

To: All Employees  
From: Office of Human Resources  
Date: January 2, 2008  
Re: Official Notice of Required University-wide Overtime Policy for Non-Exempt Employees

In an effort to bring clarity and consistency to the University's policy on overtime, President's Council on the advice of Human Resources has adopted the following standard for overtime calculation to be utilized University-wide effective January 1, 2008. While it would be possible for the University to establish a more stringent policy which follows exactly the guidelines established through FLSA, the University has established the following approach which allows hours for vacation, holiday and sick time to count toward the total hours worked in each week.

**Payment of Overtime for Non-Exempt Employees**

Washington and Lee University administers overtime in compliance with federal and state overtime provisions. Overtime will be paid at a rate of time and a half for hours worked in excess of 40 during a workweek. The workweek begins at 12:01 AM on Saturday and ends at midnight on Friday. Although not required by law, time off for vacation, holidays and illness that occur within the workweek will be included as worked time in the calculation of overtime for that workweek.

Federal law allows time off in lieu of overtime pay under the following two conditions: Time off is to be taken at a rate of time and one-half for each hour worked over 40; and time off is to be taken within the same pay period.

It is important to note that all overtime must be approved in advance by supervisors. Employees are expected to work with their supervisors to determine when overtime may be required and seek permission to work those additional hours.

When overtime becomes a consideration, supervisors will determine whether the overtime hours will be compensated monetarily or with time off (in the same pay period). Some departments may opt to pay overtime because time off in the same pay period may not be possible; other departments, to manage budgets, may prefer that time off be granted within the pay period. With this flexibility comes the responsibility of supervisors to actively manage budgets, and communicate, in advance, how overtime situations will be handled.

When overtime occurs in the first week of a two-week pay period, supervisors may choose to allow the additional hours to be taken off at a rate of time and one-half in the second week in lieu of overtime pay. When overtime occurs in the second week of a two-week pay period, overtime must be compensated as pay monetarily.

For employees with normally scheduled hours less than 40 per week, any hours under 40 are not overtime and are compensated at the regular rate or taken off at the regular time in the same pay period. The accumulation of compensatory time is not allowed by the Fair Labor Standards Act and in order to comply with this federal law, the University cannot allow individuals or departments to accumulate compensatory time.