Guidelines for Compensation for Additional Work Hours

Applies to: Michigan Medicine Non-Bargained-For FLSA Exempt Staff
Effective: 7/1/09

Michigan Medicine is committed to maintaining staffing levels that support optimal patient care and efficient operations, while recognizing the importance of fiscal responsibility and the work-life balance needs of employees.

Michigan Medicine staff members in exempt (salaried, monthly-paid) classifications, as defined by the Fair Labor Standards Act, are not entitled to overtime pay. As such, full- and part-time Michigan Medicine exempt, salaried staff members are expected to work the hours necessary to achieve individual, departmental, and organizational goals, without additional compensation.

On a limited, exception basis, Department Directors may submit a written request for approval to compensate for additional work hours for exempt, salaried direct-patient care staff. Given the general work schedule flexibility afforded to non-direct-patient-care staff and the significant responsibility within management and supervisory roles, requests for compensation for additional work hours are not expected to occur.

Exception Requests:

A. Department Directors may submit a written request for approval to compensate for recurring additional work hours by exempt, salaried direct-patient care staff when such a request supports a critical business need and is in the best interest of UMHS. This may be for the purpose of a) addressing longer term severe staffing shortages or b) in support of an established industry pay practice.

B. Prior to submitting the request, Departments Directors should confirm that:
   1. The staff member(s) work schedule(s) that the request applies to does not permit flexibility due to patient care demands; and
   2. The work cannot be delayed to a different time period or transferred to other staff to be completed during their normal work hours; and
   3. The work is distributed equitably among staff members where possible; and
   4. It is in the best interest of Michigan Medicine to pay an exempt, salaried employee for overtime rather than establish an additional regular or temporary position.

C. Written requests have to be provided to the appropriate Associate Hospital Director/Medical School CAO for approval, prior to payment, and should include details as to the expected duration, reason, requested method of payment, and projected cost. Requests should be reviewed by the respective HR Services Consultant prior to submittal to the Associate Hospital Director/Medical School CAO to allow for consistency of practices across departments.

D. Departments have the discretion to establish a threshold number of hours/shifts worked before compensation for additional work hours is considered.
E. Compensation for additional work hours may be provided in the form of additional straight time pay, a lump sum payment(s), additional vacation/PTO time, or a combination thereof.

In addition to the standards set forth in these guidelines, staff may be recognized for exemplary performance and/or exemplary effort within the applicable annual Salary Program Guidelines.

Michigan Medicine remains compliant with FLSA regulations which dictate the conditions under which non-exempt (bi-weekly paid) staff must receive overtime at one and one-half times their rate of pay (SPG 201.38). Overtime practices for non-exempt staff are outside of the purview of these guidelines.

Staff employed under collective bargaining agreements receive compensation as determined by contract, and are outside the purview of this guideline.

For additional information, please contact your Human Resources Business Partner.