



Applies to: Staff and students

(Staff who are members of a bargaining unit and are covered by a collective bargaining agreement are included in this policy. However, when this policy conflicts with specific terms in the applicable collective bargaining agreement, the language in the collective bargaining agreement will prevail.)

**Responsible Office**

**Office of Human Resources**

### POLICY

Issued: 10/01/1973

Revised: 12/20/2020

Scheduling of work and use of overtime must be administered in a manner that supports the operational needs of the university and delivers quality customer service. **Unit** management is responsible for determining work schedules and authorizing overtime use. Employees will be compensated for their work in accordance with the [Fair Labor Standards Act \(FLSA\)](#) and state laws.

### Purpose of the Policy

To provide guidance on scheduling work and on compensatory and overtime eligibility, use, and payouts.

### Definitions

Term	Definition
Compensatory time	1. Paid time off earned by nonexempt staff in lieu of receiving overtime compensation for hours worked over 40 hours during a given work week; and 2. Paid time/time off used by nonexempt staff in lieu of working or using other forms of paid time off outlined in the <a href="#">Paid Time Off 6.27 policy</a> .
Differential pay	Compensation offered as an incentive to eligible nonexempt staff who work typically less conventional hours, such as late afternoon, evenings, nights, and/or weekends; a supplement to, and not a part of, eligible staff's base hourly rate of pay.
Exempt staff	Staff ineligible for overtime compensation and compensatory time as defined in accordance with the FLSA.
Health System	University Hospital, East Hospital, Brain and Spine Hospital, Richard M. Ross Heart Hospital, Harding Hospital, Dodd Rehabilitation Hospital, Ambulatory Clinics and Services, and Arthur G. James Cancer Hospital and Richard J. Solove Research Institute and Outreach Sites.
Nonexempt staff	Staff, including student employees, eligible for overtime compensation or compensatory time as defined in accordance with the FLSA.
Overtime compensation	Additional pay to nonexempt staff who work for more than 40 hours, excluding paid time off hours, in a work week.
Regular rate of pay	The university adheres to the definition of regular rate of pay under the Fair Labor Standards Act, 29 CFR 207. Regular rate of pay includes the base rate, shift and weekend differentials, and non-discretionary bonuses earned during the workweek.
Safe Harbor Rule	The university does not permit improper deductions to exempt employees' pay. The university makes a good-faith effort to comply with provisions of the FLSA by: having a clearly communicated policy that prohibits improper deductions, having a complaint mechanism, reimbursing employees for improper deductions, and making a good-faith commitment to comply in the future.
The Ohio State University Wexner Medical Center (Ohio State Wexner Medical Center)	University Hospital, East Hospital, Brain and Spine Hospital, Richard M. Ross Heart Hospital, Harding Hospital, Dodd Rehabilitation Hospital, Ambulatory Clinics and Services, and Arthur G. James Cancer Hospital and Richard J. Solove Research Institute and Outreach Sites; College of Medicine and its School of Health and Rehabilitation Sciences; the Office of Health Sciences, including OSU Faculty Group Practice; various research centers, programs and institutes; The Ohio State University Comprehensive Cancer Center.



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Unit	College or administrative unit.
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### Policy Details

- I. Scheduling Work
  - A. Compensation designates job profiles as exempt or nonexempt.
  - B. **Nonexempt staff** schedules
    1. Departments may develop flexible schedules for nonexempt staff within the standard 40-hour workweek. For flexible work arrangements, see [Flexible Work 6.12 policy](#).
    2. Any work performed by nonexempt staff which exceeds 40 hours must be compensated with **overtime compensation or compensatory time**.
  - C. **Exempt staff** schedules
    1. Full time exempt staff are expected to work no less than 40 hours per week unless:
      - a. The supervisor has approved paid time off; or
      - b. The supervisor has approved unpaid leave; or
      - c. The supervisor and the exempt staff employee have mutually agreed upon an alternative work arrangement; or
      - d. The employee is using Family Medical Leave or Military Leave.
    2. Time worked by full time exempt staff in excess of 40 hours per week is ineligible for overtime compensation or compensatory time.
- II. Exempt Staff Pay
  - A. Exempt staff are paid on a salary basis.
  - B. Reduction of exempt employees' pay
    1. Deductions to salary can only be made in accordance with law, university policies (such as Paid Time Off 6.27 and Unpaid Leave 6.45), and collective bargaining agreements.
    2. Exempt staff who believe that their salaries have been improperly deducted should contact their unit administrator who will work with the Office of Human Resources, Employee and Labor Relations, to review the matter. If a unit administrator is unavailable or if the exempt employee believes it would be inappropriate to contact that person, the exempt employee should immediately contact the [Office of Human Resources, Employee and Labor Relations, the Manager of Payroll Services](#), or the university's anonymous reporting line, [EthicsPoint](#), at 866-294-9350. Every report will be reviewed. In addition, the university will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in any university investigations of such reports. Any form of retaliation in violation of this section will result in disciplinary action, up to and including discharge.
    3. The university will correct the pay of any exempt employee whose pay is found to have been improperly reduced and correct it in the future.
- III. Overtime Compensation and Compensatory Time
  - A. Nonexempt staff will be paid overtime compensation when they work more than 40 hours in a work week. The calculation of hours worked includes holiday benefit pay. Holiday premium pay hours will count toward the calculation of overtime eligibility and will be used to offset any holiday benefit pay hours used in the calculation of overtime. The calculation of hours worked excludes paid time off hours such as sick time off, vacation time off, and compensatory time off.
    1. Nonexempt staff must receive approval from their supervisor prior to working overtime.
    2. Pay for hours worked in excess of 40 in a work week will be paid at a rate of time and one-half the regular rate of pay.



