Overtime Rule Changes: Manager Training

WHAT YOU NEED TO KNOW BEFORE DECEMBER 1, 2016
Agenda

- Overtime eligibility – Fair Labor Standards Act (FLSA)
- Portland State University impact
- Preparing for change
- Payroll and timekeeping system
- Resources (PSU HR website, DOL website, BOLI website)
- Questions
Overtime Eligibility - Fair Labor Standards Act

FLSA establishes:

- Employee protections & rights
- Federal minimum wage
- Overtime protection and exemptions
- Child labor restrictions, equal pay standard

Determines eligibility for overtime from:

- Job Duties: Test worksheet
- Wage (BIG changes this year!)
Changes & PSU Impact

U.S. Department of Labor changes:

- Salary threshold for exemptions increased from $23,660 to $47,476
- Not prorated for part-time employees
- Last changed in 2004, will now increase every 3 years

HR reviewed job descriptions & salary

- 160 PSU employees will change from exempt to “overtime-eligible”
- Effective December 1, 2016
What it means to be “overtime-eligible”

Overtime for work over 40 hours/week
  • Compensatory Time at time & ½ or
  • Pay at time & ½

Breaks & lunch are required each day
  www.pdx.edu/hr/wage-hour-laws

Employees report time worked/taken each month
  www.pdx.edu/hr/timesheetsleave-reporting
Preparing for changes

Reorganize workloads & /or adjust schedules

Overtime hours

- Overtime should only be worked with prior authorization of manager

Pay or Compensatory time

- Employee has option to accrue as comp time
- Both pay and comp time are at time & ½

www.pdx.edu/hr/wage-hour-laws#Comp Time
Rest & Meal Periods

Required for overtime-eligible employees

- Supervisors are responsible for ensuring employees take required breaks
- The best practice: Employees leave work space when on break
- Should be planned based on scheduled hours
- May not skip or combine breaks
- Rest periods are considered time worked
- Meal periods are unpaid

www.pdx.edu/hr/wage-hour-laws#Rest & Meal Breaks
## Rest and Meal Periods

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<th>Work Period</th>
<th>10-Minute Paid Break</th>
<th>30-Minute Unpaid Meal Break</th>
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www.pdx.edu/hr/wage-hour-laws#Rest & Meal Breaks
Other considerations

- Lactation breaks
  [www.pdx.edu/hr/wage-hour-laws#Lactation Breaks](www.pdx.edu/hr/wage-hour-laws#Lactation Breaks)

- Travel Time: Depends on type, location, and time of day
  [www.pdx.edu/hr/wage-hour-laws#TravelTime](www.pdx.edu/hr/wage-hour-laws#TravelTime)

- Working After Hours: Email, phone calls
Payroll & timekeeping - Online system

Add **8.00** hours of Comp Time Taken, FLSA

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Close Calendar
## Payroll & Timekeeping - Paper Time Sheet

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**Remarks:** Required where marked

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**UNCLASSIFIED TIME SHEET MONTHLY CYCLE**
Employee Responsibilities

● Stick to scheduled work hours
● Get overtime approved in advance
● Take breaks & maintain work/life balance
● Record time worked
  ○ Emails, texts, & phone calls count as work!
  ○ Pay attention to travel time (see HR site)
● Submit timesheet (online or paper) each month
● Communicate with manager
Manager Responsibilities

- Determine work schedules
- Plan & budget for when OT is anticipated
- Ensure employee takes required breaks
- Ensure accurate time reporting
- Prioritize work, when needed
- Communicate with employees
Resources

**PSU HR Website**
- The Final Rule: [www.pdx.edu/hr/overtime-eligibility](http://www.pdx.edu/hr/overtime-eligibility)
- Wage and Hour Laws: [www.pdx.edu/hr/wage-hour-laws](http://www.pdx.edu/hr/wage-hour-laws)
- Timesheet system: [www.pdx.edu/hr/timesheetsleave-reporting](http://www.pdx.edu/hr/timesheetsleave-reporting)

**U.S. Department of Labor**
- DOL home page: [www.dol.gov](http://www.dol.gov)

**Bureau of Labor & Industries**
Questions