

California State University, Bakersfield Foundation

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MEMORANDUM

DATE: January 17, 2006

TO: Foundation Employees and Supervisors

FROM: Kellie Garcia

Director, Human Resources

RE: Clarification of Policy regarding Overtime and "flex-time/informal time off"

This memorandum serves as clarification of CSUB Foundation's policies regarding questions surrounding the Foundation's workweek, work hours/schedule, overtime, and application of wage and hour law.

Working Hours/Schedule

Generally, the Foundation is open for business from 8:00 a.m. to 5:00 p.m., Monday through Friday. The Foundation's regular workweek is defined as a seven (7) day work week beginning at 12:01 a.m. on Sunday morning and ending at 12:00 a.m. the following Saturday night. Most employees are assigned a work schedule and are expected to begin and end their workday in accordance with their schedule. Daily and weekly work schedules may change from time to time at the discretion of the Foundation to meet varying needs of our business. Full time employees usually work 8 hours per day and 40 hours per week.

Basic Overtime Requirements (applies to non-exempt employees only) When do we need to pay overtime?

Overtime pay (at 1.5 times hourly rate) MUST be paid:

- After eight (8) hours of work in a day
- After forty (40) hours of work in a single work week; and
- For the first eight (8) hours of work on the seventh day of work in a single workweek.

Double time compensation (at 2.0 times hourly rate) MUST be paid:

- After twelve (12) hours of work in a day; and
- For all hours of work in excess of eight (8) on the seventh consecutive day of the work week

The Foundation may adjust or change the hours, shift or days of the week to accommodate the needs of the business and customers, with appropriate notice to the employee. It is important to remember that even if an employee works less than 40 hours in a workweek, if they work more than 8 hours in a single day they must be paid overtime for that day.

The use of the term "flex time" or "informal time off" may lead to some confusion around the issue of overtime. A better way to view it may be as a schedule or shift change whenever hours worked are adjusted to reduce and/or avoid the need to pay overtime. For example, an employee may have their schedule changed to working only 4 hours on Friday and 4 hours on Saturday to attend a work function. This should be viewed as a change in their regular schedule rather than "flex time" or "informal time." This type of schedule change should be coordinated with the employee and the employee should be provided appropriate notice.

Please note: the Foundation does not recognize the use of "informal time." No employee or department may keep "informal or unofficial" records of overtime worked that is not recorded and compensated as identified

above. The Fair Labor Standards Act is explicit with regard to the Employer's (The Foundation) obligation to pay eligible employees overtime at the premium rate (x 1.5) for work hours over 8 hours in a workday or 40 hours in a workweek.

Should you need further clarification or information regarding this matter please feel free to contact me.

cc: Doug Wade, Foundation Manager Tina Williams, Benefits Officer Janet Martin, Payroll Manager