

## **IMPORTANT CHANGES TO SALARIED POSITIONS**

On April 23, 2024, the Department of Labor (DOL) approved a new overtime rule under the Fair Labor Standards Act (FLSA) that is set to go into effect July 1, 2024. This new rule will require employers to pay overtime to all employees making less than \$43,888 annually. The University of New Orleans (UNO) will proceed with converting all individuals who have a salary below \$43,888 and/or who occupy a position with a position range minimum less than \$43,888, to hourly non-exempt for the July 1, 2024, implementation. Due to the bi-weekly pay period beginning on June 29, 2024, the conversion to hourly non-exempt will occur on this date.

Certain employee groups are exempt from the DOL salary test and are not required to meet the new salary threshold; this includes teachers/instructors, and coaches. These are the only classifications exempt from this proposed overtime rule. Note that there is no proration for part-time workers.

If an employee makes less than \$43,888 annually and/or occupies a position with a position range minimum less than \$43,888, their position will be reclassified as non-exempt hourly, and they will be eligible for overtime pay effective June 29, 2024, to comply with the July 1, 2024, FLSA regulations. **Public universities like UNO qualify as a “public agency” under the FLSA and will compensate nonexempt employees with compensatory time off in lieu of overtime pay.**

## **FREQUENTLY ASKED QUESTIONS**

### **Q: Who is affected?**

A: All UNO employees who have a base salary below \$43,888 and/or who occupy a position with peers making less than \$43,888, will be converted to hourly for the July 1 implementation.

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

A: The new rules do not affect faculty whose primary position's responsibilities involve instruction.

### **Q: Will this affect postdoctoral researchers, research assistants and research associates? And is it possible to opt out of this?**

A: If a position makes less than \$43,888 as of July 1, 2024, or an individual occupies a position with a position range less than those thresholds, they will be converted from salary to hourly on the respective implementation dates. Because this is a federal law, there is no means of opting out.

### **Q: Are graduate assistants and student workers affected? Will the new overtime rules apply to them?**

A: Graduate Assistants and Student Worker's primary function is that of a student and they are considered part-time, with a maximum scheduled weekly hour of twenty hours per week. While student workers are already hourly, UNO will not pursue converting Graduate Assistants from stipend to hourly at this time.

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

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

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

A: An employee and employer cannot agree to waive any of the federal 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 UNO. There is no change to a worker's duties or title allocation, it is an adjustment to your pay frequency and allows a worker to be paid for all hours worked.

**Q: How is "coaching" defined for the salary threshold exemption?**

A: Athletics coaches employed by higher education institutions may qualify for the teacher exemption. Teaching may include instructing student-athletes how to perform their sport.

**Q: Will I still be paid for holidays?**

A: Yes, you remain eligible for holiday pay.

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

A: No, your benefit elections and retirement enrollment will not be affected.

**Q: Do you need to clock in and out for lunch during a regular workday?**

A: Workday will automatically calculate a 30-minute meal break for time entry over 5 hours. Full-time employees must account for 40 hours during the standard work 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: 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 a 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 unused, accrued compensatory time balances, regardless of the reason for termination.

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

A: You will be required to clock in and clock out in Workday. Failure to certify time by the required deadline will result in non-payment to the employee. Also, failure of the supervisor to certify time by the required deadline will result in non-payment to the employee. Employees must wait until a future payroll to receive the catch-up in payment.

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

A: Compensatory time will be earned at 1.5 times your regular hour rate for any hours worked over 40.