QUICK REFERENCE GUIDE FOR:
HOURLY-PAID EMPLOYEES IN EXEMPT JOB CLASSIFICATIONS

(1) Calculating an employee’s regular hourly rate: Determined by dividing current annual salary by the current annual standard hours. If the standard hours are 40 per week, that is the equivalent of 2080 hours in a year (40 hours/week x 52 weeks). So, if an employee’s annual salary is $40,000 and the employee has a standard of 40 hours per week, $40,000 divided by 2080 equals an hourly rate of $19.23. The overtime rate in this example would be $28.85 per hour.

(2) Benefits: Merely changing from being paid salaried to being paid hourly will not impact an employee’s benefits eligibility/status.

(3) Time Reporting:

**PRODUCTIVE TIME**

- NYS mandates that hourly-paid employees must be paid to the minute. All work time should be tracked within Time and Labor in the Human Resources Management System (HRMS).

- Hourly-paid employees must be paid “time and a half” (i.e., 1.5 times the employee’s regular rate of pay) for all hours worked over 40 in a fixed seven day period.

- Hourly-paid employees must be compensated for all time spent on principle work activities. Examples of Compensable time:
  - Calibrating medical equipment or laboratory devices or distributing material to work areas
  - Changing into work clothes (if required by nature of the job)
  - Maintaining equipment
  - Discussing work problems when the shift changes
  - Time spent cleaning work area
  - Pre- and post-shift work (e.g., texting work-related matters with one’s supervisor before or after work hours)
  - Homework

- Hourly-paid employees are eligible for policies such as:
  - Policy #214 - Call-In Pay
  - Policy #220 - On Call Pay
  - Policy #226 - Shift Differential

- Hourly-paid employees must be paid for work “suffered or permitted” by the employer even if the employer does not specifically authorize the work.

**NON-PRODUCTIVE TIME**

- All non-work time must be tracked in the Human Resources Management System (HRMS).

- Hourly-paid staff may schedule vacation in increments of one-half hour. (Policy #345)

- Hourly-paid staff may report sick time by using the “SIC” time reporting code. This code will generate pay, but is not associated with a balance of available hours.

- Paid Time Off (PTO) only applies to regular full-time and part-time staff in non-exempt positions whose primary appointment is in divisions 40, 50, 60, 90, 91 and 92. Therefore, PTO does not apply to hourly-paid employees in exempt classifications. (Policy #340)

- NYS mandates that all employees (salaried & hourly-paid) take a minimum 30-minute uninterrupted meal period for shifts over 6 hours & an additional 20-minute (paid) meal period if an employee begins working before 11:00am and continues working past 7:00pm. HRMS automatically deducts the designated amount for a meal period for an employee once the employee has worked more than six (6) consecutive hours. (Policy #172)

- Rest periods are not required by law and are defined as short breaks (5-20 minutes). University Policy states, paid University rest periods do not exceed 15 minutes. Rest periods must be approved. If a rest period is provided to the employee, it must be counted as time worked and the employee must be compensated. (Policy #172)