

<b>UTAH DEPARTMENT OF HEALTH AND HUMAN SERVICES POLICY AND PROCEDURES</b>		
<b>Policy: 02-15</b>	<b>Page 1 of 6</b>	
<b>OVERTIME HOURS</b>		
<p><b>RATIONALE:</b> The federal Fair Labor Standards Act (FLSA) establishes standards for employee working conditions and compensation, including compensation for overtime hours (see 21 U.S.C. §201). Noncompliance may result in triple damages for the department and in disciplinary action for managers, supervisors, or other employees who violate the FLSA. The purpose of this policy is to alert the employees of the Department of Health and Human Services about the state and federal laws that govern overtime hours, to establish procedures that comply with those laws, and make sure the department uses overtime hours efficiently, economically, and within existing budgets.</p> <p><i>Related Policies, Applicable Standards, Statutes: Utah Code 63A-17-502, Division of Human Resources (DHRM) Rule R477-8, DHRM Rule R477-1, 29 U.S.C. §213</i></p>		
<b>Original Effective: September 12, 2022</b>	<b>Revision: January 12, 2026</b>	<b>Next Review Due: January 1, 2031</b>

**I. DESCRIPTION**

This policy guides the department in complying with the FLSA, establishes procedures, and sets disciplinary standards for noncompliance. This policy supersedes any previous department policy governing this subject matter. It does not supplant any existing federal, state, or department laws/policies to which the department shall adhere.

**II. DEFINITIONS**

The following terms are defined for this policy as:

- A. **Compensable hours:** The time for which an employee is entitled to compensation. Compensable hours include any combination of the following: actual hours worked, accrued or administrative leave time, compensatory

time, and holidays. An employee shall record work in increments of 15 minutes to receive pay for hours worked and overtime hours worked.

- B. **Compensatory time (comp time):** Time off that is provided to an employee in lieu of monetary overtime compensation. (See DHRM Rule R477-1-1(28)).
- C. **Department management:** The designated officer (such as a supervisor, manager, OU director, or other official) who has the responsibility and authority to approve overtime hours.
- D. **DFA:** The Division of Finance and Administration is the DHHS operational unit that oversees the financial operations and administration side of the department.
- E. **DHHS or department:** The Utah Department of Health and Human Services and collectively all its operational units.
- F. **EDO:** The DHHS executive director's office.
- G. **FLSA:** Fair Labor Standards Act, the federal statute that governs overtime. (See 29 U.S.C. §201.)
- H. **FLSA exempt employee:** An employee who is exempt from the overtime and minimum wage provisions of the federal Fair Labor Standards Act. (See 29 U.S.C. §213 of the FLSA.)
- I. **FLSA nonexempt employee:** An employee who is not exempt from the overtime and minimum wage provisions of the federal Fair Labor Standards Act. (See 29 U.S.C. §213 of the FLSA.)
- J. **OU:** Operational units within DHHS, including divisions, offices, or standalone operations whose director reports to the executive director, a deputy director, or an assistant deputy director. The Utah State Hospital and Utah State Developmental Center are considered OUs.
- K. **Overtime:** Actual time worked in excess of the employee's defined work period.
- L. **Overtime year:** The year at the end of which an FLSA exempt employee's accrued but unused compensatory time shall lapse. (See DHRM Rule R477-8-4 and Utah Code 63A-17-502.) The date of the overtime year is determined by the department in compliance with state statute and rules.
- M. **Work period:** The maximum number of hours an employee may work prior to accruing overtime or compensatory hours. (See DHRM Rule R477-1-1(112). For FLSA nonexempt employees, the work period is a 40-hour workweek within a consecutive seven-day period. For FLSA exempt employees, the work period is a consecutive 14-day, 80-hour pay period. For all employees, the work period starts on Saturday and ends on Friday.

### **III. POLICY**

#### **A. Overtime and compensatory time**

1. For overtime payouts that are consistent with DHRM Rule R477-8 exceeding \$5,000 cumulatively per OU for the preceding fiscal year, the OU shall perform an analysis and submit written justification annually by September 15 to EDO.
2. Employees shall comply with overtime rules outlined in DHRM Rule R477-8-5 and R477-8-6.
3. Deputy directors, assistant deputy directors, and OU directors shall receive monetary payment only for compensable hours that exceed 240 hours of earned compensatory time. Compensatory time earned beyond a base of 240 hours shall be paid down to 240 in the work period in which it was earned.
4. The employee is responsible to work with OU management to arrange for an employee's use of compensatory time as soon as possible, without unduly disrupting department operations or endangering public health, safety, or property.

