What is the Fair Labor Standards Act, or FLSA, and how does it apply to me?

The Fair Labor Standards Act, or FLSA, was established to protect workers against unfair employment practices. In passing the Fair Labor Standards Act, the Department of Labor established the federal minimum wage, determined requirements for overtime pay, established expectations regarding recordkeeping and set youth employment standards.

All positions at K-State are assumed to be non-exempt from this act unless they meet a specific salary threshold, they are paid on a salary basis, and they pass a duties test established by the Department of Labor. Only at that time can the Compensation and Organizational Effectiveness team determine a position can be exempt from the protections of the FLSA.

The table below outlines the notable differences between the exempt and non-exempt FLSA statuses.

Aspect of Employment	Non-Exempt	Exempt
Pay	Paid an hourly wage	Paid a set salary
Overtime Pay	Entitled to overtime pay at time-and-a-half (1.5) for any hours worked above 40 hours during a work week	Does not receive overtime pay
Minimum Pay Required	Must meet the federal minimum wage	Must meet a certain pay threshold in addition to the federal minimum wage
Reporting Work Time	Reports all hours worked in quarter- hour increments	Does not report time worked
Reporting Leave Time	Reports leave in quarter-hour increments	Reports leave in 4- or 8-hour increments
Duties of Position	Can work in any field; job duties are not required to meet certain criteria	Work must fit into specific categories; job duties must meet one or more duties test
If Employees Hours are Reduced	No change in FLSA status	May require the position to change to nonexempt

Myths and Facts about FLSA

Myth: FLSA is determined by job title.

Fact: There are many factors that the compensation team considers when determining the position FLSA status, including the salary threshold, how the position is paid and comparing the position duties to appropriate duties tests. The position title is not a specific consideration in this determination.

Myth: Non-exempt employees may waive their right to be nonexempt.

✓ Fact: The classification is a legal designation that cannot be waived.

Myth: If a job regularly requires working variable hours on evenings and weekends, it is likely exempt.

✓ **Fact:** There are many factors that contribute to FLSA status; however, work schedule is not a consideration.

Benefits of being exempt

Consistent salary each pay period

Paid leave only used in 4-hour increments

 May have added flexibility in work schedule

Benefits of being nonexempt

- o Paid for all hours worked
- Overtime earned for hours worked over 40 in a workweek
- Typically have a predetermined number of working hours per week

Have additional questions regarding FLSA? Please visit our <u>FLSA FAQ site</u> or contact the compensation team (<u>hrcomp@ksu.edu</u>) for additional information.