Definition of Banking:
“Banking” allows a non-exempt employee who is leave eligible to use accrued Fair Labor Standards Act (FLSA) overtime as paid leave in the future, past the pay period in which it is accrued.

Banking Request Guidelines:
■ Written requests to bank overtime should be routed through the responsible Dean’s or Vice President’s office for department level approval. A template letter is available for this purpose; page 2 of this guideline.
■ After department approval, submit the signed banking request to Human Resources (HR). The request should be sent to the HR Benefits, Leave Unit fax number at 512-471-7008 or scanned and sent by email to hrs-lm@austin.utexas.edu
■ Banking requests cover the fiscal year and must be renewed annually. Twelve month cycles other than fiscal year are possible if there is a compelling business case included in the request.
■ Non-exempt, leave eligible employees are compensated in paid time-off at the rate of 1.5 times the hours worked over 40 in a workweek.
■ Overtime must be approved prior to its accrual and use.
■ Departments with banking agreements are encouraged to communicate to their employees that they are a banking department. Communication methods may include but are not limited to:
  • Include in your department’s job offer letter for leave eligible, non-exempts
  • Include in written department attendance, call-in or time-entry procedures
  • Include in department specific new hire orientation training
■ All work time must be recorded on an official University time sheet.
■ Banked overtime must be paid out
  • at the end of the fiscal year or approved banking year;
  • upon reclassification from a leave eligible non-exempt position to a non-leave eligible non-exempt position;
  • upon reclassification from a leave eligible non-exempt position to an exempt position;
  • when an employee’s pay rate changes;
  • upon transfer to another department; or
  • upon separation from employment.
■ Banked overtime hours that exceed the federal maximum of 240* hours must be paid.
  • *Public safety positions, such as UTPD Officers, use a federal maximum of 480 hours.
■ Departments are encouraged to recommend using earned overtime before annual leave or floating holiday leave.
■ Employees using electronic time sheets record “Over Time” in a leave row when using overtime.
■ When an employee is paid for overtime (OV5), the department time keeper must remove the time paid from the employee’s overtime balance after the voucher has been processed by Payroll. http://www.utexas.edu/payroll/vouchers/ov5.html
■ Part-time, non-exempt employees are paid at their regular hourly rate for time worked over their appointed hours but less than 40 hours.
■ Human Resources periodically sends reports detailing overtime balances to departments with employees who have overtime balances.
To: Debra G. Kress, Associate Vice President for Human Resources
Via: <Insert Dean or AVP Name Here>
From: <Insert Dept. Name and Contact Here>
Date: <Insert Date>
Re: Overtime Banking Agreement <insert fiscal year here>

I request that we be permitted to bank federal overtime on a fiscal year basis [or if alternative schedule, explain business need] for all leave eligible, non-exempt employees in our department [or if only for certain individuals, list employee(s) by name with EID].

I understand that overtime that has been banked must be paid if one of the following occurs: the end of the banking agreement, the employee moves from a leave eligible non-exempt position to a non-leave eligible non-exempt position, employee moves from a non-exempt position to an exempt position, the employee’s rate of pay changes, the employee transfers to another department within the university, the employee separates from employment with the university, or the employee’s balance reaches the 240 hour maximum federal limit [or 480 hour maximum limit for University Police Officers].

Thank you for your consideration.

Submit via email or fax:
   Attn: Adrienne Howarth-Moore, Director of Human Resources
   HR Benefits, Leave Unit email: HRS-LM@austin.utexas.edu
   HR Benefits, Leave Unit Fax: 512-471-7008
   Original hardcopy not necessary for submission