#### **B. Management's authority to reduce overtime hours**

1. In order to reduce overtime hours, agency management may:
  - a) Direct an FLSA nonexempt employee to cease work after the employee has earned a total of 40 compensable hours during the work period;
  - b) Direct an FLSA exempt employee to cease work after the employee has earned a total of 80 compensable hours during the work period; or
  - c) Approve the use of alternative work schedules to accommodate late meetings, relieve traffic congestion, and ensure the public's access to agency services.

### **IV. PROCEDURE**

#### **A. Overtime compensation/agreement form**

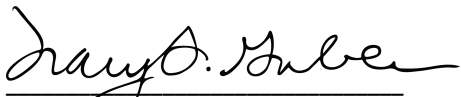
1. All FLSA nonexempt employees shall complete and sign an overtime compensation election/agreement form through the employee gateway. This designation notifies agency management which of the following types of overtime compensation the employee elects to receive:

- a) Monetary payment, at the rate of one-and-a-half times the employee's regular hourly rate during the pay period it was earned; or
    - b) Compensatory time, at a rate of one-and-a-half times the employee's hourly rate to be used at a later date.
  2. FLSA nonexempt employees who want to change their overtime election may do so by contacting the Employee Resource Information Center (ERIC).
- B. The overtime compensation/agreement form shall not be used with FLSA exempt employees.
- C. Analysis and justification of overtime payouts
  1. OU directors shall work with their assigned DFA representatives, with the support of the Division of Data, Systems, and Evaluation, if needed, to analyze overtime payouts for their respective areas.
  2. OU directors may work with DFA to obtain reports regarding overtime payouts for their respective areas.
  3. OU directors shall submit the analysis and written justification of continuing employees' overtime payouts by September 15 annually to dhhsedo@utah.gov for approval.
  4. EDO shall review and approve or deny continuing practices.
- D. Approval of overtime hours
  1. Department management shall not direct an employee to work hours for the state without compensation.
  2. Department management shall not direct an employee to work or conduct state business while the employee is on leave.
  3. Before working any overtime hours, an employee shall first obtain approval from agency management, unless:
    - a) The overtime hours are clearly necessitated by an emergency situation or a situation that affects significant interests of the department or its clients;
    - b) Obtaining prior approval from department management is impossible or infeasible; and
    - c) Department management has not previously advised the employee that overtime is not allowed in such situations.
  4. If an employee works overtime hours without prior approval, department management shall review the situation and determine whether the employee's failure to obtain prior approval was justified under this policy.

5. Department management shall not preapprove overtime hours unless:
    - a) Department management determines that having the employee work those hours is efficient and economical; and
    - b) The overtime hours are funded within the department's budget.
  6. Unless otherwise authorized by this policy, FLSA nonexempt employees shall not exceed 40 compensable hours during a work period, and FLSA exempt employees shall not exceed 80 compensable hours during a work period. If department management authorizes an FLSA nonexempt employee to work more than 40 hours during one week of a pay period and then less than 40 hours during another week of the same pay period, the arrangement shall violate the FLSA unless the employee receives overtime compensation for hours worked in excess of 40 hours in one week.
  7. Employees who work overtime hours in violation of this policy shall be compensated for the time worked, but they may be disciplined by OU management.
  8. Members of the department management who knowingly violate the provisions of this policy or other state and federal laws about overtime hours may be subject to discipline.
- E. Completion and approval of timesheets
1. All department employees, whether FLSA exempt or nonexempt, shall complete a state-approved, biweekly electronic or paper timesheet to document all compensable hours, such as hours worked, leave and compensatory time used, holidays, and on-call time earned, for each day of the work period. Employees shall record all compensable hours on their timesheet corresponding to the day the hours were worked or leave hours taken.
  2. Employees shall accurately complete their timesheets (paper or electronically) within the required time frames; it is a violation of federal and state law for an employee to work, but not record time worked.
  3. OU management shall deny the use of leave time, other than holiday leave, that results in the accrual of overtime hours.
  4. OU management shall determine the appropriate level of approval.

## **V. EXCEPTIONS**

- A. The executive director may make exceptions to this policy, in accordance with procedures outlined in DHHS Policy 01-01. If DHRM rule exceptions are needed, the executive director shall send the request to the DHRM division director.
- B. OU directors may approve overtime hours if they deem it necessary in an emergency situation or a situation that affects significant interests of the department or its clients.



Tracy S. Gruber  
Executive Director

**January 12, 2026**

Date