



**Institutional Handbook of Operating Procedures**

**Policy 03.04.03**

Section: Employee Policies	Responsible Vice President: Executive Vice President of Business and Finance
Subject 3.4: Compensation	Responsible Entity: Human Resources

**I. Title**

*State Compensatory Time*

**II. Policy**

This policy provides guidelines regarding the for granting of state compensatory time in lieu of salary payments to classified employees who are exempt from the overtime requirements of the Fair Labor Standards Act (FLSA). With prior supervisory approval, such an employee may earn state compensatory time for hours worked greater than the employee’s appointed hours in a work weekcycle. Each University of Texas Medical Branch (UTMB) entity leader or his/her designee must shall maintain a state compensatory time policy that describes the applicability of the policy, identifies the approvals an employee must obtain, and explains permitted accruals.

Except as specified in the Texas General Appropriations Act and clarified by UTMB policy, an exempt employee may not accrue state compensatory time except at the employee’s regular or temporarily assigned place of employment. An employee’s personal residence is not may not be considered the employee’s regular or temporarily assigned place of employment.

**III. Eligible Positions**

All exempt positions listed on [the HR web](#) may be eligible to earn state compensatory time. Classified exempt positions at UTMB are considered to be of a professional nature; as such, full-time classified exempt employees may be required to work more than 40 productive hours in a workweek to complete their job responsibilities. Classified exempt employees are not automatically entitled to earn state compensatory time.

**IV. State Compensatory Time Approval Criteria**

An employee’s supervisor may grant a state compensatory time opportunity under the following circumstances:

1. Under extenuating circumstances when normal work operation is outside of regular and recurring business schedules;
2. When major project deadlines will otherwise be compromised;
3. When patient care needs will otherwise not be met; or
4. When University contract obligations and/or funding will otherwise be jeopardized.

In these circumstances, the supervisor must grant approval in accordance with departmental policy before the state compensatory time is earned.

Institutional leadership may also adjust work schedules for exempt employees during a single workweek in lieu of granting state compensatory time to those employees.

## IHOP Policy 3.4.3 State Compensatory Time

### V. Accrual & Use

If approved, compensatory time may be accrued and used up to a maximum of 120 hours. Compensatory time may be awarded at a rate not to exceed one hour of compensatory time off for each hour of time worked.

Compensatory time must be taken prior to the end of the twelve month period following the date on which the time was earned. If the compensatory time is not taken within 12 months from the date of accrual, the accrual is forfeited and will automatically be dropped from the employee's accrual records. Managers are responsible for encouraging their employees who have accrued compensatory time to take their earned time prior to expiration upon 12 months.

Employees who have reached the maximum of 120 hours and subsequently accrue approved compensatory time will have the oldest equivalent time replaced by the new accruals. The oldest hours greater than the maximum of 120 hours will be removed from the balance at the end of each month.

Exempt classified employees are not paid for any compensatory time accrued and not used at the time of separation from UTMB.

Request for use of accrued compensatory time must be submitted on the Leave Request Form and must be approved by the department head, supervisor, or designee prior to being taken

### VI. Record Keeping

Compensatory time earned and taken must be reported using the institutional time forms

### VII. Relevant Federal and State Statutes

[Fair Labor Standards Act](#)

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

### VIII. Related UTMB Policies and Procedures

[IHOP Policy 3.1.5, Attendance Policy](#)

[IHOP Policy 4.1.4, Time and Attendance Reporting Policy](#)

### IX. Dates Approved or Amended

<i>Originated: 04/15/1996</i>	
<i>Reviewed with Changes</i>	<i>Reviewed without Changes</i>
05/07/2009	11/04/2015

### X. Contact Information

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