

**1. Title**

State Compensatory Time

**2. Policy**

Sec. 1 Policy Statement. The University of Texas System Administration permits eligible employees to earn and use State compensatory time in accordance with State law and this Policy.

Sec. 2 Purpose. To provide administration of State compensatory time.

Sec. 3 Eligibility.

3.1. Exempt employees of U. T. System Administration who are appointed at least 20 hours per week for a period of at least four and one-half months and who are not in a position that requires student status as a condition of employment.

3.2 Non-exempt employees of The University of Texas System administration who:

- (a) are appointed at least 20 hours per week for a period of at least four and one-half months; and
- (b) are not in a position that requires student status as a condition of employment; and
- (c) whose combined work hours plus paid leave/holidays exceeds 40 hours in one workweek.

Sec. 4 Earning and Payment for State Compensatory Time.

4.1 State compensatory time is earned on an hour-for-hour basis.

4.2 Exempt Employees.

- (a) A full-time exempt employee earns State compensatory time when the total number of hours worked in a workweek plus the number of hours of holiday or paid leave exceeds 40. Full-time exempt employees may not be paid for earned State compensatory time except as provided in Section 4.4, State Compensatory Time Earned on Holidays.
- (b) A part-time exempt employee may earn State compensatory time when the total number of hours

worked in the workweek plus the number of hours of holiday or paid leave exceed the number of hours for which the employee is appointed. A part-time exempt employee may be paid for the hours worked or earn State compensatory time, as determined by the employee's supervisor.

**4.3 Nonexempt Employees.**

- (a) A full-time nonexempt employee earns State compensatory time when the total number of hours worked in a workweek plus the number of hours of holiday or paid leave, minus any Fair Labor Standards Act (FLSA) overtime hours, exceeds 40. Full-time nonexempt employees may be paid for State compensatory time hours when taking of compensatory time would be disruptive to normal teaching, research, or other critical functions.
- (b) A part-time nonexempt employee may not accrue State compensatory time if the hours worked in a workweek plus the number of hours of holiday and paid leave do not exceed 40 in a workweek. A part-time nonexempt employee must be paid for the hours worked over the hours appointed to work, and may not accrue compensatory time.
- (c) A nonexempt employee must have prior approval from his or her supervisor before working hours that may result in the earning of State compensatory time.

**4.4 State Compensatory Time Earned on Holidays.**

- (a) An employee who is eligible for holiday pay and works on a holiday will receive State compensatory time for hours worked on the holiday.
- (b) Accrued holiday State compensatory time must be used prior to non-holiday State compensatory time.
- (c) An employee may be paid for State compensatory time earned on a holiday if it is determined that allowing compensatory time off would disrupt normal teaching, research, or other critical functions.

- (d) An employee whose employment terminates prior to using compensatory time earned on holidays may have his/her appointment extended to allow for use of such time.

4.5 Payment Processing.

- (a) To pay an employee for holiday State compensatory time or nonexempt State compensatory time, the department submits a manual payroll voucher and the employee's Monthly Leave Summary to the Office of Employee Services (OES) for review. OES will forward the payment voucher to Accounting and Purchasing Services (APS) for payment. APS will process the voucher for payment on the second semimonthly payroll.
- (b) After the payment is processed, the department will deduct the holiday State compensatory time or nonexempt State compensatory time from the employee's balances for which the employee was paid.

Sec. 5 Cap on State Compensatory Time Balance. An employee's State compensatory time balance cannot exceed 144 hours or the employee's current sick leave balance, whichever is higher. A nonexempt employee will be paid at the employee's regular rate of pay for State compensatory time that would cause the employee to exceed this cap.

Sec. 6 Transfer of Accrued State Compensatory Time.

- 6.1 When an employee transfers from one department to another, the employee's State compensatory time balance will also transfer.
- 6.2 Unused State compensatory time will not transfer to or from another State agency or institution of higher education.

Sec. 7 Use of State Compensatory Time.

7.1 Executive Officers.

- (a) Executive officers may use up to 100 hours of State compensatory time each fiscal year. Requests to use more than 100 hours of State compensatory time in a fiscal year must be submitted to and approved by the Chancellor in advance.

- (b) Executive officers may use up to a maximum of 20 hours of State compensatory time in a workweek with supervisory approval. Use of 20 hours of State compensatory time cannot exceed two consecutive workweeks.
- (c) Use of State compensatory time during a workday or a workweek may be augmented by other accrued and available leave.

7.2 Administrative and Professional (“Code 1000”) Staff.

- (a) Administrative and professional staff may use up to a maximum of 20 hours of State compensatory time in a workweek with supervisory approval. Use of 20 hours of State compensatory time in a workweek cannot exceed two consecutive workweeks.
- (b) Use of State compensatory time during a workday or a workweek may be augmented by other accrued and available leave.

7.3 Classified Employees.

- (a) Classified employees may use up to 40 hours of State compensatory time in a workweek with supervisory approval. Use of 40 hours of State compensatory time in a workweek cannot exceed two consecutive workweeks.
- (b) Use of State compensatory time during a workday or a workweek may be augmented by other accrued and available leave.

7.4 Employees Separating from U. T. System Administration. An employee separating from U. T. System Administration may use up to 40 hours of State compensatory time during the last week of employment with supervisory approval.

Sec. 8 Expiration of Accrued State Compensatory Time.

- 8.1 State compensatory time expires 12 months after the end of the workweek in which it was earned; earned compensatory time not used within that time is lost. A supervisor shall accommodate to the extent practicable an employee’s request to use accrued State compensatory time.

- 8.2 If an employee wishing to use accrued compensatory time submits a written request at least 90 days before the date the State compensatory time expires, the supervisor or department head must approve the employee's request in writing or provide the employee with an alternate date on which the employee may use the State compensatory time.
- 8.3 If the employee submits his or her request less than 90 days before the date on which the State compensatory time expires, the supervisor or department head is encouraged to reasonably accommodate the employee's use of accrued State compensatory time before it lapses.

### 3. Definitions

Exempt Employee - an employee who is not covered by the overtime provisions of the FLSA.

Fair Labor Standards Act (FLSA) - the federal law (29 U.S.C. §§ 201-219) that establishes overtime standards for employees.

Hours Worked - any hours that U. T. System Administration requires or permits an employee to work.

Nonexempt Employee - an employee who is covered by the overtime provisions of the FLSA.

Workday - the 24-hour period beginning at 12:01 a.m. and ending at 12:00 midnight.

Workweek - a fixed and recurring period of seven consecutive 24-hour days, which begins at 12:01 a.m. Monday and ends at 12:00 midnight Sunday.

### 4. Relevant Federal and State Statutes

[Fair Labor Standards Act of 1938, as amended, 29 U.S.C. § 201 et seq.](#)

[Texas Government Code Sections 659.015, 659.016, 659.018, 659.022, and 659.023](#)

[Texas Government Code Sections 662.005\(b\) and 662.007, Holidays and Recognition Days, Weeks, and Months](#)

### 5. Relevant System Policies, Procedures, and Forms

[Board of Regents' Rules and Regulations, Rule 30201](#)

[INT113, Fair Labor Standards Act – Overtime](#)

[INT143, Time and Attendance](#)

**6. System Administration Office(s) Responsible for Policy**

Office of Employee Services

**7. Dates Approved or Amended**

February 1, 2006

June 14, 2010

November 5, 2012

July 1, 2013