Manager Information Session: Navigating a Salaried Overtime Eligible Workforce



AGENDA

- > FLSA and WMWA quick overview
- > Understanding the FLSA workweek
- > What is meant by 'hours worked'
- > Meals and other breaks
- > Working overtime (and 'comp time' considerations)
- > Work schedules, flexing hours
- > Hours not worked and partial day absences
- > Getting OT approval per dept policy
- > System instructions for the topics above
- > Additional resources and training
- > **Q&A**



FLSA AND WMWA QUICK OVERVIEW

- > Fair Labor Standards Act and Washington Minimum Wage Act
 - Federal and state laws that establish minimum wage, overtime pay, and other standards affecting full-time and part-time workers in the private sector and in federal, state, and local governments.
- > All **three** of the following requirements must be met for a position to be exempt from the FLSA and WMWA overtime payment requirement:
 - 1. The position must be paid on a **salary (not hourly) basis**, except for certain computer workers.
 - The position must be paid at least the **salary threshold**, regardless of percent time worked. This minimum salary requirement applies to both full-time and part-time employees.

2024: \$5,644/mo2025: \$6,498/mo

3. The position's job duties must meet the **duties test** for one or more of the FLSA/WMWA exemption categories.



UNDERSTANDING THE FLSA WORKWEEK

- > The FLSA and the WMWA require overtime pay of 1.5 times the regular pay rate for all hours worked **over 40 hours in a 7-day workweek**
- > <u>UW's workweek</u> begins **Monday, 12:00 a.m**. and ends the following **Sunday at 11:59 p.m**.



WHAT IS MEANT BY 'HOURS WORKED'

<u>Hours worked</u> means all hours during which the employee is authorized or required to be on duty at their duty station. Hours worked includes:

> Travel Time

 All management-required travel time related to work is compensable regardless of the number of hours or when the travel takes place. It also includes any time necessary to get to an airport, train station, or other transit center necessary to complete the out-oftown travel.

> Required Training and Meeting Time

 All time spent attending lectures, meetings, training periods and similar activities required by the employer.

> On-Call Time

 Time spent by employees who are required to remain on or so close to their duty station that they cannot use the time effectively for their own purposes.

> Rest Periods



TIME TRACKING AND POLICY

- Moving from exempt to nonexempt status isn't just about tracking time; it starts with a **behavior change**
 - Discuss with impacted employees to not work through lunches
 - Encourage employees to take their rest breaks (as outlined by bargaining unit agreements where applicable)
 - Ensure employees leave the office/log off at the end of their scheduled workday and work during their scheduled work hours
 - Missed time (e.g., late arrivals/tardy) needs to be accounted for
 - Remind employees to follow documented guidelines for the department when it involves overtime



MEAL AND REST PERIODS



MEALS (NOT PAID)

- Overtime eligible employees working more than five consecutive hours in a work shift/day, are entitled to an unpaid meal period of at least 30 minutes, starting between the second and fifth hour of their work shift/day.
- Meal periods are 30 60 minutes after the 2nd hour and BEFORE the 5th hour

BREAKS (PAID)

- Overtime eligible employees are entitled to a paid rest period of at least ten minutes (15 minutes under most CBAs) for every four hours of working time.
- Rest periods are to be scheduled as near as possible to the midpoint of the work period. No employee can be required to work more than three hours without a rest period.





PAY RATE

- > **Weekly overtime:** Overtime is paid at 1.5 times the regular rate of pay for hours worked over 40 in a Monday–Sunday FLSA workweek.
- > **Daily overtime:** Overtime may also be paid at 1.5 times the straight time rate of pay for hours worked outside of the employee's work schedule as specified in CBAs for contract covered employees or in WAC 357-28-255 for CNU employees.
- > Hospital employees have additional overtime rules.



IMPACT OF HOLIDAYS AND TIME OFF

Employment Program	Impact of Holidays and Time Off
Salaried Professional Staff	Paid time off and holidays are not considered time worked when calculating overtime. Extra hours worked beyond weekly scheduled hours that are not eligible for overtime will be paid as additional straight time hours.
Most regular employees under campus collective bargaining agreements	Paid time off and holidays are considered time worked when calculating overtime **check the CBA**
Salaried Classified Non- union Staff	Paid holidays, including the personal holiday and the use of holiday credit, are considered time worked. Paid time off is not.



