Questions during the webinar?

To ask a question, select to send to the host.

Type your question in the chat box and click “Send” or hit “Enter” on your keyboard.
NOTE: Information discussed in this presentation applies to employees who are not covered by a collective bargaining agreement or for whom the agreement contains no provision regarding this subject.

Learning Objectives

- Identify any changes to transitioning employee’s benefits
- Describe UC’s bi-weekly pay schedule
- Explain the differences transitioning employees will see on their first bi-weekly pay (e.g. deductions)
- Promote positive employee relations
- Review major points covered by all 3 webinars
Payroll
Pay Frequency

- Non-exempt employees are paid on a bi-weekly (every other week) basis.
- Pay is received on Tuesdays.
  - There is a 10 day lag between the last day worked and when the employee is paid to allow time for payroll to process.
- Biweekly payroll schedule located on the UC Payroll website under “Resources”.
Payroll Transition

Friday September 30
• Final monthly pay (as exempt)

Saturday October 1
• On Master Schedule (middle of pay period)
• Begin clocking in/out

Tuesday October 18
• Pay received for Oct 1-8 (1 week)

Tuesday November 1
• Pay received for Oct 9-22 (first full 2 weeks of pay for time reported)
Vacation Cash Out Option

- Eligible unrepresented employees transitioning from an exempt to non-exempt status may request a pay out of up to 40 hours of accrued vacation time, in whole hour increments, to be paid on the October 18, 2016 pay period.
- Must have sufficient vacation hours accrued as of September 30, 2016 to cover the requested cash out.
- In order to request a vacation time cash out, the employee must complete the Vacation Cash Out Request Form (located on the UCHR FLSA website) and return to his or her Business Officer no later than September 16, 2016.
Optional ESS Changes for Payroll

If the employee currently has a fixed amount going to a bank account and/or an additional amount being withheld for Federal and/or State taxes, he or she has the option to update those amounts between 9/23/2016 – 10/10/2016 to be effective on the 1st bi-weekly pay date.

- **IMPORTANT:** Do not update prior to 9/23/2016, or the last monthly pay will be affected.

**Monthly Paid**

- $65 per month into designated bank account
- = $780 per year

**Bi-weekly Paid**

- $30 per bi-weekly pay period = $780 per year
Employee Voluntary 403(b) / 457 Deductions

• Consider updating the amount to ensure consistency in the amount that is taken per bi-weekly pay period.

  **Monthly Paid**
  $100 per month into 403(b) or 457 = $1200 per year

  **Bi-weekly Paid**
  Approx. $46 per bi-weekly pay period = $1200 per year

• Employees are responsible for changing the amount deducted
  – For 403(b)’s, a revised **Salary Reduction Agreement** form should be completed by **September 30**.
  – For 457’s, the employee should contact Ohio Deferred Compensation as soon as possible – **(877) 644-6457**.
Work Schedule Reminders

• Employees who have a work schedule with a defined start time and end time have a 5 minute grace period.
  – Example:
    • If an employee with a scheduled start time clocks in anytime from 7:55AM – 8:05AM, they will be paid as if they clocked at 8AM.
    • If an employee’s end time is 5:00pm and they clock out anytime between 4:55PM and 5:05PM they are paid as if they had clocked out at 5:00PM.
Work Schedule Reminders

- FLEX Schedules do not have a defined start and end time – therefore, there is no grace period when on a FLEX Schedule.
- FLEX schedules should typically be used for one of two reasons:
  1. If an employee is going to temporarily work a schedule that does not exist on the Master Work Schedule List OR
  2. If an employee’s schedule varies daily with no consistency from week-to-week.
- FLEX schedules require that the employee clock out for, and back in from, lunch as there are no meal breaks coded as part of the FLEX schedule.
Preparing for the transition

Encourage employees to:

• Plan ahead for new gross pay
• Review personal budget and adjust for new pay frequency amounts and paydays
• Make adjustments withdrawals from accounts to align with the new pay schedule
Benefits
Benefits Eligibility

- Eligibility for benefits is NOT impacted.
- Eligibility would only be impacted if accompanied by another change, such as a change in FTE resulting in fewer hours worked.
Benefits Costs & Coverage

• Cost for medical, dental, and Life Insurance will remain the same.
  – Cost for these coverages is determined by annual base pay, which is unchanged.

• Coverages remain the same.

• Deductions for coverage will be taken on a bi-weekly basis rather than a monthly basis beginning with the October 18 pay date.
Retirement Contributions

• Retirement plan contributions will be deducted on a per pay (bi-weekly) basis.
• They are dependent upon ‘covered earnings’ each pay.
<table>
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<th>Deduction Frequency (in alpha order)</th>
<th>1&lt;sup&gt;st&lt;/sup&gt; pay</th>
<th>2&lt;sup&gt;nd&lt;/sup&gt; pay</th>
<th>3&lt;sup&gt;rd&lt;/sup&gt; pay</th>
<th>Last Pay (2nd or 3rd, depending upon # of pays/month)</th>
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<td>Campus Services deductions</td>
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<td>(bookstore, Bearcat card, etc.)</td>
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<td>Mandatory Retirement Savings</td>
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<td>(OPERS, ARP, etc.)</td>
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<td>Medical Plan</td>
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<td>Parking - Blue Ash, Clermont, Medical, Stetson</td>
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<td>Ucats, UCFUND, Capital Fund</td>
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<td>United Way, Artswave, Comm Shares, etc.</td>
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<td>X</td>
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</table>
Vacation Policy Update

• Effective October 1, 2016, the vacation policy for BOTH exempt and unclassified, unrepresented non-exempt employees will be the same.
  – Both will follow the current unrepresented exempt policy.

