FLSA Forums-
Changes Impacting UI P&S Staff and Supervisors

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Today’s Agenda

Today we’ll talk about:

1) What is the FLSA?
2) What changes does it bring?
3) How to count hours worked
4) What is overtime and comp time?
5) What does this mean long term?
6) Questions and comments
What is FLSA?

The Fair Labor Standards Act is a federal law that was enacted in 1938 and has been amended several times since then.

• Established a standard 40-hour work week.
• Established a national minimum wage.
• Guaranteed overtime compensation at one and a half times regular rate for hours over 40/week.
• Established exemptions from overtime for salaried employees.
• Established recordkeeping requirements for employers.
FLSA Exemption from Overtime Criteria

Duties Test: An employee must meet at least one of the duties tests:
• Administrative
• Computer
• Executive
• Professional

Current Salary Test: Anyone earning less than $455/week ($23,660/year) is covered (non-exempt).

➢ To be considered exempt from FLSA, an employee must meet both the salary test and duties test.
What Does it Mean to be Nonexempt?

- The terms FLSA **covered** and FLSA **nonexempt** are interchangeable.
- Being designated as nonexempt means that an employee is subject to FLSA regulations including overtime pay requirements.
- If someone is **exempt** from FLSA, that means that they are not eligible for overtime pay requirements.
Upcoming Change to FLSA

- Significant increase to the salary test threshold; To $913/week ($47,476/yr.) effective December 1, 2016.

- ~1,700 non-bargaining P&S staff will become non-exempt. In addition to 480 P&S that are already non-exempt under the current duties and salary tests. ~ 5000 will remain exempt.

- UI Effective date: November 20, 2016; impacted staff will have two time records to submit for November.

- Staff with multiple MFKs will have an ETR for each MFK.
Who Will Change to Nonexempt?

• Generally, incumbents in P&S classifications whose salaries fall below $913/week ($47,476/yr.)

• All incumbents in the following classifications, regardless of salary:
  • Health Records Associate (PRM1), IT Support Analyst (PIC1), Manufacturing Specialist (PRF1), Revenue Cycle Representative (PVC1), Supply Chain Associate (PBH1)

• Incumbents classified as Administrative Services Coordinator (PAA1) and Support Services Specialist (PVD1) unless they satisfy the duties test and have a salary at or above $47,476

• Academic Administrative Personnel (Academic Advising (PCA), Educational Support Services (PCE), Instructional Services (PCH), Licensed Clinical Professionals (PJB) – Student Life only) making less than $39,111, based upon the UI Assistant in Instruction minimum salary

• Incumbents in P&S classifications or positions that the individual college or division may choose to voluntarily designate as non-exempt
What Does and Doesn’t Change When Someone Becomes Nonexempt

DOES NOT CHANGE:

- Benefits, including retirement, insurances, vacation and sick leave
- Policies related to career status, furlough rights, etc.
- Value of work and role within the University

DOES CHANGE:

- Need to record and be paid for all hours worked in order to determine application of overtime
- Need to discuss expectations around work and approval of overtime with your supervisor
- Need to have supervisory approval for working over forty hours per week
- Need to utilize different codes and entries on leave records
What Counts as Hours Worked Under FLSA?

- All time worked must be compensated, regardless of whether requested or approved. The definition of hours worked comes from the statutory definition of the term "employ", meaning "to suffer or permit to work."

- Work time ordinarily includes all time during which an employee is required to be on duty or at a prescribed work place. However, hours worked may extend outside of scheduled work hours if the individual continues to do work activities that serves to benefit the employer.
What is/is not “Hours Worked”? 

“Hours worked” for determining when overtime occurs, includes:
- Regularly scheduled hours at work
- Time spent performing work activities before/after hours
- Working during lunch/meal breaks
- Rest breaks
- Required meetings, training and travel away from work

Hours worked does not include:
- Normal travel from home to work
- Uninterrupted meal periods
- Vacation, sick leave or holiday time
Emails, Phone Calls, Remote Access

- When an employee is checking, creating and/or responding to work emails or phone calls outside of regular work hours, it is considered work time and must be compensated.

- It is also work time when an employee is using remote access for work purposes or if the employee is performing calendaring functions that are related to their job.

- Showing up early to prepare for work or staying late to finish work at the end of the day must be compensated.
Meal Periods

- Bona fide meal periods of 30 minutes or more are **not** considered work time.
- The employee must be **completely** relieved from duty for the purpose of eating regular meals (i.e., not at their desk/workstation).
- The employee is working if he/she is required to perform any duties, whether active or inactive, while eating.
- Employees interrupted for work purposes during an unpaid meal period must be paid for the entire 30-minute period.
Lectures, Meetings & Training Programs

- Attendance at lectures, meetings, training programs and similar activities is considered work time unless all four of the following criteria are met:
  - it is outside normal/scheduled hours
  - it is voluntary
  - it is not job related
  - no other work is concurrently performed
Conferences

- When an employee is attending a conference as part of their job responsibilities, the employee is compensated for all required events that involve training or a speaker.
- The employee is not compensated for optional social events, meals without speakers or meals when work/training is not being performed.
Travel That is All in a Day's Work

- Time spent by an employee in travel as part of their principal activity, such as travel from job site to job site during the workday, is work time and must be counted as hours worked.