CALCULATION

- > Workday automatically calculates overtime as long as both the hours worked (from Workday Time Tracking) and hours not worked (from Workday Absence) are entered for a given workweek.
- > Workday will automatically pay any overtime calculated unless Compensatory time is flagged.

It is critical that both the timesheet and any absences (holidays, unpaid time off, paid time off) are entered ON TIME for a given workweek.





OVERTIME PREAPPROVAL

Policy: "Many departments require that employees get approval before working any overtime hours. Follow your department's overtime authorization process to obtain preapproval."

Departments are expected to have documented policy for their overtime authorization process.



TYPICAL SCENARIOS

Advance Approval: All overtime work must be approved by the employee's supervisor or time and absence approver prior to being performed. Advance overtime approvals should also include whether the employee would like the extra hours worked to be paid or accumulated as compensatory time.

Emergent Overtime: Situations may arise where work (e.g., client support) may extend past the end of the workday. In those situations, employees must inform their manager in writing to explain the emergent work that exceeded scheduled hours.

Unauthorized overtime: Unauthorized overtime will be paid but may result in corrective action for repeated violations.



WORK SCHEDULES AND FLEX TIME

- Everyone has a work schedule, even if it is a default schedule (e.g., Monday – Friday, 8 a.m. – 5 p.m.)
 - > Employees who work outside a default schedule, may have other impacts
 - > **Daily overtime**: Classified employee takes M, T, W, and Th off using vacation time off but works 9 hours on their scheduled 8-hour day on Friday. Employee will receive 1 hour of daily overtime.
 - > **Holiday credit**: A Professional staff employee works four, ten-hour days. One of their scheduled days is a holiday. The holiday is only equal to 8 hours of work at 1.0 FTE. They would need to make up the other 2 hours on the day of the holiday to be paid.

> Flex Work

- > Flex work is the ability to "flex" around one's daily schedule in order to avoid daily overtime.
- > Scenario: an employee wants to leave two hours early to attend a Seahawks game. For that day they would record they only worked 6 hours. On the day they 'make up' the two hours missed, that should be reflected in Workday.
- > Indicate approval for temporary schedule adjustment ("flex work") in Workday by either:
 - > Adjusting the employee's work schedule through My Team's Schedule
 - > Using Flex Time Worked Time Entry Code

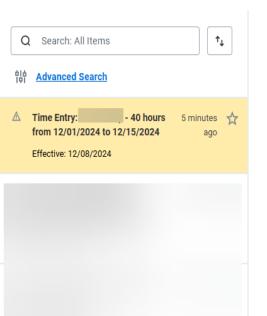


WORK SCHEDULES AND FLEX TIME

- > Used to adjust hours worked in a day due to an agreed schedule change between manager and employee
- > This will remove any daily overtime, but will continue to count toward weekly overtime
- > Hours must be flexed in the same week, Monday-Sunday
 - > Cannot flex over multiple weeks as overtime will be calculated



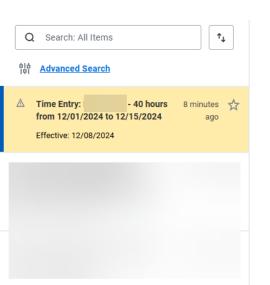
FLEX WORK TIMESHEET



Time Entry Approval Time Entry: -40 hours from 12/01/2024 to 12/15/2024							
Hours Worked S/T Overtime Hours (07 40 0	T/DT) Time Off Hours Unpaid Time Premium Hours Total Hours 0 0 0 40						
Worker							
Daily Totals 5 items		Æ Ⅲ ₹ ⋒ 🗆 . 7 🗏 🖽					
Date	Туре	Hours					
Mon, 12/2	Hours Worked (Hours Only) - Do Not Pass To Payroll	8					
Tue, 12/3	Hours Worked (Hours Only) - Do Not Pass To Payroll	8					
Wed, 12/4	Flex Time Worked and Hours Worked (Hours Only) - Do Not Pass To Payroll	10					
Thu, 12/5	Hours Worked (Hours Only) - Do Not Pass To Payroll	8					
Fri, 12/6	Hours Worked (Hours Only) - Do Not Pass To Payroll						



