**Fair Labor Standards Act**

**At a Glance**

- FLSA was created in 1938 to protect workers
- US Department of Labor (DOL) enforces and interprets FLSA
- Because the law is old, public perception of the law can be very outdated. However, the law has been updated many times with the most recent update effective January 1, 2020
- Erroneous FLSA designations can subject employers to substantial fines and penalties.
- Applies to most employers in the private sector and federal, state and local governments

**How does FLSA Protect Workers?**

- Sets a minimum hourly wage (national)
- Sets a forty-hour workweek
- Defines overtime rules and timekeeping requirements
  - Establishes non-exempt as the default FLSA status and therefore eligible for overtime when more than 40 hours are worked in a workweek
  - Requires employers to justify when a job will be exempt from overtime
  - Defines the criteria for justifying exempt, specifically a minimum salary threshold and duties test
Determining FLSA Status

Step 1: FLSA Coverage Test
Is this job title excluded under a statutory exclusion?

Yes
Employee is excluded from FLSA coverage

No
Step 2: Salary Basis Test
Is the actual base salary for the employee at least $35,568?

No
Employee is non-exempt and must be in a non-exempt job profile*

Yes
Step 3: Duties Test
Do the duties of the job title qualify under any of the exemption tests?

No
Job title and all employees in job title are non-exempt

Yes
Job title and all employees in job title are exempt
## FLSA Duties Test

<table>
<thead>
<tr>
<th>Administrative</th>
<th>Professional</th>
<th>Computer</th>
<th>Executive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary job duties (51% or more) are…</td>
<td>Primary job duties (51% or more) are…</td>
<td>Primary job duties (51% or more) are…</td>
<td>Primary job duties (51% or more) are…</td>
</tr>
<tr>
<td>Performing non-manual work, manage “back office” general business operations and have independent decision-making authority on significant matters. This does not include routine or structured tasks such as bookkeeping, data tabulation or clerical duties.</td>
<td>Performing work that requires advanced knowledge/education in a field of science or learning or that requires invention, imagination, originality, or talent in a recognized field of artistic or creative endeavor. The advanced knowledge must be customarily acquired by a prolonged course of specialized intellectual instruction.</td>
<td>Involved in analysis, design, development and application of computers and related systems.</td>
<td>Must be manager of a department or subdivision, which has a permanent status and continuing function. Job duties must be managing other people and their work. Should have freedom from direct supervision and spend a significant amount of time performing exempt duties. Must customarily and regularly supervise the work of at least two full-time employees or their equivalent. Must have the authority to hire and fire employees.</td>
</tr>
<tr>
<td>Regularly exercises independent judgement and discretion with respect to matters of significance directly related to management or general business operations.</td>
<td>Must regularly exercise independent judgement and discretion.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Ohio State and FLSA:

- Job profiles are designated with an FLSA status of exempt or non-exempt by the Office of Human Resources (OHR).
- Positions are mapped to a job profile. All positions and employees in those positions will adopt the job profile’s FLSA status. That means all employees in the same job profile will have the same FLSA status.
- Employees cannot hold multiple positions where the job title on each position has a different FLSA status. In other words, employees cannot have an exempt and non-exempt job at the same time.
- Ohio State does not include overtime pay, bonuses, commission or other additional compensation when determining the base pay for the purposes of the FLSA pay threshold.
- Ohio State must use the employee's actual FTE salary to determine if the FLSA salary threshold test is met.
- Total base pay across multiple positions where both are regular and exempt will fulfill FLSA threshold.
- Reclassifications will not be allowed to:
  - Change a non-exempt employee to exempt in order to teach
  - Change an exempt employee to non-exempt in order to reduce FTE that results in salary below threshold
**Classified Civil Service At A Glance**

- Classified civil service introduced on state-wide basis in 1912 and Civil Service Act passed in 1913 to protect workers.

- State Personnel Board of Review (SPBR) created in 1959 and oversees Classified Civil Service.

- Civil service jobs are governed by the civil service rules in the Ohio Revised Code.
  - Section 3335 of the Ohio Revised Code pertains to The Ohio State University. Chapters 49, 52, 55, 57, 59, 65, 67, 73, 75, 79, 81, 83 and 89 are the rules for classified civil service.

**Universities & CCS**

Universities have the discretion to establish their own rules within the purview of the law. The Ohio State University rules for CCS are approved by The Ohio State University Board of Trustees and are promulgated in accordance with section 111.15 of the Ohio Revised Code.

Rules for Classified Civil Service available at hr.osu.edu/policies-forms/rules-for-ccs

**How does CCS Protect Workers?**

- Prevent unlawful terminations, reductions in compensation, etc.

- Establishes process and rules for reduction in force.

- Establishes specific leave accrual rates and maximum carry forward balances.

- Establishes probationary periods.
How does Compensation assign job family group and job family?

For staff titles, we need to consider Classified Civil Service first.

For staff titles not considered Classified, they will be Unclassified.

Each job is assigned one and only one of the following job family groups. Every employee in a job title will have the same job family.

| Classified Civil Service | Unclassified | Executives Non-Board Purview |

Within each job family group, there is a job family that is also assigned to each job. For example, Unclassified has four job families:

<table>
<thead>
<tr>
<th>Administrative &amp; Professional</th>
<th>Senior Administrative &amp; Professional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physician (FGP)</td>
<td>Physician (Non-FGP)</td>
</tr>
</tbody>
</table>
Within Unclassified, jobs that are S5, S6 or M3 and above will be designated as Senior Administrative & Professional.
What should you know when employees are non-exempt and/or Classified Civil Service?

• These employees are highly contributing professionals and should not be considered less valued than their exempt or Unclassified colleagues.

• Non-exempt employees must track all hours worked and must be paid overtime when time worked exceeds 40 hours in a workweek of Sunday through Saturday. Hours worked may include accepting calls after scheduled work hours end, required training and travel, etc.

• Non-exempt employees who work during the evening or weekend may also automatically qualify for shift differential or weekend differential pay.

• Managers are required to review and approve timekeeping entries. Non-exempt employees are paid on a biweekly basis in arrears.

• All Classified employees are non-exempt.

• There are restrictions for non-exempt or CCS employees such as performing additional work for the university, etc. It is best to confirm eligibility before committing.
Thank you!