

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN
OFFICE OF HUMAN RESOURCES
POLICY AND PROCEDURES MEMORANDUM

FAIR LABOR STANDARDS ACT
EXEMPT & NON-EXEMPT EMPLOYEES

DATE: February 1, 2001

1. PURPOSE

The purpose of this policy is to provide for the administration of the Fair Labor Standards Act (FLSA) to ensure that The University of Texas of the Permian Basin is in compliance with the Federal law.

2. POLICY

2.1 Scope

The FLSA establishes standards concerning minimum wage, overtime pay, equal pay, child labor and record keeping for covered employment.

The FLSA applies to all activities performed in connection with the operation of all institutions of higher education regardless of the annual dollar volume of the institution, provided there are employees engaged in interstate commerce, or in production of goods for interstate commerce.

The FLSA also provides that a state or political subdivision thereof is responsible as an employer for compliance with the FLSA in regard to all of its employees in connection with the operation of the institution in carrying out its mission of providing education. This is true even though the employee may be part of a central administrative or servicing staff or otherwise employed at a location away from the premises where classes are conducted, as long as the employees are employed in the statutory enterprise.

2.2 Exemptions

The FLSA provides for an overtime pay exemption for any employee paid on a salaried basis and employed in a bona fide executive, administrative, or professional capacity (including academic administrative personnel and teachers). Whether an employee is exempt depends on his or her duties, responsibilities, and salary. Job title alone does not make an employee exempt.

2.3 Applicability

If The University of Texas of the Permian Basin employees' positions do not fall into an executive, administrative, or professional category, they are designated as non-exempt and they are subject to the requirements of the FLSA, including minimum wage and overtime. The FLSA also requires that certain records be kept for non-exempt and exempt employees.

3. PROCEDURES

- 3.1** The Office of Human Resources is responsible for determining whether a position is exempt or non-exempt.
- 3.2** Determination of the exemption status of a position is based on an analysis of the duties and responsibilities of the job performed.
- 3.3** Supervisors and managers must make certain that provisions of the FLSA relating to overtime and hours worked are strictly adhered to, in order to ensure fair treatment of employees under the law and to avoid substantial penalties that may be imposed due to non-compliance.

4. AUTHORITY

Fair Labor Standards Act of 1938, 29 U.S.C. §201, Et. Seq.
Also see UT System Policy and Procedures Memorandum §2.190.