

Accurate Timekeeping: Employee’s Guide

The following information is intended as a user guide for the UArizona Fair Labor Standards Act and Overtime Policy. This information does not modify, replace or supersede that policy. To the extent this guide is inconsistent with the UArizona Fair Labor Standards Act and Overtime Policy, the policy controls.

As an employee, accurate time reporting helps ensure that your paycheck is correct and on time. This guide provides some helpful information and tips on how to accurately report your time.



What does Nonexempt and Exempt mean?

Nonexempt positions/employees must be paid for every hour worked, while Exempt positions/employees are paid on a salary basis. The HR-Compensation department assigns one of these categories to every position to ensure compliance with a federal law called the Fair Labor Standards Act (FLSA). More information on UArizona’s FLSA and Overtime Policy can be found [here](#).¹

Nonexempt (hourly)	Exempt* (salary)
<ul style="list-style-type: none"> Must be paid for all hours worked Must be paid, at least, the federal minimum wage Must be compensated at 1.5x their hourly rate for all hours worked over 40 in a workweek 	<ul style="list-style-type: none"> Must be paid a minimum of \$684 per week Must be paid on a salary basis Must meet the requirements of <u>one</u> of the FLSA "duties" tests

*A position/employee must meet all of the above requirements or the position/employee **MUST** be classified as nonexempt/hourly.



What is “Paid” Time?

Regular Hours	The hours an employee is regularly scheduled to work.
Overtime	Time worked by nonexempt (hourly) employees over the employee’s regularly scheduled hours, based on the employee’s FTE. At UArizona, these hours are typically paid as comp time (see below).
Travel	Work-related travel during regular business hours. Please see Rest Breaks & Travel section below for additional information on paid travel.

¹ <https://policy.arizona.edu/employment-human-resources/fair-labor-standards-act-and-overtime-policy>

Training	Work-related training is compensable (paid) time, <u>unless</u> attendance is voluntary, outside of regular work hours, the training is not required for your specific job, and the employee does not perform any productive work during the training.
Preparation/Transition Time	Time spent by employees preparing for the beginning and ending of a shift, such as donning or removing required PPE.



Overtime & Comp Time

Note: ALL overtime must be approved by your supervisor/manager prior to being worked. Before any overtime is worked, supervisors and employees need to discuss options for managing overtime hours, including flexing hours within the same workweek and, if overtime is deemed necessary, how to record Comp Time or paid time on their time sheet. If unplanned/unapproved overtime occurs, you must notify your supervisor as soon as possible. Continued unapproved overtime will be addressed by supervisors/managers and could result in disciplinary action.

What is a workweek?

- The UArizona workweek begins on Monday at 12:01 a.m. and ends on Sunday at 12:00 midnight.

Overtime:

- All hours worked over a nonexempt employee's regularly scheduled hours in a workweek are considered overtime. Overtime at UArizona is compensated as Compensatory Time (Comp Time) or regular pay.
- An employee's regularly scheduled hours are determined by the employee's **Full Time Equivalency (FTE)**. For example, a 1.0 FTE employee is regularly scheduled to work a 40-hour workweek and a .5 FTE employee is regularly scheduled to work a 20-hour workweek.

UArizona has two types (or rates) of Overtime:

Straight Time Overtime

- Overtime is paid at the employee's regular rate when a nonexempt employee works over their assigned FTE, but less than 40 hours in a work week.
- Example 1: A .5 FTE employee works 30 hours in a workweek. The employee receives overtime compensation at the regular rate for 10 hours.

Time and one half (1.5x) Overtime

- Overtime is paid at 1.5x the employee's regular rate when a nonexempt employee works more than 40 hours in a workweek.
- Example 1: A 1.0 FTE employee works 50 hours in a workweek. The employees receives overtime at a rate of 1.5x the employee's regular rate of pay for 10 hours of overtime.
- Example 2: A .5 FTE employee works 50 hours in a workweek. The employee receives overtime at the regular rate for 20 hours of straight time overtime (i.e., hours worked above FTE, up to 40 total hours) and overtime at a rate of 1.5x the employee's regular rate of pay for 10 hours of time and one half overtime (i.e., hours worked over 40 total hours).

Compensatory Time (Comp Time)

- In lieu of receiving overtime in regular pay, the default at the UArizona is to pay overtime as Compensatory Time (Comp Time). Comp Time is accrued at either the **straight time** or **time and one half** rate depending on the total number of hours the employee has worked in the workweek. Accrued Comp Time is paid time off, similar to vacation time. If an employee separates from UArizona or moves to a position with exempt status, the employee will receive payment for any accrued Comp Time.



Time Reporting

Nonexempt (hourly)

- Must report ALL hours worked. Known as Positive Time Reporters at UArizona.
- Hours recorded must match the hours worked in that workweek. Hours cannot be averaged or transferred across workweeks
- Employees must enter their time and have it approved by the payroll calendar deadlines.
- All Overtime hours must be reflected on the timesheet and will be recorded as Comp Time unless otherwise designated.

Exempt (salary)

- Known as Exception Reporters
- Only record deviations from their normal work hours, such as vacation time, sick time, and other paid and non-paid time off.

Please see the payroll calendar on the FSO payroll webpage linked [here](#)² for time reporting dates.



Rest Breaks & Travel:

**The following applies to nonexempt (hourly) employees*

Rest Breaks & Meal Periods

- Short rest breaks (15 minutes or less) are considered compensable (paid) time.
- Short rest breaks cannot be used: (1) to offset late arrival or early departure from the worksite; (2) to extend the meal period; or (3) to accumulate paid time off from one day to the next.
- **Uninterrupted** meal periods of 30 minutes or more are unpaid time. The University typically provides employees with an unpaid one-hour meal break.

Travel Time

- Home to work travel is NOT compensable (paid) time.
- Travel between job sites during the normal workday is compensable (paid) time, as it is part of the employee's workday.
- Please reach out to your supervisor or college/division HR-Compensation representative for direction on how to record travel away from your home community on your timesheet.



Questions?

Please contact HR - Compensation at compensation@arizona.edu with any questions regarding the FLSA.

²<https://www.fso.arizona.edu/payroll>