



May 18, 2016

TO: Texas A&M AgriLife On & Off Campus Unit Contacts and Unit Heads
SUBJECT: FLSA Rules Updated

You are receiving this email because employees in your unit may be impacted by a change to the Fair Labor Standards Act (FLSA), the federal wage and hour law governing, among other things, minimum wage and overtime compensation.

The Department of Labor (DOL), the agency which interprets and enforces the FLSA, issued new regulations to revise the criteria defining the type of employee who is eligible for overtime (non-exempt employee) and the type of employee who is not eligible for overtime (exempt employee). The Texas A&M University System is obliged to comply with the FLSA provisions.

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.

Beginning December 1, 2016 employees making less than \$47,476 annually must be classified as “non-exempt” and thus subject to overtime and record keeping provisions of the law. As a reminder, non-exempt employees receive their paychecks bi-weekly, are paid at an hourly rate for the number of hours worked, are required to record hours worked in TimeTraq, and are eligible for overtime compensation or compensatory time off at a rate of 1.5 times hours worked that exceed 40 in a workweek. A workweek is Thursday through Wednesday.

Exceptions

A limited category of positions, such as those whose primary duties involve teaching [Faculty, Graduate Assistant Teaching (GAT)], are **not** required to meet the salary minimum and will continue to be considered exempt. The following titles will also continue to be considered exempt: Graduate Assistant Research (GAR), Graduate Assistant Extension (GAE).

AgriLife Human Resources will provide you with a list of employees by June 3, 2016 who, based upon their current salaries, may be impacted.

A website has been created to assist you in understanding these changes:

<http://agrilifeas.tamu.edu/hr/about-us/announcements/>

We anticipate you may have questions so I encourage you to contact AgriLife Human Resources at (979) 845-2423 to discuss further if you wish. Additional information will be communicated throughout the next several months.