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- B. The supervisor has the discretion to determine whether nonexempt staff may elect to earn compensatory time in lieu of overtime compensation. When offered the choice, nonexempt staff may elect to earn compensatory time in lieu of overtime compensation.
- C. Intermittent staff and student employees are eligible for overtime compensation, but are ineligible for compensatory time.

#### IV. Differential Pay

- A. Nonexempt staff may be eligible for **differential pay**, including shift and weekend differential pay.
- B. With the exception of certain **Ohio State Wexner Medical Center** staff, and certain university staff designated by Compensation, nonexempt staff with intermittent positions are ineligible for differential pay.
- C. Student employees are ineligible for differential pay.

## PROCEDURE

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Issued: 10/01/1973

Revised: 12/20/2020

- I. Scheduling Work
  - A. The unit or the unit supervisor must establish standard work schedules for all nonexempt staff.
- II. Record Keeping
  - A. Nonexempt staff must:
    - 1. Submit time worked and time off or leave taken in a timely and accurate manner;
    - 2. Confirm pay reflects time worked and time off or leave taken; and
    - 3. Report to unit or unit supervisor any potential discrepancies.
  - B. The unit or unit supervisor must review the records of time submitted by nonexempt and exempt employees and approve when appropriate.
  - C. Payroll services will work with unit or unit supervisor and the employee to review paycheck questions and make corrections as needed.
- III. Overtime Compensation
  - A. The unit or unit supervisor has sole authority for determining when overtime hours are required to complete work. The determination will be based on operational needs.
    - 1. When overtime work is deemed necessary, the unit or unit supervisor:
      - a. May first seek volunteers to perform the overtime work before requesting or directing nonexempt staff to work overtime.
      - b. Must authorize nonexempt staff who work over 40 hours per week to receive overtime pay.
  - B. Nonexempt staff who have not been requested or directed by their unit or unit supervisor to work overtime must request approval from the unit or unit supervisor prior to working overtime. Nonexempt staff who work overtime without receiving prior approval to do so from their supervisor may be subject to corrective action. See [Corrective Action and Involuntary Termination 8.15 policy](#).
- IV. Compensatory Time
  - A. The unit or unit supervisor may require nonexempt staff to designate whether they want to earn compensatory time or overtime compensation prior to being approved to perform the work.
  - B. When nonexempt staff designate compensatory time and work overtime, the unit or unit supervisor must approve the compensatory time election.
  - C. Compensatory time must be used at a time mutually agreed upon by the nonexempt staff member and the unit or unit supervisor.



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- D. Nonexempt staff may not maintain more than 240 hours of compensatory time. Earned compensatory time must be used within 365 days from the day it was earned. Any earned compensatory time that is not used within 365 days will be paid out on a regular paycheck.
- E. Nonexempt staff who reach the maximum 240 accrued hours of compensatory time will be paid for any hours that exceed that maximum in the pay period following the pay period in which the maximum was reached.
- F. Unused compensatory time will be paid at the employee’s current base hourly rate of pay in the following circumstances:
  1. If not taken within 365 days of being earned; or
  2. Upon job transfer, in which case the unit from which the employee is transferring holds the financial responsibility for the pay out to the employee; or
  3. Upon moving from a nonexempt position to an exempt position; or
  4. Upon separation from employment.

### V. Differential Pay

A. The university has established standard work hours for differential pay:

Shift	Group	Academic Campus	Health System
2 <sup>nd</sup> shift	Non-Bargaining Unit	3:00PM – 11:00PM	3:00PM – 8:00AM
3 <sup>rd</sup> shift	Non-Bargaining Unit	11:00PM – 7:00AM	
Weekend shift	Non-Bargaining Unit	11:00PM Friday – 11:30PM Sunday	11:00PM Friday – 11:30PM Sunday

1. Weekday shift differential pay will be paid to eligible nonexempt staff who work a minimum of four consecutive hours during shifts which qualify for differential pay. For more information, see [Frequently Asked Questions](#).
2. Additional information regarding differential pay, including call back and on call pay, may be found in the [Frequently Asked Questions](#).