• Will continue to accrue the same hours per year; with the same maximum accrual.
Vacation Time (continued)

HR Policy 21-19

• Use ESS to request vacation time.

• Will report actual number of hours used.
  – Example: Non Exempt Employee leaves 3 hours early on Friday for a vacation trip. He or she would report 3 hours of vacation time.
Sick Time

- Use ESS to record sick time.
- Sick time must be reported by the actual minutes taken.
  - Example: You clocked in 45 minutes late due to a doctor appointment in the morning. You will report 45 minutes of sick time.
  - Discuss the option of flexing your time with your Manager or Supervisor.
Sick Time Accrual

• Full time unrepresented exempt and non-exempt employees accrue sick time on the same basis today, and this will remain the same.
  – Accrue 120 hours of sick time every year.
Winter Season Days

HR Policy 21.23

This policy applies to employees who are not covered by a collective bargaining agreement or for whom the agreement contains no provision regarding this subject.

• “Winter Season Days” refers to the week between the Christmas and New Year’s Day holidays during which time the university is closed.
• During the winter season days, non-essential employees will not be required to work.
• Employees designated as essential will be required to report to work and will receive:
  − Their regular rate of pay for the hours worked, and
  − Seasonal time on an hour-for-hour basis for hours worked during the winter season. Seasonal time may not be used until after the winter season day period has ended.
Holiday Pay

UCHR Policy 21.07

• A Non-exempt employee who is required to work on a University holiday is paid at one and one-half times the regular base rate of pay, or may elect compensatory time off at time and one-half.
Type your response as FACT or FICTION in the chat box and click “Send” or hit “Enter” on your keyboard.
According to the FLSA, job titles are a key determining factor in exempt classifications

FACT

FICTION
“According to the FLSA, job titles are a key determining factor in exempt classifications.”

Job titles have no significance in determining exempt status. Rather, it is the duties of the position that help to determine exempt status.
Because of an upcoming project deadline, I asked one of my direct reports, Mary, to work additional hours. I gave her permission to work on Labor Day. She worked 32 hours the rest of the week of the holiday. Mary will receive Holiday Pay for working on Labor Day.
Because of an upcoming project deadline, I asked one of my direct reports, Mary, to work additional hours. I gave her permission to work on Labor Day. She worked 32 hours the rest of the week of the holiday. Mary will receive Holiday Pay for working on Labor Day.

The employee will receive Holiday Pay AND Holiday Overtime at 1 1/2 times her base rate of pay.

- So let's say an employee worked 4 hours on a Holiday.
- She will receive her 8 hours of Holiday Pay.
- In addition, will also received 4 hours of Holiday Overtime pay paid at 1 1/2 times her base rate of pay or choose Holiday Comp time.
FLSA: Fact or Fiction

Your department is going through a budget crisis. You specifically tell your staff no overtime. However, you learn that despite your instructions, Lisa has been working through her lunch and her time report shows she has worked 45 hours this week. Because she didn’t have permission, you do not have to pay her overtime.
FLSA: Fact or Fiction

Your department is going through a budget crisis. You specifically tell your staff no overtime. However, you learn that despite your instructions, Lisa has been working through her lunch and her time report shows she has worked 45 hours this week. Because she didn’t have permission, you do not have to pay her overtime.

FACT

FICTION

All hours worked must be compensated whether the overtime was approved or not. It is up to the supervisor to hold employees accountable when they work unapproved overtime.
Nathan is a non-exempt employee who normally works at the Clifton campus, but on Thursday, he must work at the Clermont campus for a special one day assignment. His travel time does not have to be paid.
FLSA: Fact or Fiction

Nathan normally works at the Clifton campus, but on Thursday he must work at the Clermont campus for a special one day assignment. His travel time does not have to be paid.

If Nathan regularly works at a fixed location in one city, and has to work a special one-day assignment in another city and returns home the same day, the time spent traveling to and from the other city is work time.

• We may deduct the time the employee would normally spend commuting to his regular work site from the travel time to the other city.
Nancy checks her emails and responds to email at home after she clocks out. She says it helps her prepare for the day ahead. She spends about 45 minutes each night doing this. This is considered work time and must be paid.
FLSA: Fact or Fiction

Nancy checks her emails and responds to email at home after she clocks out. She says it helps her prepare for the day ahead. She spends about 45 minutes each night doing this. This is considered work time and must be paid.