FLEX WORK TIMESHEET



✓ Entries to Approve										
6 items										
Date	Туре	Time Block Reported Quantity	Units	Time Block Comment	Check-in Comment	Check-out Comment	Details			
Mon, 12/2	Hours Worked (Hours Only) - Do Not Pass To Payroll	8	Hours				Q			
Tue, 12/3	Hours Worked (Hours Only) - Do Not Pass To Payroll	8	Hours				Q			
Wed, 12/4	Flex Time Worked	2	Hours				Q			
Wed, 12/4	Hours Worked (Hours Only) - Do Not Pass To Payroll	8	Hours				Q			
Thu, 12/5	Hours Worked (Hours Only) - Do Not Pass To Payroll	8	Hours				Q			
Fri, 12/6	Hours Worked (Hours Only) - Do Not Pass To Payroll	6	Hours				Q.			
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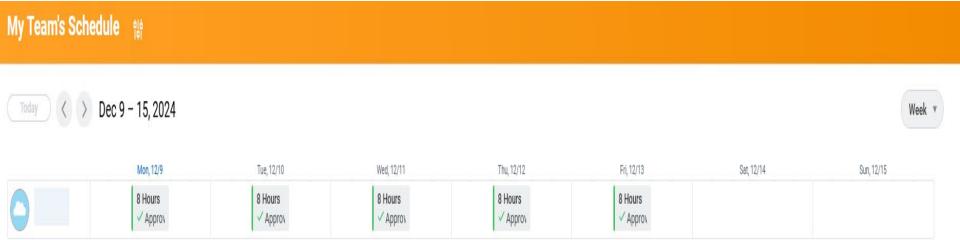


MY TEAM'S SCHEDULE

- > Both the Time and Absence Initiate and Approver can view
 - > Only the Time and Absence Initiate can modify
- > Should be used when temporarily adjusting someone's schedule short term
- > Typically used to ensure Daily OT still calculates



MY TEAM'S SCHEDULE





COMPENSATORY TIME

Employees can receive compensatory time instead of overtime pay if their manager approves. However, managers may not require employees to accept compensatory time instead of overtime pay.

- > **Calculation**: Same as overtime (1.5x or 1.0 if straight time)
- > **Deadline**: Must be used or paid by June 30.
- > **Maximum accrual**: 240 hours of compensatory time, unless as CBA states otherwise.
- > **Transferring departments or Leaving UW employment**: Employees are paid for any unused compensatory time before transferring to another UW department. Payment is based on your regular hourly rate at the time of your transfer/separation.

Department overtime policy should include time off request procedures for using compensatory time.



HOURS NOT WORKED, PARTIAL DAY ABSENCES

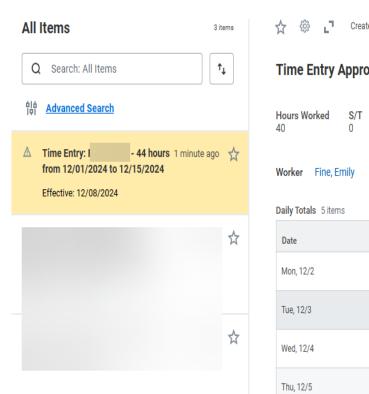
If you are overtime-eligible, you must use appropriate paid time off to cover a partial-day absence. If you do not have accrued time off, your absence will be unpaid.

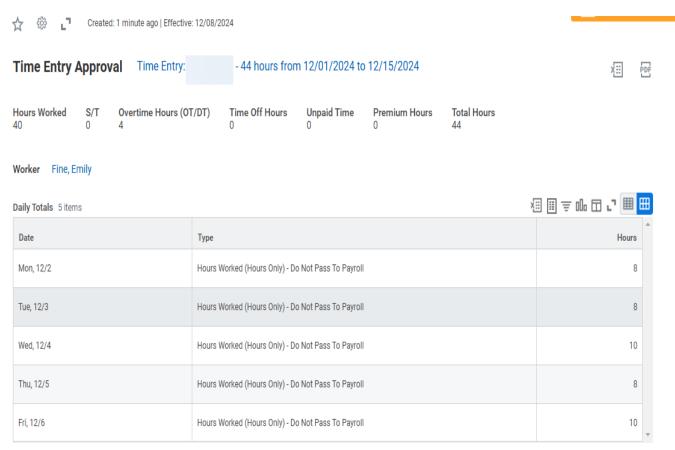
- > If an OT eligible employee leaves early, has an appointment, or arrives late, it must be accounted for in Workday.
- > If an employee works less than their FTE in the workweek, it must be recorded in Workday.

