

# Fair Labor Standards Act

## *Frequently Asked Questions*

## WHO IS AFFECTED?

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**Q: Do the new FLSA rules affect faculty?**

A: The new rules do not affect faculty whose primary position's responsibilities involve instruction (tenure track, clinical track, and lecturers). Research faculty and librarians may be affected.

**Q: Are graduate assistants and student workers affected?**

A: When instruction is the primary duty, the new rules do not apply, and Teaching Assistants will not become eligible for overtime pay. Also, when research assistants are engaged in research while obtaining a degree, they will not become eligible for overtime pay under the new rules.

**Q: If an employee makes the current threshold at 100% FTE but reduces effort and drops below the threshold, will they convert to non-exempt hourly?**

A: Yes, the employee will convert to non-exempt hourly and enter time for all hours worked.

**Q: Does this new rule apply to employees working 12-hour shifts?**

A: Yes, organizations utilizing irregular shifts are obligated to follow the new rules.

## GENERAL Q&A

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**Q: Can I opt out of this change?**

A: An employee and employer cannot agree to waive any of the law's requirements.

**Q: If I am being moved from salaried to hourly wage, is it considered a demotion?**

A: No, the transition from exempt to non-exempt is necessary to comply with federal regulations; therefore, in no way should this change be considered a demotion. This change will not adversely affect the actual or perceived value of an employee's work or the importance of their contributions to LSU.

**Q: What happens if I work more than 40 hours per week?**

A: Any hours worked in excess of 40 hours per week must be paid at the rate of 1.5 times your regular hourly rate. The standard work week is Saturday 12:00 am to Friday 11:59 pm.

**Q: How will I keep track of my time?**

A: You will be required to enter your time in Workday. Failure to submit time by the required deadline will result in no payment to the employee. Also, failure of the supervisor to approve time by the required deadline will also result in non-payment to the employee. Employees must wait until a future payroll to receive the catch-up in payment.

**Q: Will this impact my unclassified/professional/other academic/faculty status?**

A: No, employees will remain in their current unclassified/professional/other academic/faculty and outside the Civil Service directions.

**Q: What does exempt status mean?**

A: Employees classified as exempt are not eligible to earn overtime and must be salaried. Employees classified as non-exempt are entitled to overtime pay.

**Q: What are the impacts on the pay schedule if someone is converted from salary to non-exempt hourly?**

A: The employee will be paid on a bi-weekly basis instead of a monthly pay schedule. The bi-weekly pay schedule will result in 26 paychecks annually.

**Q: Will switching from exempt to non-exempt impact my annual and sick leave accruals?**

A: No, it will not impact your annual and sick leave accruals. You will continue to accrue on the monthly unclassified schedule.

**Q: Will switching from exempt to non-exempt impact my benefit elections and retirement plans?**

A: No, your benefit eligibility and retirement enrollment will not be affected. However, benefit deductions will move to a bi-weekly schedule; therefore, you may need to make adjustments to how much you have set up to contribute per paycheck to supplemental retirement (403(b)/457(b)) elections.

**Q: What happens if I take time off during the week?**

A: Time off does not count towards the 40 hours worked for overtime rate calculations. This includes annual leave, sick leave, jury duty, military leave, unpaid leave, etc. Employees will be paid their regular rate of pay for all hours worked up to 40 hours per week.

**Q: Will I receive overtime for working on an LSU holiday?**

A: Yes, employees who work on a holiday will be paid 1.5 times their rate of pay for all hours worked on the holiday, regardless of the total hours worked during the week.

**Q: Can I work overtime and tell my supervisor later?**

A: No, employees must have overtime approved by their supervisor prior to work commencing.

**Q: Where will the funding for this overtime pay come from?**

A: Each department is responsible for the financing of their overtime or compensatory time from their regular budget.

**Q: How will the career progression series be impacted if some levels are below the threshold and some are above?**

A: Those levels that have a minimum salary that falls below will be converted to non-exempt, while those above remain exempt.

**Q: Does my hourly pay rate include stipends, allowances, or additional compensation?**

A: No, the official hourly base rate does not include stipends for telephones, expense reimbursements, clothing allowances, benefits, additional compensation, supplemental compensation, etc.

**Q: How will travel time be managed for those who travel to conferences, meetings, etc.?**

A: The Department of Labor has specific information regarding travel time that can be found on the [DOL website](#).

**Q: Does commute time count towards the 40 hours?**

A: No, commute time does not count toward the 40 hours worked per week.

**Q: Do breaks count towards the 40 hours?**

A: Lunch breaks do not count toward the 40 hours worked per week (when lasting 30 minutes in duration or longer).

**Q: Who is going to let the employee know of this change?**

A: While HRM is going to send out a series of informational materials, each department should establish and inform each employee in writing who is being paid an annual base salary under \$58,656 annually of their regular work hours, work schedule, and hourly rate.

**Q: How should I handle changes in an employee's work schedule?**

A: Any changes in a work schedule should be approved by the supervisor in a formal manner in advance.

**Q: What should I do if I know I need my employees to work overtime?**

A: Departments should account for their annual overtime needs within the annual budget construction process.

**Q: Where can I get more information?**

A: Complete information is available on [LSU's HRM website](#) and on the [Department of Labor's Wage and Hour Division](#). Additionally, please refer to [LSU's Employee Overtime Policy \(PS-61\)](#). Please contact [hr@lsu.edu](mailto:hr@lsu.edu) with any additional questions.

## COMPENSATORY TIME

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**Q: Can I receive compensatory time in place of overtime?**

A: Yes, but it must be documented in writing and approved by your supervisor in advance. You will receive 1.5 hours of compensatory time for each hour worked in excess of 40 hours per LSU overtime policy. Compensatory time will accrue hour for hour up to 40 hours worked during the work week.

**Q: How do I track compensatory time?**

A: Compensatory time earned for approved overtime will be entered in Workday in lieu of hours worked for approved overtime. Workday will calculate the accrual of hours and the compensatory time off balance will be available with your other accrued leave hours in Workday. Workday is the LSU system of record for all hours worked and leave taken.

**Q: Is there a maximum accrual of compensatory hours?**

A: Yes, employees cannot accrue more than 240 hours of compensatory time. Employees must be paid for all overtime hours if they accrue the maximum of 240 hours of compensatory time.

**Q: What happens to my compensatory time upon termination of employment?**

A: Employees must be paid for all accrued compensatory time, regardless of the reason for termination.

**Q: Can I save my compensatory time?**

A: Compensatory time should be used in a reasonable amount of time following its accumulation. LSU requires employees to exhaust their compensatory balance before using accrued annual leave.

**Q: Will I receive one hour of compensatory time for one hour of work time?**

A: You will receive 1.5 hours of compensatory time for each hour worked in excess of 40 hours per LSU overtime policy. Compensatory time will accrue hour for hour up to 40 hours worked during the work week.