs of tracking and financial rework.

### Approval Delegates:

Approval delegates must be set as a delegate in the Workday system to approve on behalf of the faculty supervisor. Delegates must be someone who has reasonable knowledge of the assigned employees' work and can appropriately approved the hours worked. The delegate should work closely with the supervisor to ensure hours are accurate and approved in a timely manner. The supervisor is still responsible for the accuracy of the hours and timely approvals to minimize payment delays and avoid fraudulent time entry. Delegations are valid for one year and must be reviewed annually. Human Resource staff and Timekeepers should not be assigned as designees.

## II. Overtime Payment Requirements/Compensatory Time

Employees who are classified as ~~nonexempt overtime eligible~~ 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~~ Annual or sick paid time off and paid holidays ~~occur, these~~ 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~~ are not eligible for overtime payments and do not accrue compensatory time.

#### 4.3.3. 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 an ~~nonexempt overtime eligible~~ 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 time off~~ 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 time off balances~~ are being calculated correctly. In addition, ~~nonexempt overtime eligible~~ employees are required to certify their time each pay period, which must accurately reflect their work hours and ~~leave paid time off~~ usage. Employees who intentionally enter fraudulent hours may be subject to corrective action, up to and including termination.

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.

History: 3-010 6/3/2010; 3-010.1 11/28/2016, 3-010.2 7/7/2023