

Leader Talking Points

Changes to Compensatory Time for Non-Exempt Employees

Note for Leaders: These talking points are being provided to you in advance of the general employee announcement that will be published in WSU Today on Wednesday, June 12. Please review carefully to ensure you understand the changes and the reason for the changes. It is important that you are aware and can answer questions or direct those who report to you appropriately.

Leader accountability to ensure a smooth transition:

- Please read/review the below information, as well as the Non-Exempt Employee FAQ document posted on the HR website.
- Listen to the employee's concerns, on an individual basis.
- If you are not sure how to address an employee's concern(s), or you feel the employee will need additional support to be able to successfully transition, please reach out to your HR Business Partner for guidance/support.
- If the employee has questions related to the actual transition process (timing) that are not addressed in the FAQ's, please have them contact Human Resources at HR.Servicecenter@wichita.edu.
- Establish weekly schedules and let employees know your expectations regarding working more than their scheduled hours.
- Set clear expectations with employees related to what approvals are needed and when they are needed related to the use of Compensatory Time and/or overtime in their current role.
- Ensure employees understand that timesheets must be an accurate reflection of the time worked for each day of the week within a pay period.
- Not recording time worked, is not an option. All time worked should be accurately recorded, on the day it is worked.
- To accurately capture worked time, encourage employees to record their time worked on a daily basis.

What is changing, when and why it is changing:

- Fair Labor Standards Act (FLSA) sets standard that all hours worked in excess of 40 during each workweek must be compensated at the rate of one and one-half times the employee's regular rate. Unlike private employers, it specifies that Federal, State, and Local government employers may use compensatory time in lieu of paid overtime as long as it is in accordance with rules:
 - No more than 240 cumulative compensatory time hours
 - Must be paid at the rate it is earned
 - Must be paid if not used within one year of earning (rolling 12 months)
 - Must be paid out if a non-exempt employee moves to an exempt position
 - Employers have to ensure administration of rules is fair and consistent

- WSU will begin to make changes to how Compensatory Time is administered in July of 2019 and in March of 2020. These changes will focus on ensuring WSU is administering Compensatory Time in accordance with the rules established by the FLSA rules which govern the use of compensatory time.
- The changes to Compensatory Time are for non-exempt employees at this time. Changes to the administration of exempt staff Compensatory Time balances are still under review and will be announced in the coming weeks.
- The changes are being done in two phases based on input from employees and leaders who said a longer timeline to adjust to the changes and allow plans to manage the changes was preferable. Not making changes until after summer break and the 2019 Holiday shut-down were two primary feedback points provided.
- There are three changes taking place, beginning in July 2019
 1. If an employee moves from a non-exempt position to an exempt position, the Compensatory Time balance will be paid out in full in the same pay period in which the change takes place.
 2. If an employee transfers from one non-exempt position to another non-exempt position within the University, and their hourly base rate of pay remains the same or greater, the Compensatory Time balance will transfer with the employee to the new position/department. (As long as the new position is eligible for Compensatory Time.)
 3. If an employee in a non-exempt position receives a decrease in their hourly base rate of pay, the Compensatory Time balance will be paid out at the pay rate prior to when the decrease is applied. The pay out of Compensatory Time will take place in the same pay period in which the change takes place.

- There are three changes taking place, beginning in February 2020:

- REVISED** 1. Compensatory Time balances that were accrued more than one year ago will be reduced in February and paid out on March 6th, 2020. In some cases, this will reduce the employee's Compensatory Time balance below 60 hours.
- REVISED** 2. Compensatory Time balances that exceed 60 hours, regardless of when earned, will be reduced in February, and paid out on March 6th, 2020. In addition, the maximum allowed Compensatory Time balance will be capped at 60 hours.
- NEW!!!** 3. After the payout in March, WSU will implement a process to pay out any Compensatory Time balances that have been accrued but not used within one year. The review and payout of Compensatory Time balances will occur each pay period.

Changes are being phased in over time. This is based on feedback from employees and leaders, the University has chosen to manage this transition in a phased approach to ensure staff retain Compensatory Time to use for preplanned events such as summer time off and the 2019 holiday shutdown. In addition, the phased approach allows leaders time to consider how to manage future staff, budget, and scheduling needs since Compensatory Time balances maximums will be reduced to 60 hours in February of 2020.