- Travel from home to work is not normally considered work time.
Travel Away from the Home Community

- Travel that takes an employee outside of the home community is work time when it cuts across the employee's normal workday.
- Not only are travel hours considered time worked on regular working days, but also during corresponding hours of nonworking days (e.g. Saturday or Sunday).
Travel Away from the Home Community

- **Drivers** – All travel hours are considered work time regardless of when the travel occurs.

- The clock begins at the point the employee leaves home and ends when the employee arrives at the final destination.

- **Passengers** – All travel hours are counted as work time when it cuts across the employee’s normal working hours, on any day of the week, including weekends.

- Travel that occurs *outside* of the employee’s normal working hours *as a passenger* is not compensable whether it is on a common carrier or in a car.

- If an employee is actively engaged in work activities as a passenger, the time is considered work time regardless of what time of day the work takes place.
Volunteer Work

- Individuals are not able to volunteer their time to perform work activities; individuals cannot waive their right to overtime compensation.

- To qualify as a true volunteer, all 4 criteria must be met:
  1. The volunteer activity is not an extension of their regular work responsibilities.
  2. There is no expectation that the employee will volunteer.
  3. There is no penalty or differential treatment if someone does not volunteer.
  4. When individuals do volunteer, they choose what they volunteer for. The department cannot dictate where they are placed or it may be construed as a work assignment.
What Does This Mean Long Term?

- Supervisors and staff need to establish clear expectations around work schedules and hours worked consistent with the percent of appointment.

- If there is a need or the opportunity for flexibility, discuss clear parameters; Flexible Work Option resources are available at: https://hr.uiowa.edu/family-services/flexible-work-options

- Discuss options if variable schedules or additional work time is needed to meet job requirements, including prior approval to work more than your scheduled appointment (overtime or straight time).
Flexibility within the same work week

- If extra work time occurs early in the work week (Sunday – Saturday), it can be offset by time off within the same week to stay within normal work schedule and less than 40 hours.
- May be at request of employee or directed by the supervisor.
- If part time, any additional hours above the budgeted percent of time must be compensated, but at regular rate unless exceed 40 hours.
Overtime: Cash or Comp Time

If hours worked exceed 40 hours/week, overtime compensation can be in the form of pay or comp time (time off) at 1.5 times the normal rate; department makes the final determination between cash and comp options.

- Overtime is paid at 1.5 times the regular rate, which is calculated based upon total earnings for that week. Comp time over 40 hours is calculated at 1.5 times the additional hours worked.

- Comp time accrued cannot exceed 160 hours; any comp time not used by the end of the fiscal year is automatically paid out.
Examples
P&S Non-Exempt: Monday thru Friday schedule 8am–5pm (Full –time)

**Scenario #1** – Worked regular schedule, worked remotely for **1 hour Saturday** (same week).

**Record 1 hour Code 70** – Hours in Excess of Regular Schedule Paid at 1.5 Time Regular Hourly Rate

**OR**

**Record 1.5 hour Code 75** (1.5x hours of overtime worked) – P&S Non-Exempt Comp Hours Earned

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*No time entries needed on Employee Time Record for regular hours worked.*
Examples
P&S Non-Exempt: Monday thru Friday schedule 8am–5pm (Full –time)

Scenario #2 – Holiday week, worked regular schedule, worked remotely for 1 hour Saturday (same week).

Record 1.0 hour Code 71 – Hours in Excess of Regular Schedule Paid at Regular Hourly Rate
OR
Record 1.0 hour Code 75 – P&S Non-Exempt Comp Hours Earned

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*No time entries needed on Employee Time Record for regular hours worked.
Examples
P&S Non-Exempt: Monday thru Friday schedule 8am–5pm (Full–time)

Scenario #3 – Worked regular schedule, with **4 hours vacation, worked 5 hours Saturday** (same week). Record 4.0 hours **Code 71** – Hours in excess of Regular Schedule Paid at Regular Hourly Rate; AND Record 1 hour **Code 70** – Hours in Excess of Regular Schedule Paid at 1.5 Time Regular Hourly Rate; OR Record 1.5 hour **(1.5x overtime worked)** **Code 75** – P&S Non-Exempt Comp Hours Earned

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Resources

- Website: [https://hr.uiowa.edu/flsa](https://hr.uiowa.edu/flsa)
- Local: HR Representative/Senior HR Leader (listed in Self Service)
- Human Resources:
  - Compensation and Classification; [comp-class@uiowa.edu](mailto:comp-class@uiowa.edu)
  - Trevor Glanz; 335-1848
  - Robert Millsap; 335-2854
- Health Care Human Resources
  - Kyle Anson; 335-8155
- Payroll
  - Dan Schropp; 335-2382
  - Kate Hilsman; 335-3829
  - Rus Schomers; 335-2378
Questions?