



Updates to the Fair Labor Standards Act





All employees fall into one of two classifications:

- Exempt Paid by the job
- Non-exempt Paid by the hour
 - Hourly
 - Salaried/Comp Time Eligible





How do we determine employment classifications?

- Fair Labor Standards Act (1938)
- Guidelines for the FLSA are issued by the Department of Labor
- State law



Employment Classifications

Exempt employees meet the criteria for exemption under the FLSA and are not entitled to overtime:

- Duties test
- Salary test
- Certain job types, including teachers, are always considered exempt



Employment Classifications Duties test:

- Executive
- Administrative
- Professional
- Computer-related
- Outside sales
- Highly compensated



Employment Classifications

Salary test:

- Currently must be paid \$684 per week (\$35,568 annual)
- Beginning July 1, salary threshold becomes \$844 per week (\$43,888 annual)
- Is slated to increase again January 1, to \$1,128 per week (\$58,656 annual)



Employment Classifications

Exempt:

- Must receive their full salary for any week in which they perform work with only limited allowable deductions (though may require use of PTO).
- Exempt from additional compensation when working more than 40 hours per week





Exempt employees use leave time (sick or vacation time) in half-day or full-day increments, per Truman's policy.



Employment Classifications

Non-exempt (Hourly):

- Paid an hourly wage (at least minimum wage)
- Must be compensated if they work more than 40 hours per week (1.5 times hourly wage)
- Employee may choose if they would like to receive overtime pay or compensatory time



Employment Classifications Non-exempt (Salaried/Comp Time Eligible):

- Paid a salary (hourly rate must be greater than minimum wage)
- Must be compensated if they work more than 40 hours per week
- Eligible for compensatory time (calculated at 1.5 times hourly rate)
- Annual vacation accrual remains the same as exempt classification





Employment Classifications How do comp time accruals work?

- Comp time accrues in 15-minute increments
- Comp time is capped at 90 hours (60 hours actually worked)
- Unused comp time is paid out annually with the January payroll





Non-exempt employees use leave time (sick, vacation or compensatory time)in 15-minute increments.





Employment Classifications What is compensable time for non-exempt employees?

- Meals or break time?
- Travel time?
- On call time?
- Meetings or trainings?



Employment Classifications Meals or break time?

- Short break periods are compensable under FLSA (generally 15 minutes or less)
- Longer break periods for meals are not compensable
- Some states may require breaks, paid or unpaid



Employment Classifications Travel time?

- Travel to and from work is not compensable
- Travel as required by employee's job duties is compensable
- One-day travel assignments are compensable
- Compensability rules apply to overnight travel (on HR site; review before travel)



Employment Classifications Travel time?

Overnight travel time that is compensable:

- Any portion of travel during regular work schedule (even on non-work days)
- Any time driving a vehicle
- Any event an employee is required to attend or while performing any required duty



Employment Classifications Travel time?

- Overnight travel time that is not compensable:
- Regular meal periods
- Time spent sleeping
- Time spent as a passenger or waiting outside of regular work hours
- On non-travel days, time during the regular work schedule that is not spent working





Employment Classifications On call time?

- If an employee is working on site while waiting for an assignment, time is compensable.
- If an employee has the ability to remain at home or visit local venues while on call, that time usually is not compensable.
- De minimis work



Employment Classifications Meetings or trainings?

Time is compensable unless all of the following criteria are met:

- Meeting is outside working hours
- Attendance is voluntary
- Training is not related to employee's job
- Employee does no assigned work while attending





Employment Classifications Meetings or trainings? (continued)

The same rules apply to Truman-sponsored events **on campus** specifically for employees, including:

- MOSERS retirement seminars
- Wellness Screenings or Flu Vaccine Clinic
- Staff Council Social



Employment Classifications

Troubleshooting

- Following the work week
- Tracking employee time
- Planning for overtime
- Addressing time-related issues
- Volunteering



Employment Classifications

Following the work week:

- The work week for Truman is Sunday through Saturday.
- Record any deviations accrued comp time or leave usage – in TimeClock as soon as possible.





Employment Classifications Employee uses the manager login: https://beryl1.truman.edu/app/manager/#/ ManagerLogOn

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Configure Time Sheets

05/19/2024 - 05/2	5/2024	Navigate Peri	od 5/19/2024		Display weekends
05/19 - 05/25					
Sun 05/19	8:00	Mon 05/20		0:00	Tue 05/21
Default Job Code	:00			Add	
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	Segment Length: 8:00	
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Hours 8:	00	
Job Code 6	- Comp Time Earned	
Note		

Click "Next" and then "Process."



Employment Classifications Tracking employee time

- Keep good records for deviations from normal schedule
- Periodically compare records with employee and document consensus
- Ensure employees actual work hours and reported work hours are consistent



Employment Classifications Planning for overtime

- When possible, exempt employees should cover overtime
- Plan out week accordingly to keep employee's time to 40 hours
- Do not allow employees to carry/makeup time over multiple weeks
- Remember the January comp time payout



Employment Classifications Addressing time-related issues

- When office is a mix of exempt and nonexempt employees, enforce each category has its own benefits.
- Be direct about expectations; do not make exceptions to policy
- Follow progressive discipline; we cannot decline comp time if we allowed time to be worked





Employment Classifications Can employees volunteer their time?

- Employees cannot volunteer to perform duties – or similar duties – for which they are already paid
- "Similar" can be broadly defined. To avoid violations, non-exempt employees should not work without pay
- Exempt employees are free to volunteer





Salaried/Comp Time Eligible employees meet the duties test to be exempt, but not the salary test so circumstances may change due to:

- Raises and promotions
- DOL updates to salary threshold





Is this change really going to happen?

- On July 1?
- On January 1?



QUESTIONS?

Human Resources

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