



LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM

PAYROLL MEMORANDUM

2016.26

Changing Lives, Creating Futures

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TO: All Employees of Community and Technical Colleges, including Baton Rouge Community College, Bossier Parish Community College, Central Louisiana Technical Community College, Delgado Community College, L. E. Fletcher Technical Community College, Louisiana Delta Community College, Northshore Technical Community College, Northwest Louisiana Technical College, Nunez Community College, River Parishes Community College, South Central Louisiana Technical College, South Louisiana Community College, SOWELA Technical Community College and the LCTCS Office

FROM: Sharon Dunham
LCTCS Payroll, Senior Payroll Manager

DATE: October 19, 2016

RE: Fair Labor Standards Act (FLSA) Changes – Final Rule on Overtime

On May 18, 2016, the U.S. Department of Labor published the Final Rule updating the overtime regulations, which will automatically extend overtime pay protections to millions of workers. The Final Rule updates the regulations for determining whether white collar (executive, administrative, and professional) salaried employees are exempt from the FLSA overtime protections.

The salary threshold will be raised from \$455.00/week (\$23,660 per year) to \$913.00/week (\$47,476 per year) effective December 1, 2016. There will also be an automatic salary level increase every three years beginning January 1, 2020. There will be no changes to the duties test.

There are approximately 402 FLSA exempt employees in Banner who currently fall below the new salary threshold. Each college must identify and research impacted employees and change them, as applicable, from exempt to non-exempt effective November 21, 2016. Creation of a new position in Banner effective November 21, 2016 must be available for the employee to enter hours worked on their web time sheet.

To assist colleges in identifying potential employees impacted by the FLSA changes, an Employee Report has been saved in SharePoint. This report lists exempt employees for the selected personnel area(s) whose annual salary is less than \$47,476.

For FLSA specific information, refer to the U.S. Department of Labor's website.