Employee Categories and the Fair Labor Standards Act (FLSA) Breakout Session
Agenda

- Definitions
- Alignment of UW-Madison’s Employee Categories with the Fair Labor Standards Act
- FAQs
- Audience Q&A
<table>
<thead>
<tr>
<th>Currently</th>
<th>After July 1, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Faculty</td>
<td>Faculty</td>
</tr>
<tr>
<td>Academic Staff</td>
<td>Academic Staff</td>
</tr>
<tr>
<td>Limited Appointee</td>
<td>Limited Appointee</td>
</tr>
<tr>
<td>Student Hourly</td>
<td>Student Hourly</td>
</tr>
<tr>
<td>Student Assistant</td>
<td>Student Assistant</td>
</tr>
<tr>
<td>Employee-in-Training</td>
<td>Post Degree Training</td>
</tr>
<tr>
<td>Classified Permanent</td>
<td>University Staff</td>
</tr>
<tr>
<td>Classified Project</td>
<td>Fixed-term Terminal University Staff</td>
</tr>
<tr>
<td>Limited Term Employment</td>
<td>Temporary Employment</td>
</tr>
</tbody>
</table>
Definitions

- **Academic Staff**: Positions on UW-Madison campus that are unique to higher education. As of July 1, 2015, all vacancies exempt from the FLSA (salaried) will be filled as Academic Staff.

- **Classified Staff**: Positions that are not unique to higher education. On July 1, 2015, these positions will be referred to as University Staff. Most Classified Staff appointments are covered by the FLSA (non-exempt).

- **University Staff**: After July 1, 2015, the majority of Classified Staff will become University Staff. Those currently in permanent exempt Classified Staff appointments will be able to choose either an Academic Staff or University Staff appointment.
Definitions

- **Faculty**: The Faculty category will not change as a result of HR Design, though faculty managers and supervisors with employees who are University or Academic Staff will be responsible for being aware of and implementing changes that impact these categories.
Definitions

- **Fair Labor Standards Act (FLSA):** Federal law encompassing various protections for employees, including regulations governing the workweek, minimum wage, overtime pay, and youth employment.

- **FLSA exempt:** An FLSA exempt position is not subject to the protections outlined in the FLSA.

- **FLSA non-exempt:** An FLSA non-exempt position is subject to the protections outlined in the FLSA that ensure one receives overtime pay.
# FLSA Rules Guiding Whether a Position is Exempt or Non-Exempt

<table>
<thead>
<tr>
<th>Non-Exempt</th>
<th>Exempt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Covered by FLSA</td>
<td>Not covered by FLSA</td>
</tr>
<tr>
<td>Hourly positions</td>
<td>Salaried positions</td>
</tr>
<tr>
<td>Overtime pay or compensatory time for more than 40 hours/week</td>
<td>Normally, no additional compensation for overtime work</td>
</tr>
</tbody>
</table>
Academic Staff and University Staff employees will align with FLSA categories.

- This:
  - Eliminates artificial distinctions between employees.
  - Provides a clearer, more consistent way to categorize jobs.
  - Puts jobs that require similar levels of judgment and responsibility into the same employee category.
Employee Categories Today

Academic Staff* → Exempt

Classified Staff
  Exempt
  Non-Exempt

*And Limited Appointees
Employee Categories after July 1, 2015

Exempt Vacancies → Academic Staff*

Non-Exempt Vacancies → University Staff

Permanent Classified Exempt

University Staff

Academic Staff

*And Limited Appointees
### Employee Choice: A Side-by-Side Comparison

**Moving to Academic Staff/Limited Appointment from Classified/University Staff**

For UW-Madison Employees with Positions Determined to be Classified Exempt

**NOTE:** The following comparison only applies to UW-Madison employees that are Classified/University Staff and FLSA exempt. These employees may have the option to move to Academic Staff.

