



# Round 1: 2020 FLSA Implementation Training

Human Capital Services

# FLSA 2020 Implementation Training Overview

- FLSA Basics
- 2020 FLSA Update
- K-State's Implementation
- Communication, Training, and Resources

The seal of Kansas State University is partially visible on the left side of the slide. It is a circular emblem with the text "KANSAS STATE UNIVERSITY" around the top and "1863" at the bottom. The center of the seal features a shield with various symbols.

# FLSA Basics

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All positions are assumed to be non-exempt unless they meet *ALL* of the following:

- Salary Threshold
- Paid on a salary basis and not hourly
- Duties test

Do the primary duties of the position qualify for exemption under US Department of Labor guidelines?

# Common Myths & Misconceptions

- FLSA status is determined based on job title.
- All unclassified employees are exempt and all USS employees are non-exempt.
- Employees can volunteer additional hours of work and decline pay protection under the FLSA.
- If a job regularly requires working variable hours on evenings and weekends, it is likely exempt.
- If the overtime is not approved, it does not need to be paid.

# Compliance Priorities

- ✓ All hours worked by non-exempt employees must be recorded and compensated
  - “If we know or should have known”
  - No off-record arrangements. Hours worked must be recorded in official system of record.
- ✓ Ensure supervisors are trained

# Avoiding Overtime Liability

- ✓ Remind manager to clearly communicate expectations and set work schedules
- ✓ Schedules can be **adjusted** to avoid overtime (flexible time)
- ✓ Non-exempt employees may be sent home after 40 hours work in workweek
- ✓ **Managers should review** timesheets during the approval process
- ✓ Unauthorized work outside regularly scheduled work hours can be subject to disciplinary action

# Contact Employee Relations & Engagement when...

- An employee works overtime without authorization.
- A supervisor is making special arrangements with employees and not recording all hours worked in official time keeping systems.
- I need assistance balancing demands, budget and overtime rules.



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# 2020 FLSA Update

# 2019 FLSA Overtime Rule

On September 24, the DOL announced updated regulations to be effective January 1, 2020.

- NEW minimum salary threshold for exemption of \$35,568/yr (\$1,368/biweekly or \$17.10/hr)
- No changes to the duties tests

K-State is in compliance today.



# K-State's Implementation

# K-State's Implementation

- Cabinet approved the adjustment of K-State's FLSA salary threshold to \$35,568
- The effective date for new salary threshold will be at the start of FY 21 for both current employees and new hires.
- HCS has met with Cabinet Members and Deans to share the 2020 FLSA action plan, a dashboard, and key decision points to be made.

# Your Role in the Implementation

## **Supervisors**

- If you currently supervise a non-exempt employee who may be impacted by the new FLSA threshold, you will be notified by your unit/college leadership.
- If you have not been notified by your Cabinet member or Dean, it is possible that you do not supervise potentially impacted employees.

## **HCS Liaisons**

- If there are potentially impacted employees in your department, you may be engaged by your unit/college leadership to assist with FLSA submission processes.

## **Employees**

- Not every non-exempt employee will be impacted by the FLSA changes.
- Potentially impacted employees should be included in the position description review.

# Action Plan



**Step 1:** Position Description Review and Submission

**Step 2:** Duties Test Evaluation and Determination

**Step 3:** Base Salary Decisions for Impacted Employees

**Step 4:** Evaluating Pay Equity

**Step 5:** Submitting Changes for Processing

**Step 6:** Communication and Training

# Step 5: Submitting Changes for Processing

- HCS will provide departments an FLSA Excel spreadsheet.
  - Available when all potentially impacted employees have been reviewed which is no later than **May 4**.
- Upon receipt of the spreadsheet, departments will be asked to confirm or complete the following:
  - FLSA exemption decisions
  - FLSA-related salary adjustment (ex: salary increase based on historical OT)
- FLSA Excel spreadsheet information due to Compensation & Org Effectiveness by **May 11**.

# Fiscal Year 2021 Budget Update

Budget processes will occur in this order of application:

1. FLSA related changes from spreadsheet (pay type and rate)
2. Below minimum adjustments (automated process)
3. Potential COLA/merit salary adjustments
  - Pending legislative decisions
4. Other salary adjustments
  - Salary Increases for employees entered through the budget pages (if applicable) – merit, promotion, equity, market adjustment, other

Other possible changes effective June 14, 2020:

- Non-FLSA related salary increases for temporary employees – liaison enters via HRIS pay rate change page
- Reclassifications\*, promotions, transfers, etc. – require transaction be submitted to HCS

**\*\*Employees who change from non-exempt to exempt must be paid for remaining compensatory hour balance as of 6/13/2020.**



# FLSA Implementation Timeline

Dates	Activity
Jan 20 – Feb 26	Conduct FLSA Consultations with Executive Leadership
Feb 10 – 21	Conduct training for HCS Liaisons and Supervisors
Feb 10 – April 3	FLSA submission window open
May 4	FLSA eligibility determinations made and FLSA spreadsheet provided to units
May 11	FLSA decisions due back to HCS
May 18	Communicate FLSA determinations to employees, supervisors, and appropriate administrators
May 26 – June 12	Conduct training for impacted employees, HCS Liaisons and Supervisors

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# Communication, Training, and Resources

# Communication & Training

HCS will be partnering with units to communicate FLSA determinations and next steps with impacted employees and supervisors.

- Communication templates
- Conversation guides to discuss determinations

Round 2 FLSA 2020 Training will be designed to assist impacted employees and their supervisors with exemption status changes. The training may include:

- guidance for timekeeping
- paid leave

*\*Session information coming by April 2020.*

# Resources

- Online training: [FLSA Basics](#)
- In-Person Training (Supervisory Foundations, Standalone sessions, or by request)
- Human Capital Services Website
  - [FLSA & Overtime](#)
  - PageUp FLSA Review User Guide
- [PPM 4220: Hours of Work, Overtime, Overtime Pay and Compensatory Time](#)