

The Fair Labor Standards Act (FLSA) establishes standards for such items as minimum wage and overtime pay for full-time and part-time workers. In May 2016, regulation changes were made that affect which employees are exempt from these regulations. The primary change was to the salary test for exemption, which increased from \$455/week to \$913/week. Revisions to University policies and procedures for determining exempt status and for salaried non-exempt time reporting were implemented based on these changes.

General Information

Moving employees to the FLSA salaried non-exempt category will be effective **November 20, 2016**. The main impacts of this change are:

- Academic employees (including Postdoctoral Research Associates and Pharmacy/Physical Therapy Residents) will continue to receive their regular monthly salary that does not fluctuate based on hours worked on the academic monthly pay cycle (16th of each month).
- Administrative Graduate assistants will continue to receive their regular monthly salary on the academic monthly pay cycle that does not fluctuate based on hours worked.
 - Graduate Research & Teaching Assistants will be exempt from FLSA
- Civil Service employees will continue to receive their regular bi-weekly salary that does not fluctuate based on hours worked.
- Employees must also track work, leave and overtime hours (web or department time entry) on a bi-weekly basis.
- An Hourly job will be added to an AP's record to track the work and overtime hours. They will use web time or department time entry to track hours and will be removed from positive time reporting (PTR).
- Civil Service employees are eligible for overtime pay for hours in pay status in excess of their regular daily work schedule. Academic employees who are salaried non-exempt are eligible for overtime pay in excess of 40 hours per week.
- Academic and Civil Service salaried non-exempt overtime pay is paid at one and one-half times the hourly rate of pay.
- Work and overtime hours are reported in 15 minute increments.
- Leave time hours are reported in one-hour or full-day increments.
- Current academic employees impacted by the December 1 implementation date will receive an updated Notice of Appointment (NOA) in December that signifies they are a salaried non-exempt employee eligible for overtime compensation.

General Questions Regarding Salaried Non-Exempt Employees

Question	Answer
Do I have the option of remaining exempt?	The employer has the responsibility to determine a position, and therefore, the position incumbent's, FLSA status in accordance with the Fair Labor Standards Act. FLSA designation is not something that an employee can choose or elect. In order to be exempt from FLSA provisions (not eligible for overtime), employees must pass both the duties test and salary test. If you do not pass both tests, you must be paid for overtime hours worked under the law. Exempt employees must also be paid on a salary, not hourly, basis.
What salary must I have to remain exempt?	The new minimum threshold to remain exempt (if the duties test is also met) is \$913/week or \$47,476 per year. This salary is not annualized for part-time employees.

General Questions Regarding Salaried Non-Exempt Employees

Question	Answer
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What if I receive an annual increase that puts me over the new threshold of \$47,476?	If at any time a salaried non-exempt employee receives an increase which then puts their salary at or above \$913/week or \$47,476/year, the employee will be reclassified back to exempt status and will no longer report their hours worked via web or department time entry. All exempt leave reporting policies would then apply.
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I work Monday-Fridays most weeks. I am required to work on a Saturday for an event. Can my department tell me not to work my normal Monday-Friday schedule that week in order to avoid paying me overtime?	Yes, your department may adjust your schedule to avoid or limit overtime hours.
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Tracking Time for Salaried Non-Exempt Employees

Question	Answer
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How will time be tracked for employees that are "on call"?	Employees will track hours worked in 15 minute increments based on the conversion table for all time spent doing work. Employees are not paid for simply being on call if no work was required, unless required to do so under a departmental or collective bargaining agreement.
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How will travel time be tracked?	Pay during periods of travel for business purposes follow the IRS and FLSA guidelines. Contact your university human resources office for guidance related to your specific situation.
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Where can I find the Salaried Non-Exempt Timesheet?	The bi-weekly web time entry or department time entry method will be used to report hours worked and overtime hours. Your unit will inform you of the time reporting method and process to be used.
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General Questions Regarding Salaried Non-Exempt Employees

Question	Answer
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In what increment do I report my hours worked and overtime hours?

You will track your regular hours worked and overtime hours on the bi-weekly timesheet in 15 minute increments. You will round to the nearest 15 minute increment based on the following schedule:

Minutes Worked	Time Reporting Minutes	Time Reporting Hours
0 -7	0	0.00
8-22	15	0.25
23-37	30	0.50
38-52	45	0.75
53-60	60	1.00

What earnings codes do I use to report my hours?

OP1 – FLSA-PT Add'l Work Hours Paid (used for Civil Service employees)
 OPS – FLSA- Time & Half Overtime (used for Academic employees)
 OPT – FLSA-PT Add'l Work Hours Paid (used for Academic employees)
 OPU – FLSA-Leave Hours-Tracking Only
 OPV – FLSA-Work Hours-Tracking Only

Do I need to track my time even if I never work over 7.5 hours a day or 40 hours in a week?