<table>
<thead>
<tr>
<th>Continuous Service Date</th>
<th>Classified/University Staff continuous service date (the date you began state/University employment) will be transferred to academic staff or limited appointment.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer Period</td>
<td>The first day to move is August 1, 2015. One can decide to move to academic staff at a later time. There is no deadline for moving to academic staff.</td>
</tr>
<tr>
<td><strong>Benefits</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Paid Leave</strong></td>
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</tbody>
</table>

**Earned Vacation (per year)**

Note:
- Employees moving to academic staff retain their earned leave, but may receive a leave payout in some cases. Balances will be reviewed on an individual basis.
- Employees moving to academic staff retain their earned leave, but may receive a leave payout in some cases. Balances will be reviewed on an individual basis.

**Banking Vacation**

- If you have hours banked in your classified/university staff sabbatical account but have 30 years or less of service (and are not eligible for banked leave as academic staff), your banked leave will transfer to your new position but you will not be able to bank additional hours until the eligibility requirements are met as academic staff.

**Vacation/Sabbatical**

- **Classified/University Staff Exempt**
  - First 5 Years - 120 hours
  - 5-10 Years - 160 hours
  - 10-15 Years - 176 hours
  - 15-20 Years - 200 hours
  - 20 Years or more - 216 hours

- **Academic Staff**
  - Earned vacation based on calendar year (Jan 1 - Dec 31)
  - First 5 Years - 120 hours
  - 5-10 Years - 160 hours
  - 10-15 Years - 176 hours
  - 15-20 Years - 200 hours
  - 20 Years or more - 216 hours

**Vacation Cash Out**

- **Classified/University Staff Exempt**
  - May cash out up to 40 hours of unused vacation beginning with your 15th year of service.

- **Academic Staff**
  - No cash out provision

**Leave Reporting**

- **Classified/University Staff Exempt**
  - Submit absences via HRS Time and Labor.
  - Leave reported in hourly increments.

- **Academic Staff**
  - Submit absences monthly via leave report (do not need to report time worked.) If you work full-time, must report leave in half or whole day increments.

**Compensatory Time**

- **Classified/University Staff Exempt**
  - Any comp time from a Classified/University Staff position will be paid out before reassignment.
  - Formal comp time is not allowed in AS/LI appointments.

**Legal Holidays Observed**

- **Classified/University Staff Exempt**
  - Granted 36 Personal Holiday hours on January 1 of every year

- **Academic Staff**
  - Granted 36 Personal Holiday hours on July 1 of every year

**Personal Holidays**

- **Classified/University Staff Exempt**
  - No Change

- **Academic Staff**
  - No Change

### Employee Choice: Comparison Chart

- **Continuous Service Date**
- **Transfer Period**
- **Benefits**
  - **Paid Leave**
  - **Vacation/Sabbatical**
  - **Vacation Cash Out**
  - **Leave Reporting**
  - **Compensatory Time**
  - **Legal Holidays Observed**
  - **Personal Holidays**

For UW-Madison Employees with Positions Determined to be Classified Exempt

**NOTE:** The following comparison only applies to UW-Madison employees that are Classified/University Staff and FLSA exempt. These employees may have the option to move to Academic Staff.
Frequently Asked Questions

- Do benefits change for non-exempt Classified Staff after they become University Staff on July 1, 2015?
- Are Academic Staff benefits impacted by HR Design?
- Are exempt Classified Staff project appointments impacted by employee choice?
- I have an exempt Classified Staff position. How would I choose whether to move to Academic Staff? What would I gain and what would I lose in each scenario?
Frequently Asked Questions

• If someone in an exempt Classified Staff position moves to Academic Staff, will that person need a bachelor’s degree in order to be a candidate for other Academic Staff appointments?

• Will exempt Classified Staff appointments have a bachelor degree requirement after becoming Academic Staff appointments?

• What will the new term be for Unclassified Staff after July 1, 2015?
FLSA/Employee Choice

What Questions Do You Have?
Thank You for your participation!