

# FAQ

Frequently Asked Questions for FLSA changes for 2024

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## Key Terms

**Exempt Employee:** paid on salary basis; does not track time worked.

**Non-exempt Employee:** paid hourly; tracks all time worked.

## 1. What is the Fair Labor Standards Act (FLSA)?

The Fair Labor Standards Act (FLSA) is the federal wage and hour law administered by the U.S. Department of Labor (DOL). It impacts employees in both private and public sectors by establishing minimum wage, overtime pay, and other wage and hour regulations. Employees are either exempt or non-exempt status from the FLSA regulations. For more information visit: [www.dol.gov/agencies/whd/overtime/rulemaking](http://www.dol.gov/agencies/whd/overtime/rulemaking)

## 2. What does it mean to be exempt or non-exempt status?

Exempt employees are excluded from the overtime requirements. Non-exempt status employees are paid overtime for time worked in excess of 40 hours in any workweek, however colleges and universities, i.e. Northeastern State University may utilize compensatory time in lieu of overtime pay. To be classified currently as exempt, prior to July 1, 2024, an employee must meet the following three tests:

**Salary Basis Test:** An employee must receive a predetermined, fixed salary that is not subject to reduction due to variations in quality or quantity of work performed;

**Minimum Salary Test:** An employee must be paid a salary minimum that is currently \$35,568 per year (\$684 per week); and

**Duties Test:** An employee must qualify as an executive, administrative, professional, or computer professional (as specifically defined by the FLSA)

## 3. What is changing?

The DOL is raising the minimum salary for an employee to be designated as exempt from \$35,568 per year (\$684 per week) to \$43,888 per year (\$844 per week).

## 4. When will these changes become effective?

The changes will be effective July 1, 2024, however to be compliant by July 1 with FLSA, the transition will begin the week of June 23, 2024.

## 5. Are faculty excluded from these changes?

Yes. Under the FLSA, employees are not subject to the salary minimum if their primary duty is teaching, tutoring, instructing or lecturing, and if they are employed and engaged in this activity as a teacher in an educational establishment (i.e., Northeastern State University).

## 6. How does this affect a part-time or less than 100% full time employee?

Part time positions are non-exempt status due to falling below the minimum salary requirement.

## 7. Can I continue to be an exempt employee by opting out of this change?

No. The exemption criteria are federal law. An employee and employer cannot agree to waive any of the law's requirements.

**8. Will switching from exempt to non-exempt status impact an employee's leave accrual or retirement benefits and title of position?**

No. This regulatory change will not change an employee's leave accrual or retirement plan participation nor their title of the position.

**9. As a non-exempt status employee, will I be able to teach at the University?**

Non-exempt status employees are not eligible to participate in the additional compensation procedures.

**10. As a non-exempt status employee, can I still work early or late? Can I check emails from home?**

Non-exempt status employees can make arrangements and obtain approval from their supervisor to accommodate the needs of their respective department. However, all time worked must be accounted for and recorded as time worked. All compensatory time (comp time) and any alternative work arrangements must be approved in advance by the employee's direct supervisor.

**11. Now that I am non-exempt status, how do I track my work hours?**

Your working hours will now be recorded by using your self-service Banner, Web Time Entry (WTE). Click goNSU>Time Reporting> select the top Bi-Weekly time sheet>click the small clock on the left side under Clock In or Out.

**12. As non-exempt status will I need to submit my leave and time twice a month?**

Yes, you will now submit your time on the last day of the pay period, typically a Friday, a week prior to the workweek of Payday Friday. For example, your workweek is June 23-July 5. You would submit time on July 5. You will receive email reminders to submit. You will be paid for that time two weeks later.

**13. Do I need to clock out for 15 minutes breaks and lunch?**

Non-exempt status employees may be provided with one break period of up to 15 minutes during each four hour period and do not have to clock out for the 15 minute break. Since break period time is compensable time, employees must not be absent from their work stations beyond the 15 minute period. Breaks may not be used in conjunction with non-compensable time such as your lunch break, nor to adjust the starting or ending time for the work day or leave time. Non-exempt status employees are required to clock out for their one hour lunch, clocking in and out using the small clock on the left hand side of the timesheet.

**14. Will I need to enter time worked on days the University observes breaks and holidays?**

Yes, this is considered straight time, like a normal eight hour workday.

**15. IF I was to accumulate comp time, approved by my supervisor, how do I keep track of it?**

All time worked is entered into Banner's Web Time Entry. Remember, over time is any actual worked hours in excess of 40 for the workweek and will be at a rate equal to 1.5 times the hourly rate of pay in compensatory time off. If the workweek includes any leave taken along with actual work hours to equal 40 hours, then it is 1.0 times as long as it doesn't exceed the leave time used.

**16. IF I was to earn comp time, when could I use it?**

Employees that earn comp time cannot use it within the same week that they earned it in. Example, if you earned comp time during the weeks of 6/23-6/29, comp time is not available for use until after 6/29.

**17. Do I need to submit my June leave report, while I'm in exempt status, before I transition to non-exempt status and if so, when?**

Yes, you will need to submit your last leave report by June 22<sup>nd</sup> to your supervisor for approval.

**18. How will my benefits get deducted now that I am non-exempt status?**

As mentioned in your FLSA letter, we will be deducting one half of the July 2024 deductions from your June monthly check. Your first biweekly check paid on July 19, 2024 will include your second benefit deductions for July. Thereafter, benefit deductions will then be deducted bi-weekly.

**19. How do I know the amount of my bi-weekly paycheck and pay dates?**

To know the exact amount of your paycheck, including benefit deductions, you may view your paystub the week of your payday Friday at goNSU>click Employment Details>click Pay Stub. To locate pay dates, visit the nsuok.edu website, search in the directory for Payroll, from there you will see payroll dates.

**20. Will there be training available to learn how to navigate the Web Time Entry?**

Yes, the Office of Payroll and Human Resources will host a training on June 17th at 9am via zoom. To Join Zoom Meeting: <https://nsuok.zoom.us/j/92879106758>

REMEMBER! →

As a friendly reminder, follow up on your automated withdraw dates and payments such as your cost of living expenses due to changing pay dates.

Payrolls dates are bi-weekly, as in every other Friday and not the 1<sup>st</sup> and 15<sup>th</sup>.

Your position number will no longer reflect an "X" in front of your number, for example, X12300 but an "N" such as N12300.