The partial day absence policy does not apply to OT eligible employees.



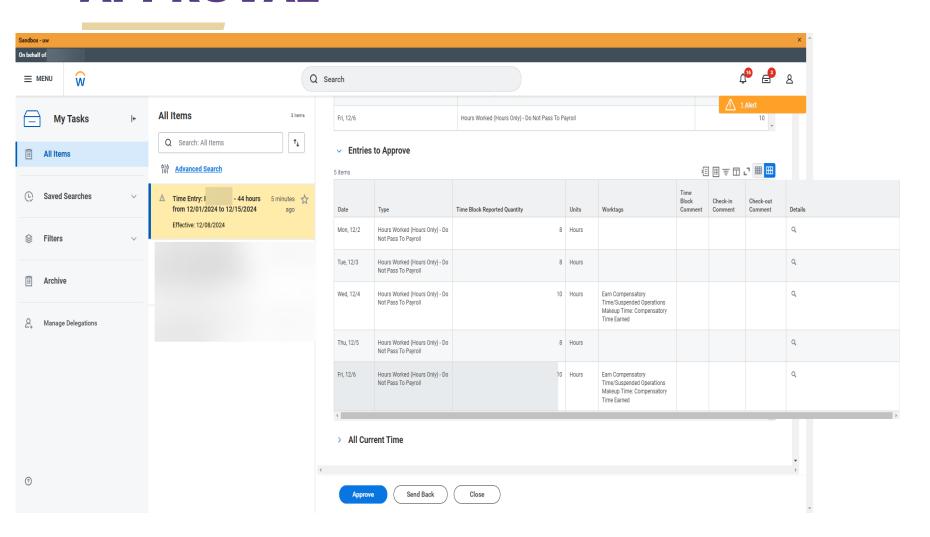
WORKDAY INBOX TIMESHEET APPROVAL





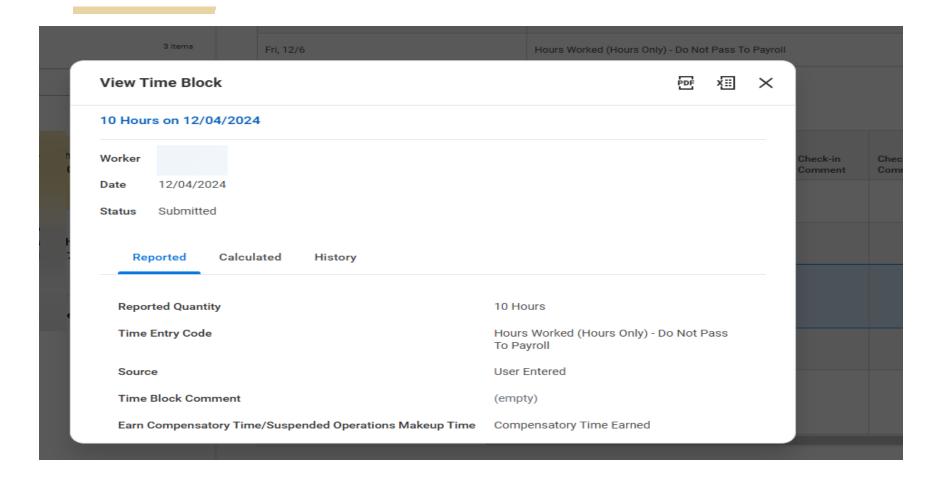


WORKDAY INBOX TIMESHEET APPROVAL



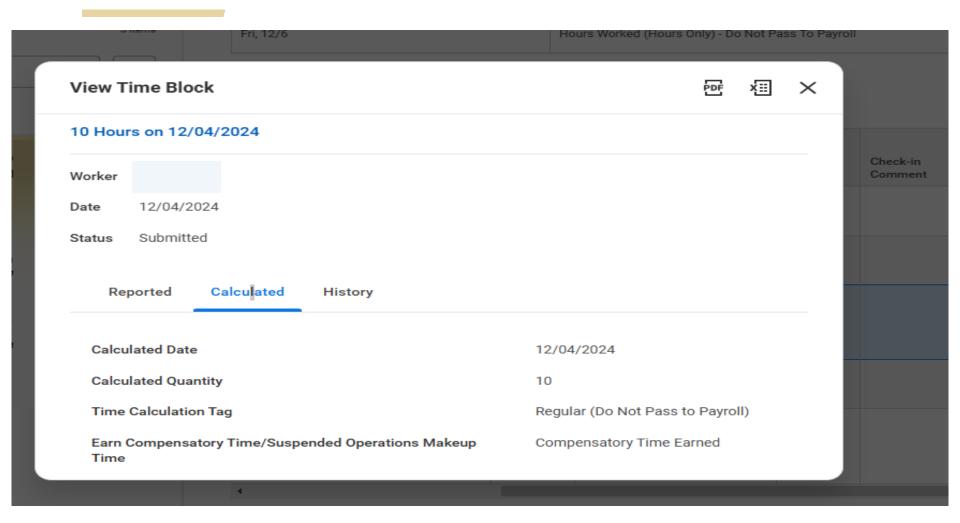


TIME BLOCK ENTRY – REPORTED TAB



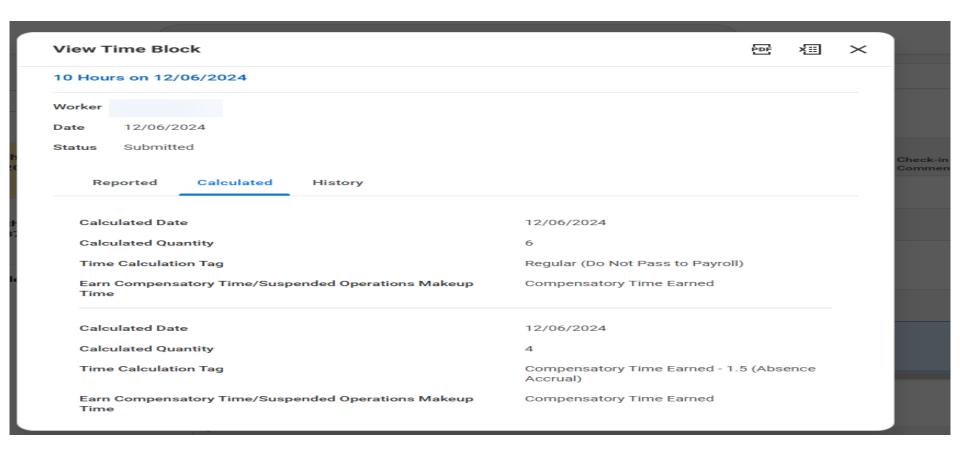


TIME BLOCK ENTRY – CALCULATED TAB





TIME BLOCK ENTRY – CALCULATED TAB





TIME BLOCK ENTRY – CALCULATED TAB

View Tir	ne Block				PDF	×⊞	×	
10 Hours	on 12/06/20	24						
Worker								
Date	12/06/2024							
Status	Submitted							
	orted Calc							
		12/06/2	2024					
	Time Calculation Tag		6 Regular (Do Not Pass to Payroll)					
Calcul			2024					
Calcul	ated Quantity	4						
Time C	Calculation Tag	FLSA O	vertime (V	Veekly)				



Additional Resources and Training

> Resources

- Quick Guide for Campus Managers:
 FLSA/WMWA and overtime eligibility
- WMWA impact to UW FAQs
- FLSA and WMWA overtime eligibility and exemption
- Overtime compensation
- Overtime compensatory time
- Flexwork policy and process
- Meal periods and rest periods
- <u>'Hours Worked' Administrative Policy</u>
- Partial-day absences
- Time Entry
- About the Time and Absence Approver Role
- Payroll and Workday Approval Deadline
 Calendar
- Payroll-Impacting Reports by Security Role

> Training

- Overtime Concepts for Time Entry in Workday
- Workday Learning Library (filter by Time and Absence Approver security role for relevant training):
 - > [TAA 300] Approving Time and Absence Entries in Workday
 - > [TAI 201] Overview of Time and Absence
 - > [TAI 202] Overview of Time and Absence Business Processes
 - > [TAI 301] Work Schedules
 - > [TAI 302] Time Entry in Workday
 - > [TAI 303] Absence Entry in Workday



Q&A