

October 21, 2009

TO: Deans, Directors and Department Heads
FROM: James Woodward, Chancellor
RE: Regulation Prohibiting Comp Time for FLSA Exempt Employees

The Office of State Personnel recently updated its policy on compensatory time for FLSA-exempt* SPA employees, prompting an opportunity to review our campus practices. Under the State policy, the decision to grant comp time to FLSA-exempt employees must be made by the “agency head” (in our case, the chancellor), with the expectation that this decision be applied consistently across the organization.

In the absence of an explicit campus regulation, practices at NC State have varied by department/college. In some units, FLSA-exempt employees – SPA and a few EPA – have had a practice of tracking comp time “earned” and used.

We are implementing a formal University Regulation (REG 01.25.15) to clarify that FLSA-exempt employees, whether EPA or SPA, do not accrue compensatory time. This regulation can be found online at:

http://www.ncsu.edu/policies/governance_admin/gov_gen/REG01.25.15.php.

Unlike hourly-paid, non-exempt employees, exempt employees are accountable for their performance outcomes rather than hours worked. Most FLSA-exempt professionals put in at least some time and effort beyond the university’s standard business hours in order to fulfill the expected responsibilities of their positions. However, when our exempt level employees put in exceptional time and effort beyond the university’s standard business schedule as needed by their units, managers may then afford them scheduling flexibility during a time mutually agreeable between the employee and the manager.

This regulation is effective immediately. Any existing accrued comp time for an exempt employee that is officially reflected in the university’s Web Leave system as of September 30, 2009, must be utilized by December 31, 2009, or will be forfeited. No records of comp time other than the Web Leave system are deemed valid, and no retroactive adjustments to comp time leave balances may be made to the Web Leave system.

If you have any questions, please contact Human Resources’ Department of Classification & Compensation at 515-7175.

**FLSA-Exempt: Executive, administrative, managerial, and other professional employees for whom overtime and related requirements of the federal Fair Labor Standards Act of 1939 do not apply.*