

# Standard Practice Guide Policies

## Overtime

201.38

**Applies to:** Non-exempt staff except those covered by the terms of a collective bargaining agreement.

### I. POLICY

Non-exempt staff members will be paid overtime compensation at one-and one-half times the staff member's regular rate of pay for all hours worked in excess of 40 hours in a calendar week (See Exceptions, Sec. II. D.).

### II. REGULATIONS AND DEFINITIONS

#### A. NON-EXEMPT

Non-exempt staff members are those employees who do not meet the exemption standards of the federal Fair Labor Standards Act.

#### B. DAY

“Day” shall mean the twenty four (24) consecutive hour period beginning with a staff member’s starting time on each work day.

#### C. CALENDAR WEEK

“Week” means seven (7) consecutive calendar days beginning at midnight between Saturday and Sunday.

#### D. AVOIDANCE OF OVERTIME

Overtime should be avoided and supervision is responsible to manage operations accordingly, including rearranging work schedules when possible.

#### E. AUTHORIZATION AND APPROVAL

Administrative heads of operating units or their authorized representative are

responsible for the scheduling and approval of overtime before overtime work is performed. Staff members may not authorize or certify their own overtime. Overtime shall not be authorized for the specific purpose of increasing a staff member's income.

#### F. GOVERNMENT OR AGENCY CONTRACTS

Overtime worked under governmental or agency contracts must be in accordance with all requirements and restrictions of the contract prior to authorizing overtime. The Controller's Office will assist in obtaining sponsor approvals.

#### G. ASSIGNMENT OF OVERTIME

Overtime, when assigned, is a requirement of every position. When practicable, it shall be arranged to cause the least inconvenience to staff members. Overtime work will be assigned primarily on a basis of University efficiency and economy and secondly, on a basis of sharing distribution.

#### H. TIME WORKED FOR COMPUTATION

Overtime will be calculated for time worked in excess of 40 hours in a calendar week.

#### I. PYRAMIDING

Overtime will not be pyramided, compounded, or paid twice for the same time worked.

#### J. RECORDS

The provisions of the Fair Labor Standards Act require the University to maintain and preserve for a minimum of three (3) years from the last day of entry or last effective date, records for each staff member or as otherwise provided by the University.

### Notes

This SPG was reviewed in October 2023. Overtime eligibility was updated, a Related Link was added and Related Policies were updated.

The policy was reviewed in February 2018. No changes were made.

This policy was reviewed in January 2013. No changes were made.

**SPG Number:**

201.38

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Non-exempt staff except those covered by the

**Date** terms  
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October University  
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**Date:** the  
October Provost  
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President  
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**Related Policies:**

Call-Back Pay (/policy/201.06)

Holidays (/policy/201.26-0)

On-Call Pay (/policy/201.36)

Payroll Controls (/policy/518.01)

Season Days (/policy/201.26-1)

Shift Premium (/policy/201.55)

Vacation (/policy/201.64-0)

Vacation (Instructional Staff) (/policy/201.64-1)

Work Schedules (/policy/201.67)

**Related Links:**

UHR Overtime Pay (<https://hr.umich.edu/working-u-m/management-administration/compensation-classification/overtime-pay>)

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