### Responsibilities

Position or Office	Responsibilities
Compensation	Designate job profiles as exempt or nonexempt.
Employee	<ol style="list-style-type: none"> <li>1. Request approval from unit or unit supervisor prior to working overtime unless specifically directed to work overtime by unit or unit supervisor.</li> <li>2. Notify unit or unit supervisor of desire to receive overtime pay or compensatory time off within the same pay period that work was completed.</li> <li>3. Submit time worked and time off or leave taken in a timely and accurate manner.</li> <li>4. Confirm pay reflects time worked and leave taken and immediately report to unit or unit supervisor any potential discrepancies.</li> </ol>
Payroll Services	Work with employee and unit or unit supervisor to review paycheck questions and correct as needed.
Unit or unit supervisor	<ol style="list-style-type: none"> <li>1. Follow FLSA regulations and state law when managing overtime.</li> <li>2. Establish, communicate, and enforce approval of overtime requests.</li> <li>3. Review and approve employee records of time when appropriate.</li> <li>4. Approve requests to work overtime prior to the time being worked and ensure that employees designate overtime pay or compensatory time off within the same pay period that work was completed.</li> <li>5. Review the records of time submitted by nonexempt and exempt employees and approve when appropriate.</li> </ol>



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### Resources

#### Governance Documents

Fair Labor Standards Act, [dol.gov/whd/flsa/](http://dol.gov/whd/flsa/)

#### University Policies, [policies.osu.edu](http://policies.osu.edu)

Corrective Action and Involuntary Termination 8.15, [hr.osu.edu/wp-content/uploads/policy815.pdf](http://hr.osu.edu/wp-content/uploads/policy815.pdf)

Family and Medical Leave 6.05, [hr.osu.edu/wp-content/uploads/policy605.pdf](http://hr.osu.edu/wp-content/uploads/policy605.pdf)

Flexible Work 6.12, [hr.osu.edu/wp-content/uploads/policy612.pdf](http://hr.osu.edu/wp-content/uploads/policy612.pdf)

Holidays 6.20, [hr.osu.edu/wp-content/uploads/policy620.pdf](http://hr.osu.edu/wp-content/uploads/policy620.pdf)

Military Leave/Re-employment Rights 6.35, [hr.osu.edu/wp-content/uploads/policy635.pdf](http://hr.osu.edu/wp-content/uploads/policy635.pdf)

Paid Time Off 6.27, [hr.osu.edu/wp-content/uploads/policy627.pdf](http://hr.osu.edu/wp-content/uploads/policy627.pdf)

Staff Employment 4.20, [hr.osu.edu/wp-content/uploads/policy420.pdf](http://hr.osu.edu/wp-content/uploads/policy420.pdf)

Student Employment 10.10, [hr.osu.edu/wp-content/uploads/policy1010.pdf](http://hr.osu.edu/wp-content/uploads/policy1010.pdf)

Unpaid Leave 6.45, [hr.osu.edu/wp-content/uploads/policy645.pdf](http://hr.osu.edu/wp-content/uploads/policy645.pdf)

#### Additional Guidance

Administrative Resource Center, [admin.resources.osu.edu/workday/workday-for-employees](http://admin.resources.osu.edu/workday/workday-for-employees)

Collective bargaining agreements, [hr.osu.edu/services/elr/labor-relations](http://hr.osu.edu/services/elr/labor-relations)

Flexible work tools, [hr.osu.edu/policies/flexible-work](http://hr.osu.edu/policies/flexible-work)

Manager Guide to Shift Differential Pay, [hr.osu.edu/wp-content/uploads/shift-differential-pay-guidelines.pdf](http://hr.osu.edu/wp-content/uploads/shift-differential-pay-guidelines.pdf)

Manager Guide to Shift Differential Pay (CWA), [hr.osu.edu/wp-content/uploads/shift-differential-pay-guidelines-cwa.pdf](http://hr.osu.edu/wp-content/uploads/shift-differential-pay-guidelines-cwa.pdf)

Scheduling Work and Overtime Compensation Frequently Asked Questions, [hr.osu.edu/wp-content/uploads/policy610-faq.pdf](http://hr.osu.edu/wp-content/uploads/policy610-faq.pdf)

### Contacts

Subject	Office	Telephone	E-mail/URL
Anonymous reporting	EthicsPoint	866-294-9350	<a href="http://secure.ethicspoint.com/domain/media/en/gui/7689/index.html">secure.ethicspoint.com/domain/media/en/gui/7689/index.html</a>
Employee and Labor Relations	HR Connection	614-247-myHR (6947)	<a href="mailto:HRCconnection@osu.edu">HRCconnection@osu.edu</a>
Payroll Services	HR Connection	614-247-myHR (6947)	<a href="mailto:HRCconnection@osu.edu">HRCconnection@osu.edu</a>
Policy or FLSA questions	HR Connection	614-247-myHR (6947)	<a href="mailto:HRCconnection@osu.edu">HRCconnection@osu.edu</a>

### History

Issued: 10/01/1973  
 Revised: 11/15/1981  
 Revised: 09/01/1986  
 Revised: 02/01/1996  
 Revised: 02/04/1997  
 Edited: 10/31/1997  
 Edited: 09/06/2002  
 Revised: 05/01/2005  
 Revised: 07/01/2013  
 Revised: 12/20/2020

Reflects material revision approved by President’s Cabinet and subsequent minor revision updating the Resources and Contacts sections and addressing the safe harbor rule, exempt staff language, and holiday benefit pay