

# FLSA – Fair Labor Standards Act

# FLSA (Fair Labor Standards Act)

FLSA – establishes minimum wage & overtime pay for the following agencies:



Private



Federal



State



Local

The new threshold was effective

**January 1, 2020**

annually

**\$35,568**

Per week

**\$684**

Those that do not meet the new FLSA threshold or meet the Department of Labor duties test or exemptions are considered Non-Exempt/Hourly

# FLSA (Fair Labor Standards Act)

## WHAT IS THE DIFFERENCE BETWEEN EXEMPT AND NON-EXEMPT EMPLOYEES?

### Exempt

- Salaried & Hourly
- Do NOT earn overtime for hours over 40 in a workweek. Earn straight time for hours worked
- Perform certain duties to qualify as exempt and meet salary threshold

### Non-Exempt

- Wage Earning
- Earn overtime for hours worked in excess of 40 in a workweek
- Perform certain duties to qualify as non-exempt or do not meet salary threshold

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## Example



FLSA does not take into consideration the proration of FTE:

Example:

Academic Coordinator 3 has a \$25,000 salary at 50% effort. Given this does not meet the threshold, the position must be hourly – even though the full-time equivalent is \$50,000.

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- Positions exempt from the threshold:

Teachers/Instructional  
Faculty



Coaches  
(primary duty is NOT  
recruitment)

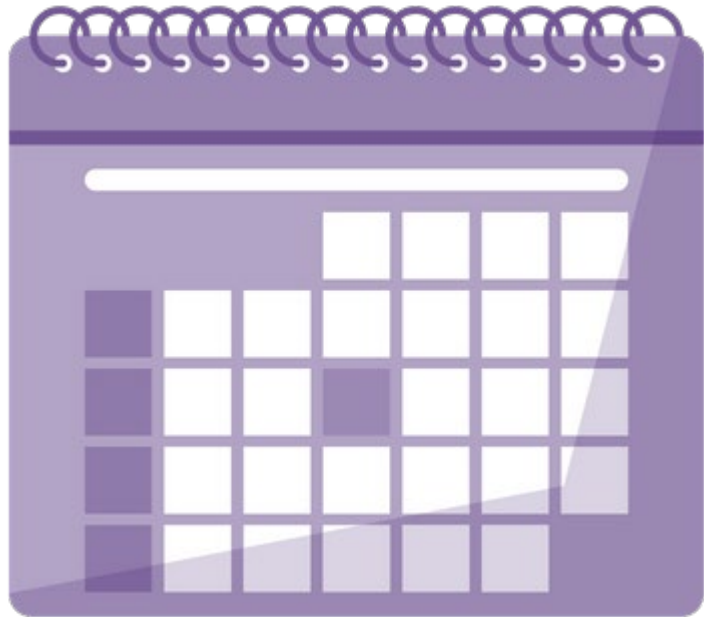


Medical/Veterinary  
Interns & Residents



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## Employee Information

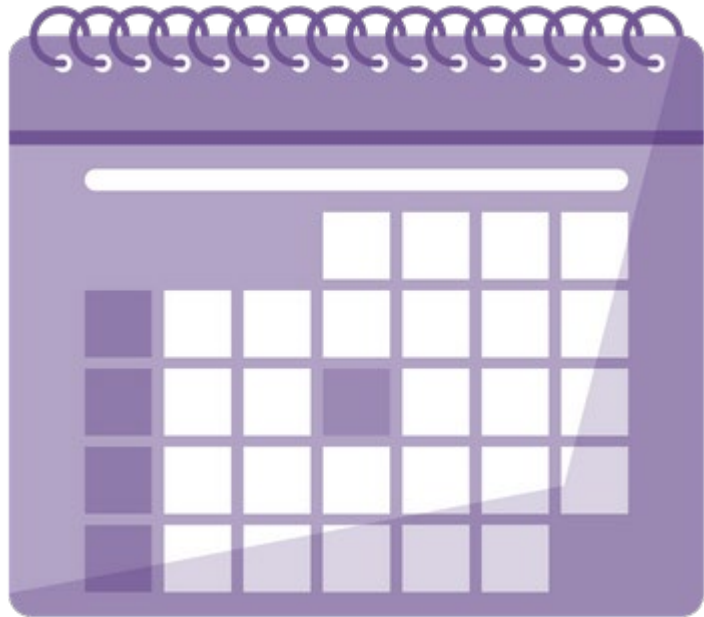


- Employees that do not meet the salary and/or the duties threshold are classified as non-exempt hourly workers
- Hours worked beyond a normal 40 within a work week will result in overtime
- Employees must enter time in Workday as the official system of record. This ensures proper calculations for accurate timekeeping & payroll.

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## Employee Information



- Employees are still considered Professional/Unclassified

# FLSA (Fair Labor Standards Act)/Time Entry

## Supervisor Information



- Time must be submitted, reviewed and approved by the employee's supervisor in a timely manner in order for the employee to be paid accurately and on time.
- Workday is the system of record
- Overtime must be approved before work commences



# FLSA (Fair Labor Standards Act)/Time Entry

## Supervisor Information



- Supervisors must ensure the correctness and appropriateness to not only ensure proper pay but to also mitigate payroll fraud.
- Supervisors should maintain records that provide support for overtime or premium pay
- Correct time entry codes must be used per guidelines as noted in recent audit findings.

# FLSA (Fair Labor Standards Act)/Time Entry

## Supervisor Information



- Compensatory time can be substituted for overtime payments
- Compensatory time (K-Time) is earned as a result of working overtime and serves in place of actual payment for performing OT work.
- Must be requested, recorded and used in a similar manner as annual leave

# Essential Employee Personnel FASOP HR:01

## Department and Supervisor Requirements



- Maintain written departmental emergency response plan
- Review and update plan annually or as needed with employees
- Plan should clearly identify primary and secondary employees
- Failure of essential workers to report to or remain at work may result in disciplinary action up to and including termination

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## Compensatory Time

- Compensatory time can be substituted for overtime payments.
- Departments will need to finance payout of comp time from annual budget.

Must be credited at the same rate as overtime **1.5x hourly rate** for work in excess of **40 hours**.

Employee must **agree beforehand** to be compensated with compensatory time instead of cash overtime.

**Non-public** safety workers are only allowed to accrue **240 hours** of comp time.

**Police Officers** are only allowed to accrue **480 hours** of comp time.

# Time Reporting

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## Helpful Reports:

- Time not submitted
- Time not approved
- Time Block Detail by Entry Code or Calc Tag



# Questions?

Compensation/Classification Contact: Joyce Whitfield [Joycew@lsu.edu](mailto:Joycew@lsu.edu)  
Time & Absence Contact: Karen Magee [kmagee@lsu.edu](mailto:kmagee@lsu.edu)