

4.6.4 Fair Labor Standards Act (FLSA): Non-Exempt and Exempt Jobs

Chapter 4 - General Personnel	Original Effective Date: November 2000
Section: 4.6 Classification and Compensation Administration	Date Last Reviewed: November 2016
Responsible Entity: Vice President and Chief Human Resources Officer	Date Last Revised: November 2016

I. Purpose

To establish the UT Health San Antonio policy regarding the Fair Labor Standards Act (FLSA) for Non-Exempt and Exempt jobs.

II. Scope

This policy applies to all faculty, administrative and professional (A&P), fellow, student employees and classified employees of UT Health San Antonio.

III. Policy

A. General Policy

It is the policy of UT Health San Antonio (UTHSA) to comply fully with the provisions of the Fair Labor Standards Act (FLSA), as amended, in regard to all of its employees in connection with its operations. The FLSA establishes regulations regarding minimum wage, overtime pay, minors in the workplace, and recordkeeping.

B. Non-Exempt and Exempt Job Classification

The FLSA designates each job classification as either non-exempt or exempt. A non-exempt job classification is covered under all provisions of the FLSA and is subject to minimum wage and overtime provisions.

Pursuant to the criteria established by the Wage and Hour Division of the Department of Labor, the Office of Human Resources assigns an official FLSA designation of "non-exempt" or "exempt" for each job at UTHSA. Unless designated otherwise, all employees are non-exempt.

FLSA designation can be found in the Career Explorer or by contacting the Office of Human Resources.

C. Minimum Wage

Under the FLSA, non-exempt employees must be paid at least the federal minimum wage which, as of July 24, 2009, is \$7.25 per hour.

D. FLSLA Overtime Provisions for Non-Exempt Employees

Pursuant to the FLSA, non-exempt employees who actually work in excess of forty (40) hours in a workweek must be compensated for overtime either as compensatory time or overtime pay.

Example: A non-exempt employee actually worked forty-five (45) hours in a workweek. The employee would be entitled to five (5) hours of overtime compensation since he or she actually worked five (5) hours in excess of forty (40) in the workweek.

More detailed information about overtime hours worked, compensatory time, overtime pay, and the procedure to pay FLSA overtime in lieu of FLSA compensatory time can be found in the Institutional Handbook of Operating Policies (IHOP) Policy <u>4.6.5 Fair Labor Standards Act (FLSA): Work Hours and Overtime Provisions for Non-Exempt Employees</u>.

Information on recordkeeping or timekeeping requirements can be found in IHOP <u>4.6.10 Timekeeping</u>.

E. Provisions for Exempt Employees

The FLSA provides an exemption for employees paid at, or above, a prescribed salary level - on a salaried basis - and who are employed in a bona fide executive, administrative, professional or computer-related capacity.

An exempt job classification is not subject to the minimum wage and overtime provisions of FLSA. Exempt employees must be paid on a salary basis in order to retain the exempt designation, regardless of the percent time appointment. In general, exempt employees should not be paid on an hourly basis. Doing so may compromise the FLSA exempt designation for that employee.

Note: Certain exceptions may apply to a few learned professional jobs including faculty and medical doctors.

IV. Definitions

There are no defined terms used in this Policy.

V. Related References

There are no related documents associated with this Policy.

VI. Review and Approval History

- A. The approving authority of this policy is the University Executive Committee.
- B. The review frequency cycle is set for three years following the last review date, a time period that is not mandated by regulatory, accreditation, or other authority.

Effective Date	Action Taken	Approved By	Date Approved
11/2000	Policy Origination		
11/2016	Policy Revision		