

Overtime Compensation

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Scope

This policy applies to all University of Nebraska at Omaha (“UNO”) nonexempt (hourly-paid) employees, including part-time nonexempt employees. Such policy does not apply to employees who are exempt from overtime provisions of the Fair Labor Standards Act (FLSA).

Policy Statement

UNO may require employees to work more than forty (40) hours during a workweek. Nonexempt employees are eligible for overtime compensation for hours worked more than forty (40) in a workweek.

UNO’s official workweek is from 11:01 P.M. Thursday to 11:00 P.M. the following Thursday. Overtime is paid at a rate of one and one-half (1.5) times the employee’s regular hourly rate for hours worked in excess of forty (40) in a workweek.

Overtime must be approved in advance by the employee’s supervisor prior to being worked. Failure to obtain prior approval may result in corrective or disciplinary action.

Vacation, Sick, Funeral, Military, Administrative and other approved leaves will not be included as hours worked toward the computation of overtime. Additionally, meal periods are not counted as worked when the employee is fully relieved from duty. However, if the employee is required to perform any duties while eating, the meal period will be counted as hours worked. Rest breaks of fifteen (15) minutes are counted as hours worked.

Compensatory Time (“Comp Time”)

At the discretion of the Dean, Director, and/or Unit Leadership, employees may earn compensatory time off in lieu of cash overtime compensation. Comp time is earned at the rate of one and one-half (1.5) hours of comp time for each overtime hour worked.

- Maximum Balances:
 - General nonexempt employees may not exceed sixty (60) hours of comp time, which corresponds to forty (40) hours of actual overtime hours worked multiplied by one and one-half (1.5).
 - Employees involved in public safety activities or seasonal work may not exceed a comp time balance of one hundred twenty (120) hours.
 - Once an employee reaches the applicable cap, additional overtime must be paid in cash at the rate of one and one-half times (1.5) their regular hourly rate. No further comp time may be accrued until the balance drops below the cap. Overtime worked above the cap will be paid, not banked.

- Comp time should generally be used within ninety (90) calendar days of accrual when operationally feasible. Supervisors and employees should schedule use of comp time to avoid undue disruption of UNO operations. If comp time cannot reasonably be used within ninety (90) days, business units may elect to either pay out the accrued balance (in whole or in part) or allow carry-forward based on operational needs. In all cases, comp time usage requests must be honored within a reasonable period unless its use would unduly disrupt operations.
- All accumulated comp time must be taken (or paid off) prior to the effective date of a salary change or a department transfer. Upon separation of University employment, employees will be paid for all unused comp time at a rate not less than the final regular rate of pay or their average regular rate over the last three (3) years, whichever is higher.
- For employees hired after April 1, 1986, a written agreement or understanding is required to grant comp time in lieu of cash overtime. Business units must maintain such agreements in accordance with recordkeeping requirements.

Multiple Positions & Combined Hours

Nonexempt employees working in two (2) or more UNO or University positions (including across separate departments or campuses) are entitled to overtime when the combined hours of all jobs exceed forty (40) in the workweek. The primary home department is responsible for monitoring the total hours worked. Overtime hours should be submitted on the time report for the job in which the overtime is worked. Overtime must be paid at one and one-half (1.5) times the highest hourly rate the employee is to be paid during the pay period.

Maintenance of Records of Hours Worked

The FLSA requires that a record of the hours worked each day by non-exempt employees be maintained. Business Units/Colleges/Departments/Divisions are responsible for maintaining the records of hours worked by their nonexempt employees. Internal university auditors, as well as federal auditors, may request these records.

Reason for Policy

This policy ensures compliance with the FLSA and University of Nebraska system requirements regarding overtime compensation and comp time for public employers. It clarifies authorization, accrual, use, and payout rules to promote consistent, lawful treatment of overtime across UNO, manage operational and fiscal impacts, and provide transparent expectations for supervisors and employees.

Procedures

- 1. Authorization & Scheduling**
 - a. Supervisors must authorize overtime in advance when possible.
 - b. Supervisors should manage schedules to minimize unnecessary overtime.
 - c. Employees must accurately record all hours worked in the approved timekeeping system.
- 2. Calculating Overtime**
 - a. Only hours worked count toward overtime thresholds.
 - b. Paid leave does not count toward the overtime threshold.
 - c. When an employee works multiple positions, combined hours determine eligibility for overtime.
- 3. Compensatory Time Administration**
 - a. Units may approve comp time in lieu of cash overtime and must document the arrangement (written agreement for employees hired after 4/1/1986).
 - b. Comp time accrues at 1.5x and may not exceed 60 hours (or 120 hours for public safety/seasonal).
 - c. Supervisors should schedule comp time within 90 days of accrual when feasible; if not feasible, supervisors may approve payout or carry-forward consistent with operational needs.
 - d. Employees' requests to use comp time must be granted within a reasonable period unless usage unduly disrupt operations.
 - e. Comp time must be used or paid before promotion, transfer, or pay changes; all unused comp time must be paid out upon separation.
- 4. Recordkeeping & Monitoring**
 - a. Departments must maintain daily time records for nonexempt employees, including comp time earned/used.
 - b. Units should review comp time balances quarterly to ensure timely use or payout and prevent accruals approaching the cap.

- c. Departments must retain any Compensatory Time Agreements and related approvals consistent with University record retention and FLSA requirements.

5. Corrective Action

- a. Working unapproved overtime may result in corrective or disciplinary action; however, all hours actually worked must be recorded and compensated in accordance with this policy.

6. First Responders

- a. Overtime shall be attributed to first responders (Police, Campus Security, Public Safety) in accordance with state statute.

Definitions

Compensatory Time (Comp Time): Paid time off in lieu of cash overtime, accrued at one and one-half (1.5) hours of leave for each overtime hour worked by a nonexempt employee, subject to caps and applicable law.

Hours Worked: Time an employee is permitted to work for UNO, excluding certain meal periods and paid leave categories.

Nonexempt Employee: An employee covered by the FLSA overtime provisions and eligible for overtime/comp time.

Public Safety Activities: Positions performing law enforcement or similar public safety functions; may be subject to different thresholds or caps under FLSA regulations.

Seasonal Work: Positions with seasonal demand (e.g., snow removal) that may qualify for the higher compensatory time cap.

Workweek: The officially designated week of work for UNO recognized as being 11:01 p.m. Thursday to 11:00 p.m. the following Thursday for overtime calculation purposes.

Forms

[Overtime/Compensatory Time Authorization Agreement](#)

History

This policy was updated in June 2016.

2.26.2026: Proposed draft revision to include but not limited to the following: The new policy clarifies scope based on FLSA classification, reinforces that all hours worked must be paid, and adds disciplinary authority and expanded legal framing. It also significantly expands compensatory time rules, formalizes procedures and recordkeeping requirements, removes the occasional job exception, and adds a new definitions section.