

Human Resources

OUR SERVICES – YOUR FUTURE

Many of you are aware of two significant initiatives impacting employees in the near future. Both initiatives will be effective December 1st, 2016, although salary threshold has been suspended.

FLSA Overtime Exemption Rule



Employees in your unit may be impacted by a change to the Fair Labor Standards Act (FLSA). The revised regulations will result in a large number of currently exempt employees becoming nonexempt and eligible for overtime compensation for hours worked over 40. The Texas A&M University System is obliged to comply with the FLSA provisions.

The list of employees in each unit has been provided to the respective vice president.

Under the new regulations, employees who meet all of the following conditions are considered “exempt” from the overtime and record-keeping provisions of the FLSA:

1. Employee is paid a predetermined and fixed salary not subject to reduction because of variations in the quality or quantity of work performed
2. Amount of the salary paid meets a minimum specified amount of \$47,476 annually (up from \$23,660); and
3. The employee’s job duties primarily involve executive, administrative, or professional duties as defined by the regulations.



OLD Overtime Rule

\$23,660

Previously, exempt employees who earned this amount (or \$455 a week) were not eligible for FLSA overtime protections.

NEW Overtime Rule

\$47,476

Initially effective December 1st, this was to be the new minimum amount (or \$913 a week) to maintain exempt status.



Effective June 1, 2017, all nonexempt employees will be paid every two weeks.

Changes from exempt to nonexempt FLSA status will not change an employees' benefits elections.

All nonexempt employees are required to report the number of hours worked in TimeTraq. Nonexempt employees are eligible for overtime compensation or compensatory time off at a rate of 1.5 times for hours worked that exceed 40 in a workweek. The workweek is Monday - Sunday.

Faculty, graduate students, and other positions with a primary duty of teaching will **NOT** be impacted. Human Resources is providing briefings and training for both supervisors and employees on the changes necessitated by this transition.

System-Wide Pay Plan

A System-wide Pay Plan with a standardized set of titles and assigned pay grades has been developed for non-faculty positions (excluding executive and other position types).

Any changes in salaries based on implementation of the TAMUS pay plan will be implemented **December 1ST**. The number of positions receiving salary adjustments is minimal. Funds have been budgeted to cover those positions that are not self-funded.



Website Update

The website for Human Resources now has a dedicated page called [Compensation & Classification](#). Included here are webpages for FLSA & Overtime, the new System-Wide Pay Plan, and a list of Frequently Asked Questions.

Please contact Human Resources if clarification if you have any questions.

GENERAL INFORMATION SESSIONS

December 12, 2016 (Monday)
2:00 p.m. - 3:00 p.m.
O'Connor Room 135

No RSVP required

SUPERVISOR TRAINING

December 8, 2016 (Thursday)
1:00 p.m. - 3:00 p.m.
O'Connor Room 135

RSVP to Human.Resources@tamucc.edu