

**HEALTH SCIENCE CENTER HANDBOOK OF OPERATING PROCEDURES**

Chapter 4	General Personnel Policies	Effective:	November 2000
Section 4.6	Classification and Compensation Administration	Revised:	December 2004
<b>Policy 4.6.4</b>	<b>Fair Labor Standards Act (FLSA): Non-Exempt and Exempt Jobs</b>	Responsibility:	Vice President for Human Resources

## **FAIR LABOR STANDARDS ACT (FLSA): NON-EXEMPT AND EXEMPT JOBS**

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### **Policy**

It is the policy of the Health Science Center 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, minors in the workplace, and recordkeeping.

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### **Applicability**

This policy applies to all faculty, administrative and professional (A&P), classified, fellow and student positions of the Health Science Center. However, the FLSA provides exemptions from both the minimum wage and overtime provisions of the law for certain job classifications. These exempt job classifications are further explained in this policy.

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### **Non-Exempt and Exempt Status**

The FLSA defines two types of job status: non-exempt and exempt. A non-exempt job is covered under all provisions of the FLSA. An exempt job is not covered under the minimum and overtime provisions of the law. Pursuant to the criteria established by the Wage and Hour Division of the Department of Labor, the Office of Human Resources has established an official designation of “non-exempt” or “exempt” for each job classification at the Health Science Center.

In general, the following FLSA status classifications would apply to Health Science Center employees:

1. All Health Science Center Faculty job titles are exempt from the minimum wage and overtime provisions of the law.
2. All Health Science Center A&P job titles are exempt from the minimum wage and overtime provisions of the law.
3. Health Science Center classified jobs may be non-exempt or exempt under FLSA depending on the salary and duties and responsibilities of the job. Refer to the current *Classified Employee Pay Plan* or any of the current classified job

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descriptions located in the Office of Human Resources or at <http://www.uthscsa.edu/hr/payplan/payplan.html> to view the FLSA status of the classified job titles.

4. Doctoral Fellow jobs are exempt from the minimum and overtime provisions of the law.
5. Student employee jobs are exempt from the minimum and overtime provisions of the law.

The Office of Human Resources is authorized and responsible for designating the exemption status of each Health Science Center job.

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**Minimum Wage**

Under FLSA, non-exempt employees must be paid at least the federal minimum wage which, as of September 1, 2004, is \$5.15 per hour. This rate has been in effect since September 1, 1997.

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**Overtime Provisions for Non-Exempt Employees**

Non-exempt employees who physically and actually work in excess of forty (40) hours in a workweek (defined as Monday at 12:00 AM through Sunday at 11:59 PM), must be granted FLSA compensatory time off or pay at a rate of 1.5 times for each hour worked in excess of forty (40). For example, a non-exempt employee who actually worked forty-five (45) hours in a workweek would be entitled to 7.5 hours of compensatory time off (5 hours worked in excess of 40 hours times 1.5). More detailed information about overtime hours worked, FLSA compensatory time off and overtime pay is explained in [Section 4.6.5](#) of the *Handbook of Operating Procedures* (HOP), "Fair Labor Standards Act (FLSA): Work Hours and Overtime Provisions for Non-Exempt Employees".

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**Pay Basis for Exempt Employees**

Exempt employees must be paid on a salary-paid basis in order to retain exempt status, regardless of the percent time appointment. In accordance with FLSA, if any exempt employee, with the exception of faculty and medical doctors, is paid on an hourly basis, then the FLSA status for that employee would be non-exempt and therefore be subject to the minimum wage and overtime requirements.