**Supervisor/Manager Fact Sheet
Compliance with Department of Labor Increase in Minimum Salary Threshold**

**Reclassification to Non-Exempt Academic Appointees Below the DOL Salary Threshold**

The Department of Labor (DOL) has issued revised regulations regarding the Fair Labor Standards Act (FLSA) exemptions from minimum wage and overtime pay requirements for executive, administrative, and professional employees. The revisions include increasing the exempt-salary threshold and adding a mechanism that will allow for periodic updating of the salary threshold.

The DOL will implement the salary threshold increase in tiers. Beginning on July 1, 2024, certain part-time non-teaching and non-medical academic appointees who are currently exempt from earning overtime will be reclassified as non-exempt because their earnings fall below the new DOL overtime threshold of $844 per week or $43,888 per year.

Beginning on January 1, 2025, certain part-time and full-time non-teaching and non-medical academic appointees who are currently exempt from earning overtime will be reclassified as non-exempt because their earnings will fall below the new DOL overtime threshold of $1,128 per week or $58,656 per year.

Following the increase in the threshold to $58,656 on January 1, 2025, the threshold will be set again on July 1, 2027 (and every three years after).

The University must comply with the DOL overtime rule by July 1, 2024.

[Attached is a list of academic appointees under your supervision who have been determined to be non-exempt because they do not meet the new salary threshold as of July 1, 2024.] [Include list.]

This fact sheet is intended to help you administer payroll and recordkeeping for the non-exempt appointees you supervise. If you have further questions, please contact \_\_\_\_\_\_\_\_\_\_.

1. Beginning 7/1/24, certain exempt appointees will be reclassified from being paid on a monthly salaried basis to a biweekly hourly basis.
	1. These appointees will receive their last monthly salaried-basis paycheck on 7/1/24 for work between 6/1/24 through 6/30/24.
	2. They will receive their first biweekly paycheck on 7/17/24 for hours worked between 7/1/24 and7/6/24.
	3. Their second biweekly paycheck will be on 7/31/24, covering the period from 7/7/24 through 7/20/24.
	4. Employees will receive a biweekly paycheck on 8/14/24 for work completed between 7/21/24 through 8/3/24.
	5. Thereafter, they will be paid every 2 weeks on Wednesday, according to UC’s Biweekly Payroll Calendar.
2. Title/job codes are available for non-exempt academic appointees.
	1. Appointees determined to be non-exempt must be appointed in the appropriate non-exempt version of their title no later than the effective date of the new DOL regulation [July 1, 2024 or January 1, 2025].
	2. Their current monthly salaried appointments must be ended effective the day prior to the effective date of the new DOL regulation [June 30, 2024, or December 31, 2024].
	3. Non-exempt salary scales will be issued with updated hourly rates.
3. As hourly paid employees, non-exempt appointees must record their time on a daily basis and submit timesheets to report their hours for each biweekly pay period, and the supervisor will be required to review and approve the hours reported every other week.
	1. Please consult with \_\_\_\_\_\_\_\_\_\_ regarding the retention of the timekeeping records, whether in electronic or paper format.
4. Non-exempt appointees will be paid for all hours recorded.
5. The workweek is defined as Sunday through Saturday.
6. Time worked as well as vacation leave and sick leave hours taken must be recorded in increments of ¼ hour (15 minutes).
7. Overtime and time worked beyond appointment percentage.
	1. Part-time appointees who work more than their stated appointment percentage, but less than 40 hours in a week, will receive pay for the extra hours (or partial hours) worked at their regular hourly rate.
	2. A non-exempt appointee will receive pay at 1.5 times their regular hourly rate for any time worked in excess of 40 hours in a week, regardless of their appointment percentage.
	3. Overtime will be compensated in pay unless your campus allows for compensatory time arrangements (comp time) through your campus local guidelines.
	4. All overtime/additional time worked in excess of appointment percentage must be approved in advance by the supervisor.
		1. If an appointee submits a timesheet that reports non-approved time, they still must be paid for that time.
		2. However, working unapproved overtime/additional time can be cause for disciplinary action. Also, if an appointee is regularly working overtime/additional time, please contact \_\_\_\_\_\_\_\_\_\_ to discuss whether the appointee’s appointment percentage should be adjusted.
8. Other compensable time for non-exempt appointees includes:
	1. *Donning and Doffing.* Time spent changing into or out of protective clothing or engaging in special washing or cleaning procedures is considered time worked.
	2. *Travel Time*. If the appointee does not have regular working hours, the supervisor will assign regular work hours for any workweek during which travel will occur for the purpose of identifying and tracking compensable travel time. The travel during the appointee’s regular working hours is considered time worked. Travel time outside of the assigned regular work hours is not time worked unless actual work is performed during that time.
	3. *Rest Breaks.* The University provides rest breaks during the work day. Meal breaks are not considered compensable time (i.e., a lunch break should not be recorded as time worked).