

UNIVERSITY of HOUSTON
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Human Resources
AREA: Compensation

Policy 02.01.05

SUBJECT: Shift Differential Pay
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I. PURPOSE AND SCOPE

This policy provides direction for determining when shift differential pay may be warranted and guidelines for the payment of a shift premium. This policy and the companion procedure apply to all regular, non-exempt staff employees who work the evening or night shift, regardless of source of funds from which paid.

II. POLICY STATEMENT

It is University of Houston policy to compensate qualified employees for inconvenience experienced when assigned to shifts that fall outside of the daytime shift. Regular, non-exempt staff employees who work during either the evening (2nd) or night (3rd) shifts shall receive shift differential pay. Temporary and lump sum employees are not eligible for shift differential.

The policy of the University of Houston System and its universities is to ensure equal opportunity in all its educational programs and activities, and all terms and conditions of employment without regard to age, race, color, disability, religion, national origin, veteran's status, genetic information, or sex (including pregnancy), except where such a distinction is required by law. Additionally, UH System prohibits discrimination in all aspects of employment and educational programs on the basis of sexual orientation, gender identity, or gender expression. For the UH System's Official Non-Discrimination Statement, see [SAM 01.D.05 – Equal Opportunity and Non-Discrimination Statement](#).

III. DEFINITIONS

- A. Evening shift (2nd shift): Any shift that starts on or after 2:00 p.m. and before 10:00 p.m., or ends on or after 10:00 p.m.
- B. Night shift (3rd shift): Any shift that starts on or after 10:00 p.m. and before 6:00 a.m.
- C. Non-exempt employee: An employee occupying a position deemed to be non-exempt according to the [Fair Labor Standards Act \(FLSA\)](#). Non-exempt employees are subject to the overtime provisions of the [Fair Labor Standards Act](#).
- D. Regular employee: A university employee who is employed at 50% FTE or more for a period of at least 4-1/2 months, excluding students employed in positions which require student status as a condition of employment.
- E. Shift differential pay: The premium pay added to regular pay for employees that work the evening or night (2nd and 3rd) shift.
- F. Standard work hours: As defined at the University of Houston System, 8:00 a.m. until 5:00 p.m.

- G. Standard workweek: As defined at the University of Houston System, the period beginning at 12:01 a.m. on Wednesday and extending through the seven-day period ending at midnight the following Tuesday.

IV. POLICY PROVISIONS

- A. Regular, non-exempt employees who work the evening shift (2nd shift) shall be paid shift differential pay for the hours worked between 2:00 p.m. and 10:00 p.m.
- B. Regular, non-exempt employees who work the night shift (3rd shift) shall be paid shift differential pay for the hours worked between 10:00 p.m. and 6:00 a.m.
- C. Shift differential pay is subject to overtime pay the same as the base hourly rate.
- D. Shift differential pay is an integral part of each eligible employee's gross compensation and is subject to the same payroll deductions and payroll charges as regular wages.
- E. In most cases, employees shall be assigned to a shift for an indefinite period of time. Except to provide emergency coverage, shifts shall be rotated no more often than once per pay period.

V. PROCEDURES

- A. Shift differential pay rates: Regular, non-exempt employees who work during either the evening (2nd) or night (3rd) shifts shall receive shift differential pay in the amounts shown below:
- Evening shift (2nd shift) - \$.75/hour for all hours worked between 2:00 p.m. and 10:00 p.m.
 - Night shift (3rd shift) - \$1.00/hour for all hours worked between 10:00 p.m. and 6:00 a.m.
- B. The eligible employee's supervisor is responsible for verifying the bi-weekly time sheet is correctly calculating the appropriate shift differential pay.

VI. REVIEW AND RESPONSIBILITIES

Responsible Party: Associate Vice President, Human Resources

Review: Every five years

VII. APPROVAL

/Raymond Bartlett/

Senior Vice President for Administration and Finance

/Paula Myrick Short/

Senior Vice President for Academic Affairs and Provost

/Renu Khator/

President

Date of President's Approval: July 21, 2021

VIII. REFERENCES

[Fair Labor Standards Act \(FLSA\)](#)
[SAM 02.B.10 – Shift Differential](#)