This activity is considered “time worked” and must be recorded and paid. Depending on the number of hours the employee has worked that week, this may also trigger overtime pay for any hours over 40 in the workweek, regardless of whether you approve the overtime or not. Managers will need to be clear about expectations on working from home and overtime.
FLSA: Fact or Fiction

An employee has several requests come in at once, so he works his normal hours that week plus during his lunch hour. The time he worked during his lunch does not need to be paid.

FACT

FICTION
An employee has several requests come in at once, so he works his normal hours that week plus during his lunch hour. The time he worked during his lunch does not need to be paid.

Unless an employee is completely relieved of their duties during a period that would otherwise not have to be paid (e.g. a bonafide meal period), the time must be recorded and paid. This is true even if you did not know about the employee working through lunch. This may also trigger overtime pay if it results in greater than 40 hours worked in the workweek, regardless of whether you approved the overtime.
FLSA: Fact or Fiction

An employee works a ten hour day at an event he helped plan. With your permission, he only works six hours the next day. He works his normal eight hour day the rest of the week. He is not entitled to overtime pay.
FLSA: Fact or Fiction

An employee works a ten hour day at an event he helped plan. With your permission, he only works six hours the next day. He works his normal eight hour day the rest of the week. He is not entitled to overtime pay.

In this case, the employee would not receive overtime pay because the total hours worked in the workweek did not exceed 40 hours.

• The law is based on the total hours worked (approved or not) in the workweek, not the number of hours worked per day.
FLSA: Fact or Fiction

Bob has been assigned a FLEX08 work schedule by his supervisor. On Monday, Bob clocks in at 7:57AM. Because of the 5 minute grace period, Bob will be paid as if he had clocked in at 8:00AM.

FACT

FICTION
FLSA: Fact or Fiction

Bob has been assigned a FLEX08 work schedule by his supervisor. On Monday, Bob clocks in at 7:57AM. Because of the 5 minute grace period, Bob will be paid as if he had clocked in at 8:00AM.

FACT
FICTION

The 5-minute grace period rule does not apply to FLEX schedules. FLEX schedules should typically be used for one of two reasons only:

1. If an employee is going to temporarily work a schedule that does not exist on the Master Work Schedule List, OR
2. If an employee’s schedule varies daily with no consistency from week-to-week.

NOTE: FLEX schedules also require that the employee clock out for, and back in from, lunch as there are no meal breaks coded as part of the FLEX schedule.
FLSA: Fact or Fiction

Ned had to leave on Sunday to attend a conference. He normally works a total of 40 hours Monday thru Friday. The time spent traveling on Sunday should be compensated.
Ned had to leave on Sunday to attend a conference. He normally works a total of 40 hours Monday thru Friday. The time spent traveling on Sunday should be compensated.

It depends. Travel time is situational:
• It depends on when Ned is traveling, what he’s doing while traveling, and whether he is a passenger or driving himself.
• Please see the UCHR FLSA Website for more information about travel or email Compensation with any questions.
Concern 1: Status and morale

Talking points:

• Explain the intent of the law - it is intended to protect workers. Remember that it is a federal law with which the university must comply.

• Use the terms “professional hourly” and “professional salaried”.

• Assure them this transition is not a reflection on their performance.

• Refer employees to the DOL video posted on the UCHR FLSA website.
Concern 2: Capacity

Talking points:

• Help the employee to not get discouraged.
• Have a collaborative discussion with the employee to talk about prioritizing tasks, streamlining processes, and potentially delegating some tasks to others.
• Gather ideas on how work can be done more efficiently.
• Describe your expectations for the amount of work that will now be completed.
• Clarify the appropriate use of overtime and compensatory time.
• Explain that even if the employee's workload may decrease, his or her salary will not be reduced.
Concern 3: Flexibility

Talking point:

• Clarify your expectations about working flexibly.
Concern 4: Career Opportunities

Talking point:

• Explain that transitioning from one exempt status to the other should not have any impact on future opportunities.
### Additional Development Opportunities
UCHR Learning & Leadership Development Center (LLDC)

<table>
<thead>
<tr>
<th>Managers</th>
<th>Employees</th>
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<td><strong>Communicating for Leadership Success</strong></td>
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<tr>
<td>- September 16</td>
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<td>- October 11</td>
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<td><strong>Driving Change</strong></td>
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<td>- October 20</td>
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<td>- November 17</td>
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<td>- October 14</td>
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</tbody>
</table>

Email: HRlearning@uc.edu
Visit: http://www.uc.edu/hr/lldc/staff-development.html
September 2nd

- Compensation sends out final list of transitioning employees

September 9th

- Submit Master Work Schedules to VP Designees

Month of September

- Begin having conversations using Discussion Guide and return signed Discussion Guide to your HR representative.
- Letters mailed to transitioning employees home
- Provide time for transitioning employees to complete time clock training

October 1st

- UC transition live
Resources

- **UC FLSA Website:**  
  [http://www.uc.edu/hr/compensation-department/flsa](http://www.uc.edu/hr/compensation-department/flsa)
  
  - Recorded webinar of this presentation
  
  - FAQs

- **Contact** Ken.Stidham@uc.edu or 556-4270

- **Department of Labor FLSA Website**
  
  - [https://www.dol.gov/whd/flsa/](https://www.dol.gov/whd/flsa/)