

CAMPUS CORRESPONDENCE

Human Resources Office

Southeastern Louisiana University

DATE: August 9, 2004
TO: Budget Unit Heads
FROM: Jessie Roberts
Human Resource Director
RE: New Overtime Rules

You recently received information from Dr. John Crain and Mr. Stephen Smith regarding the new overtime rules released by the U.S. Department of Labor related to the Fair Labor Standards Act (FLSA) that will go into effect August 23, 2004. One of the areas of the university that will be impacted by these changes are unclassified staff positions that do not qualify for FLSA exempt status. Human Resources is in the process of identifying positions that may have a change in status based on the changes to the overtime rules. In order to make this determination one way or the other, each position will have to be reviewed and pass two exemption tests in order to be considered exempt.

The first test is the salary test which is used to identify any position that earns less than \$23,660 annually. Any unclassified staff member earning less than \$23,660, full-time or part-time, will be categorized as non-exempt unless they are classroom teachers. These employees will be paid on an hourly basis for each hour worked in order to comply with the new regulations. This change will be effective with the beginning of the biweekly payroll on August 15, 2004.

The second test is the duties test. The duties test will determine if a position meets the executive, administrative, professional, or computer related professional duties exemptions. In order for Human Resources to complete the duties test, we will review job descriptions on file for each position in question. If a job description is changed, it will need to have all appropriate approvals before it is finalized. As a matter of clarification, we have attached a brief questionnaire that will help identify specific criteria to be used in the duties test. Please provide a copy of the attached questionnaire to each employee listed and have them complete it. After the employee has completed it, please review it as their supervisor and make sure that you are in agreement with the contents. Both employee and supervisor should sign the questionnaire and return it to Human Resources as soon as possible. We would appreciate your prompt attention to this matter.

Budget unit heads should be aware that unclassified staff who are categorized as non-exempt are to be paid overtime at the time and one-half rate for hours worked over 40 per week. Budget unit heads are responsible for making sure funds are allocated for overtime, if needed.

Nonexempt employees may be compensated with compensatory leave in lieu of overtime if they are in a leave earning position. If they are not, they will have to be paid in cash payment on their next check. Non-exempt employees, who earn more than 240 hours of compensatory time in lieu of overtime, must be paid for any overtime worked after reaching the 240-hour cap. Compensatory leave earned in lieu of overtime will also have to be paid as terminal leave when the employee resigns, retires, or is terminated. Southeastern and University of Louisiana System policies on compensatory time will be revised to reflect these changes.

Please review your current job description and update it if it is no longer accurate. Please be specific regarding duties related to supervision, budget authority, and authority for decisions requiring discretion and independent judgment in matters of significance.

Questions related to these changes should be directed to Jessie Roberts, Human Resources Director at jroberts@selu.edu or via extension 2001.

Cc: Dr. John Crain
Mr. Stephen Smith