

2024 Changes to the Fair Labor Standards Act Frequently Asked Questions

1. What is the Fair Labor Standards Act?

The Fair Labor Standards Act (FLSA) is the United States' federal wage and hour law, administered by the US Department of Labor (DOL). Among other things, it establishes the federal minimum wage and sets overtime pay requirements for employees in the private and government sectors.

Under the FLSA, some employees are *exempt* from the wage and overtime provisions of the law, and some are *non-exempt*. The FLSA requires that all *non-exempt* workers be paid overtime (usually one-and-one-half times their regular rate of pay) for all hours worked over 40 in a workweek.

2. What is the University's workweek?

Sunday through Saturday

3. What is the difference between exempt and non-exempt employees under the FLSA?

Exempt employees are considered "salaried" and do not earn any overtime compensation for working over 40 hours in a workweek. They must also perform certain types of job duties to qualify as exempt.

Non-exempt employees are considered "wage earning" and must earn overtime compensation for all hours worked more than 40 in a workweek (Sunday - Saturday).

4. What are the 2024 changes to the FLSA?

In April 2024, the Department of Labor (DOL) released changes to the FLSA that increased the minimum salary required for an employee to be exempt from overtime compensation under the "White Collar Exemptions" for executive, administrative, and professional employees, from \$684 per week (\$35,705 annually) to \$844 per week (\$44,057 annually). The annual salary is based on UWF's 26.1 pay periods.

Beginning June 23, 2024, an employee must meet the following criteria to be classified as FLSA exempt under the "white collar exemption":

Perform primarily executive, administrative, or professional duties as defined under DOL regulations; AND earn at least \$844 per week (\$44,057 annually based on UWF's 26.1 pay periods). *

**A few types of employees may be classified as exempt without meeting the salary minimum, for example bona fide teachers.*

5. When will the FLSA changes go into effect?

The final rule changes were released in April 2024. They go into effect nationwide on July 1, 2024. They will go into effect at UWF on **June 23, 2024**, due to the University payroll schedule.

6. Who is affected?

If you are currently classified as an exempt employee, you *may* be subject to the new minimum salary threshold, which will be increasing with this executive order. If you are currently classified as a nonexempt employee, you will not be affected.

7. Are part-time employees affected?

Part-time employees will be affected if they are currently classified as exempt, but make less than the new salary threshold, \$844 per week (\$44,057 annually based on UWF's 26.1 pay periods), while working part time.

8. Are faculty members impacted?

Bona fide teachers are FLSA exempt, regardless of their annual/weekly salary, if their "primary duty is teaching, tutoring, instructing, or lecturing in the activity of imparting knowledge in an educational establishment." See [DOL Fact Sheet #17D](#) Most faculty positions qualify as FLSA exempt under this "teaching exemption" and will not be affected by the changes. Non-teaching faculty positions do not qualify as FLSA exempt under this "teaching exemption" and will be impacted by these changes if they do not meet the \$844 per week salary threshold.

9. How is UWF planning to manage the changes?

Human Resources in collaboration with University Administration is working to develop an approach to these federal regulatory changes that comply with the law, while having the least negative impact on UWF employees.

Human Resources is currently analyzing all university positions, evaluating impacted job codes, and soliciting feedback from departments to determine the best approach to

compliance. Currently, the University anticipates a multifaceted approach that includes the following:

- Exempt employees making less than the new FLSA salary threshold can expect to be reclassified as FLSA non-exempt. If an employee is reclassified to non-exempt, they will become eligible for overtime compensation (pre-approval of any overtime hours will be required) and will have new timekeeping requirements. The reclassified employee's pay, benefits, and leave accrual rates will not change. The University will notify these employees via letter.
- It is possible that some exempt employees who are making less than the new salary minimum may receive a salary increase and remain exempt. The University will notify these employees via letter.
- Current employees who are non-exempt will experience no changes because of the new FLSA regulations.
- **OPS** employees who are currently FLSA non-exempt will experience no changes because of the new FLSA regulations. OPS employees who are currently exempt and make less than the new salary minimum will be moved to non-exempt status. Any OPS exempt employee moved to non-exempt status will become overtime eligible (pre-approval of any overtime hours will be required) and will have new timekeeping requirements.

10. Can I or my department opt out of FLSA changes if we want to manage things differently?

No. These changes are driven by changes to federal law that will apply to employees across the United States, not by UWF's policymakers or individual departments. The University has, and will continue to, consult with departments across campus on factors impacting UWF's response to these regulatory changes. However, guidelines will be established centrally to ensure the University's response is consistent, non-discriminatory, sustainable, and legally compliant.

11. What does all this mean for me?

In some cases, employee classifications may change from FLSA *exempt* to *non-exempt*. If you are in a position that is reclassified from exempt to non-exempt, you will become eligible to earn overtime compensation if you work over 40 hours during a given workweek (Sunday-Saturday). This may change the way you report your hours worked to document the time you are eligible for overtime compensation.

12. Will all currently exempt employees under the new salary threshold receive a pay increase to remain exempt?

No, there is limited funding available to raise salaries to the expected new salary threshold. The University is already proactively looking at salaries and specific job codes. While some adjustments may occur, they will be based on many factors so employees should not automatically expect a salary increase due to the legislation.

13. Are current non-exempt employees affected?

No, employees currently in *non-exempt* positions will not be affected.

14. What does it mean for an employee to be “reclassified to non-exempt” due to the FLSA changes?

Employees who must be reclassified to non-exempt will become eligible for overtime compensation and will have more detailed timekeeping requirements, but their job duties will not change because of the FLSA changes.

They will stay in their current university compensation plan (University Work Force, OPS, Faculty), retaining all the attributes of the compensation plan (leave plans, benefits packages, employment contracts, etc.).

Their regular rate of pay, job duties, benefits (leave accrual rates, retirement, health insurance, etc.), and any union membership eligibility will not change. Non-exempt employees are still held to the high-performance standards already existing for their work.

Employees impacted by the FLSA changes will be notified before any changes are made to their FLSA classification and offered training on any timekeeping changes.