Yes, you must track your time each day even if you do not work in excess of your normal daily or weekly schedule. It is important that you report these hours each bi-weekly payroll period. As salaried non-exempt, you will be removed from positive time reporting (PTR), so tracking time through web or department time entry will satisfy the State reporting requirement.

I am an Academic Professional. How do I track hours worked for weeks when the academic pay period starts/ends on a day other than Sunday or Saturday?

For Academic employees, you will continue to receive your regular monthly paycheck that does not fluctuate based on hours worked. Your monthly pay covers the academic pay period. You will also submit a bi-weekly timesheet on the hourly job added to your record to track your work and leave hours and to be paid for overtime hours. The biweekly timesheets capture time for each week (Sunday-Saturday).

All salaried non-exempt employees (academic and civil service) will submit a timesheet with every bi-weekly pay period and report their work hours for that two-week timeframe.

General Questions Regarding Salaried Non-Exempt Employees

Question	Answer
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I am being reclassified from exempt to salaried non-exempt. Do I still report my time spent on university business in the Positive Time Reporting System?	<p>No. Salaried non-exempt employees will no longer report time spent on university business in the Positive Time Reporting (PTR) system since you will now be reporting all hours worked in the web time system, department time entry system, or other designated electronic time reporting system.</p> <p>You should ensure that your PTR calendars are up to date and submitted through 11/19/16 no later than 11/20/16 at 5:00PM</p>
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Overtime Compensation for Salaried Non-Exempt Employees

Question	Answer
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How is overtime calculated?	<p>Eligible Civil Service employees will be compensated at one and one-half times their regular hourly rates for the hours in pay status in a workweek that exceed the number of hours in the approved full-time daily or weekly work schedule of their respective classes, whichever provides the greater number of overtime hours. Eligible academic employees (AP, Grad Assistants, and Post-Docs) are eligible for overtime if they exceed 40 hours in a week.</p>
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What if I work 60 hours one week then 20 hours the second week? Am I still eligible for overtime since combined I only worked 80 hours?	<p>Yes, overtime eligibility is based on <u>each workweek</u>, not a combination of workweeks. However, <u>payment</u> of overtime worked occurs at the end of each bi-weekly pay period. In this situation, you incurred 20 hours of overtime in week one and no overtime in week two.</p>
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Can I use comp time in lieu of being paid for my overtime hours?	<p>No, at this time there has been a university-wide decision to not allow comp time for salaried non-exempt employees. All overtime will be paid in the form of compensation.</p>
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What hourly rate will be used for my overtime pay if I have multiple jobs with different hourly rates?	<p>The job in which the overtime was worked will be used to determine the overtime hourly compensation rate.</p>
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I am an academic employee. Will I have my normal deductions from my bi-weekly overtime paycheck?	<p>Appropriate tax deductions and SURS contributions will occur as well as any percentage based deductions that relate to involuntary withholdings and supplemental retirement (403(b)). Union dues, if applicable, will also come out of the bi-weekly check. Deductions for health, dental, and life insurance will not be taken out of the bi-weekly check.</p>
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Does the salaried non-exempt category protect me from discipline for chronic absences of less than 1 hour?	<p>No, salaried non-exempt employees are still expected to fulfill their work schedule responsibilities. Unit managers/supervisors have the right to address performance issues related to attendance if work effort or commitment is unsatisfactory, which can ultimately lead to non-reappointment or other formal disciplinary action.</p>
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Reporting Absences for Salaried Non-Exempt Employees

Question	Answer
I am a civil service employee. Which vacation accrual schedule do I use as a salaried non-exempt employee?	All civil service employees reclassified to salaried non-exempt prior to December 1, 2016 will be grandfathered to their current civil service vacation leave accrual Schedule B.
How do I report my absences if I am a salaried non-exempt employee?	Leave time will be reported in full days or one-hour increments based on the daily work schedule. Rounding will not occur; you will not report an hour of leave until you have been absent the full hour. For example, if you are absent for one-hour and thirty minutes, you will report one hour of leave time (not 1.5 or 2 hours). Other than a full day leave, leave reporting will be reported in one-hour increments. You must still follow your unit procedures for requesting and using leave benefits.
When should I start tracking my absences in one-hour increments?	Start reporting your absences in full day or one-hour increments beginning November 20, 2016.
Should I accumulate or bundle my time for multiple day absences to reach 1 hour?	No, you do not accumulate leave usage across days.
If I need to be out for a period that is less than 1 hour, can my unit require that I be out for 1 hour so that I use my leave benefits?	No, your unit cannot ask you to round up to nearest hour and force you to use an hour of leave time. However, you must still follow your unit procedures for requesting and using leave benefits. Additionally, excessive absenteeism may be addressed as a performance issue.
What if I do not have enough leave time to cover my absence?	If you do not have sufficient accrued leave to be paid for an absence, contact your human resources office to discuss leave options.