

Fair Labor Standards Act (FLSA)

The Fair Labor Standards Act (FLSA) is a law that governs standards for minimum wage, overtime pay, recordkeeping, child labor and various other labor regulations. The law applies to many full-time and part-time employees in the private sector and those who work for federal, state, and local governments.

The FLSA establishes standards for minimum wages, the “normal” workweek, overtime pay and exemption therefrom, recordkeeping, and child labor.

Minimum wage

The FLSA mandates that all employers subject to FLSA guidelines pay their employees whichever is higher: the federal minimum wage (currently \$7.25 per hour) or the minimum wage required by the state where the business is headquartered.

Workweek

The FLSA measures wages based on the workweek, which consists of 168 hours during seven consecutive 24-hour periods.

Overtime pay is calculated as one-and-a-half times the employee’s hourly rate, for every hour worked, above and beyond a standard 40-hour workweek.

Non-Exempt employees are workers who are entitled to earn the federal minimum wage and qualify for overtime pay.

Positions designated as "non-exempt" are paid on an hourly or salary basis for any hours worked during a standard 40-hour workweek. Hours are reported in quarter hour increments for reporting purposes.

| Minutes Worked | Hours Recorded |
|----------------|----------------|
| 0 - 7 | 0.00 |
| 8 - 22 | 0.25 |
| 23 - 37 | 0.50 |
| 38 - 52 | 0.75 |
| 53 - 60 | 1.00 |

Exempt employees are workers who are not entitled to earn the federal minimum wage and qualify for overtime pay because they receive the same amount of pay per pay period,

even if they put in overtime hours.

Positions may be designated as "exempt" (salaried) and employees appointed to exempt positions are paid on a salaried basis and are expected to work the hours necessary to complete all work required of the position.

Positions with exempt status are not eligible for overtime or compensatory time.

The Human Resources department determines if a position is Non-Exempt or Exempt at the time the Job Description is created or updated based on the job duties & responsibilities and the required job qualifications needed to fill the position.

Types of exemptions:

- 1 – Executive exemption
- 2 – Administrative exemption
- 3 – Professional exemption
- 4 – Computer exemption
- 5 – Highly Compensated employees
- 6 – Outside sales exception

The employment categorization of a position (i.e., Faculty, Classified or Athletic Staff) does not factor into the FLSA determination, nor do the work hours/schedule assigned to the position.

EXCLUSIONS OR SPECIAL CIRCUMSTANCES:

Leave taken for an employee in an exempt position will be reported as an hourly employee for any FMLA or workers' compensation leave calculation.

Effective: 03/01/2021