



CHAPTER: 2
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Subject: Chapter 2 BUSINESS--VP FOR BUSINESS
Section 5.03 REQUIREMENTS OF THE FAIR LABOR STANDARDS ACT
(FLSA)

I. PURPOSE

To help interpret and implement the Fair Labor Standards Act (FLSA) and to indicate the effect of the Act upon employees as follows:

- Compensation for overtime work
- Minimum hourly wage
- Equal pay for equal work
- Employment of children

II. REFERENCE

- A. Personnel Policy No. C2S05.04, "Overtime Pay"
- B. Personnel Policy No. C2S02.04, "Employment of Students and Youth"
- C. Personnel Policy No. C2S03.04, "Hours of Work/Telephone Coverage"

III. DEFINITIONS

- A. Exempt Employee. An individual in a classification not subject to the overtime provision of the Act. Included are those generally found in the Faculty, Executive and Professional employee categories.
- B. Non-exempt Employee. An individual in a classification subject to all provisions of the Act. Included are those generally found in the Classified employee category.
- C. Standard Work week for Classified Employees. Saturday, midnight to the next Friday midnight with starting and stopping times designated in Personnel Policy No. C2S03.04, "Hours of Work/Telephone Coverage".

IV. GENERAL

A. Exempt Status

The Fair Labor Standards Act permits exemption from provisions of the Act for individuals employed in a bona fide executive, administrative or professional capacity.

Exemption status is a complex determination in which factors such as income level, percent of time employed, job duties, supervisory responsibilities, academic achievement, and other related factors which are considered when making the determination. Since legal requirements are involved, the exempt or non-exempt determination is centralized in the Personnel Services Office with assistance from the College Job Title and Classification Committee. This exemption cannot be changed without concurrence from the Personnel Services Office. All questions concerning exempt or non-exempt determinations should be directed to the Personnel Services Office.

B. Overtime Work

1. General Standards

- a. Overtime work is time worked in excess of the standard work week. Non-exempt employees who work in excess of the standard work week must be paid additional compensation at time and one-half rates or given compensation leave time off. (See Personnel Policy No. C2S05.04, Overtime Pay, for additional information.)
- b. For purposes of computing overtime hours, the College standard work week begins at 12:01 a.m. Saturday and ends at midnight the following Friday.
- c. All overtime must be recorded to the nearest quarter-hour increment (i.e., 1/4, 1/2, or 3/4).
- d. Holiday pay is counted as time worked during the week for purposes of computing overtime pay.
- e. Pay for vacation and sick leave is not counted as time worked during the week for the purposes of computing overtime pay.

2. Non-exempt Employees

Allocation of overtime compensation for non-exempt employees will be governed by the following policies:

- a. After a standard work week has been worked by a non-exempt individual who is employed on a salaried basis in more than one department, the overtime will be charged to the department(s) for hours worked taking into consideration the Full-time Equivalent (FTE) salary arrangements.

Example: If a person who is 50% FTE in Department A and 50% FTE in Department B, actually works 20 hours in A and 25 in B--Department B pays 5 hours at the time and one-half rate.

- b. When more than one department employs a non-exempt individual on an hourly basis, overtime will be paid by the department in which the overtime is worked.
- c. When an individual is employed on both a salaried and an hourly basis and is employed by more than one department, the department(s) employing the individual on a salaried basis will only be charged overtime when the hours worked for that department(s) exceed the standard work week. If the total hours worked in the departments exceed the standard work week because of the work in the department(s) paying on an hourly basis, the overtime will be charged to that department(s).

3. Exempt Employees

Individuals in exempt classifications are expected to fulfill the complete responsibilities of their jobs regardless of hours worked. These individuals are not paid overtime.

C. Minimum Wages

The minimum wage for non-exempt College employees conforms to minimum wage schedules as specified in the Fair Labor Standards Act, as amended.

D. Equal Pay for Equal Work

No department shall discriminate between individuals on the basis of sex by paying wages at a rate less than the rate paid to individuals of the opposite sex for work which requires equal skill, effort and responsibility, and which is performed under similar working conditions.

E. Child Labor Provisions

Employment of youth is regulated by both Federal and State statutes. Personnel Policy No. C2S02.04, "Employment of Students and Youth," explains the College's position.

F. Record Requirements

The Fair Labor Standards Act requires all payroll records to be maintained by the College. All Payroll, Time, and Attendance forms must be retained three years by the Payroll Office and individual department offices as appropriate. It is imperative all information required by these forms be accurate and complete.