



University Staff Moving from Exempt to Non-exempt

The Fair Labor Standards Act (FLSA) is a federal law through the Department of Labor that establishes a set of standards to determine which jobs are covered and eligible for overtime payments (“non-exempt”) and which jobs are not covered (“exempt”). Universities of Wisconsin employees subject to this federal law is given a status of exempt or non-exempt based on job responsibilities performed for the university. This table provides information about changes that will occur when there is a change in exemption status.

For more information on FLSA visit <https://www.wisconsin.edu/ohrwd/home/flsa/>.

PAYROLL

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| Pay Periods | NO CHANGE |
| Overtime | CHANGE Non-exempt employees receive time-and-one half for all hours worked above 40 hours in a work week. |
| Direct Deposit | NO CHANGE |
| Taxes* | NO CHANGE |

*Receiving overtime pay may affect tax bracket levels or eligibility in some cases. Review the IRS Tax Withholding Estimator to determine if a change in tax withholding is needed www.irs.gov/individuals/tax-withholding-estimator.

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| Garnishment* | NO CHANGE in withholding order or the timing of the deduction. Garnishments include overtime pay. |
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*Deduction amount could change based on overtime earned. Garnishments are based on a percentage of income and change if overtime is paid.

PAID LEAVE

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| Time Reporting | CHANGE Non-exempt employees report times worked in a timesheet. |
| Compensatory Time | CHANGE Non-exempt employees are eligible for compensatory time. |
| Leave Reporting | CHANGE Non-exempt employees report time off in 15-minute increments (exempt employees report time off in half or whole day increments). |
| Vacation | NO CHANGE |
| Legal Holidays | NO CHANGE |
| Personal Holidays | NO CHANGE |
| Sick Leave | NO CHANGE |

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| Vacation | <p>ACCRUED HOURS - NO CHANGE University Staff exempt employees who are moving to non-exempt will remain in the University Staff exempt vacation accrual schedule. This applies while the employee occupies the same current position. If a new position is accepted, the rules for the new position apply and the legacy exception ends. Review UW System Administrative Policy 1210 (formerly BN1) Vacation, Paid Leave Banks, and Vacation Payouts for the vacation accrual schedule.</p> <p>CARRYOVER - NO CHANGE</p> <p>BANKING & CASH PAYOUT - NO CHANGE University Staff exempt employees who are moving to non-exempt will remain in the University Staff exempt paid leave banking and cash payout schedule. This applies while the employee occupies the same current position. If a new position is accepted, the rules for the new position apply and the legacy exception ends. Review UW System Administrative Policy 1210 (formerly BN1) Vacation, Paid Leave Banks, and Vacation Payouts for the vacation banking schedule.</p> |
| Legal Holidays | NO CHANGE |
| Personal Holidays | NO CHANGE |
| Sick Leave | NO CHANGE |
| INSURANCE | |
| Health Insurance | NO CHANGE |
| Dental & Vision Insurance | NO CHANGE |
| Life Insurance | NO CHANGE Includes State Group Life Insurance, Individual & Family Life Insurance |
| AD&D and Accident Insurance | NO CHANGE |
| Disability & Income Continuation | NO CHANGE |

SPENDING & SAVINGS ACCOUNTS

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| Health Care Flexible Spending Account (FSA) | NO CHANGE |
| Dependent Day Care Flexible Spending Account (FSA) | NO CHANGE |
| Health Savings Account | NO CHANGE |
| Parking & Transit Accounts | NO CHANGE |

RETIREMENT

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| Wisconsin Retirement System (WRS) | NO CHANGE TO: Contribution Creditable Service Calendar Year Category |
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SUPPLEMENTAL RETIREMENT SAVINGS PLANS

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| UW 403(b) Supplemental Retirement Program (SRP) | NO CHANGE |
| Wisconsin Deferred Compensation (WDC) 457 Program | NO CHANGE |

OTHER

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| General Deductions (e.g. parking & transit) | NO CHANGE |
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