

# **Guidelines for the Fair Labor Standards Act**

## No. 4320

# 1.0 Purpose

Policy Effective Date: 11/20/1995

Last Revision Date: 4/3/2025

Policy Owner: Bryan Garey

Policy Author: (Contact Person) Ellen Banks

#### Affected Parties:

Undergraduate Graduate Faculty Staff Wage

1.0 Purpose

- 2.0 Policy
- 3.0 Procedures
- 4.0 Definitions
- 5.0 References 6.0 Approval and
- Revisions

# The following guidelines ensure compliance with the *Fair Labor Standards Act* (FLSA) for all employees at Virginia Tech. The policy provides general guidelines for the application of the FLSA to positions at Virginia Tech but is not intended to replace the provisions of the FLSA.

# 2.0 Policy

Virginia Tech is a public institution of the Commonwealth of Virginia, and as such is a public employer committed to serving the public interest and accountable to the taxpayers for the effective and efficient use of public funds. It is the policy of Virginia Tech that employees be paid appropriately for time worked and must use leave under pertinent policies (such as annual leave, sick leave, or leave without pay) for time that they do not work. Therefore, an employee's pay will be reduced, or an employee will be placed on leave-without-pay, if absent from work for personal reasons or because of illness or injury and leave balances are not used because (1) there is no request to use accrued leave or a request has been denied, (2) leave balances have been exhausted, or (3) a request for leave-without-pay has been approved.

All employees of the university are covered by the FLSA, although some individuals may be exempt from certain of its provisions.

# 2.1 Non-Exempt Positions

Non-exempt employees are subject to the provisions of the FLSA which require overtime payments for all hours worked in excess of a 40-hour work week. Overtime is paid, or overtime leave is granted, to all non-exempt employees who work more than a total of 40 hours in the work week in one position or, generally, as a result of combining all positions worked at the university. All hourly wage employees are considered non-exempt and many full-time salaried positions are considered non-exempt based on their job duties.

The *Fair Labor Standards Act* requires that employees in non-exempt positions be compensated at time-and-one-half rate for all hours worked over 40 in the work week. Overtime leave may be accrued in lieu of wages for overtime pay according to a department or unit's common practice.

# 2.2 Exempt Positions

An exempt employee is one who is exempt from the minimum wage and overtime requirements of the *Fair Labor Standards Act* (FLSA). Exempt employees must meet the salary basis and salary level tests, as required, and the job duties test described below.



# 2.3 Exemption Tests

The following information gives a brief and general overview of the criteria that must be met in order for a position to be considered exempt under the FLSA.

- 1. Salary Basis Test To qualify for this exemption under the provisions of the FLSA, employees must generally be on a salary basis, effective November 15, 2024, pursuant to the <u>2024 DOL's Overtime Final Rule</u>. Salary basis means the employee receives a predetermined amount of compensation on a regular basis. The predetermined amount cannot be reduced because of variations in the quality or quantity of the employee's work. With only a few exceptions, an exempt employee must receive the full salary for any week in which the employee performs any work, regardless of the number of days or hours worked. The salary level may not be "pro-rated" for part-time positions. The salary basis requirements do not apply to outside sales employees, teachers, and employees practicing law or medicine.
- Salary Level Test To qualify for this exemption under the provisions of the FLSA, employees must generally be paid at least \$684 per week (equivalent to \$35,568 per year) on a salary basis, effective November 15, 2024, pursuant to the <u>2024 DOL's Overtime Final Rule</u>. The salary level threshold requirements do not apply to teachers, and employees practicing law or medicine as long as they meet the job duties tests for those exemptions.

The university will maintain an exempt salary level threshold minimum of \$844 per week (equivalent to \$43,888 per year) for existing and future A/P faculty and staff positions.

In order to qualify for the exemption under the salary basis test for work performed under a P-14, an employee must be paid a predetermined amount each pay period. Unless the majority of the P-14 duties are teaching, or other job duties exempt from the salary level test, an employee must be paid a minimum of \$684 per week (\$1,482 per pay period which cannot be prorated) to qualify as exempt under the salary level test. For additional information, see <u>Policies 4296, Adjunct and Wage Faculty Payments (P-14 Payments)</u> and <u>4298, Wage Employee Time Worked Records</u>.

3. Job Duties Test – To qualify for an exemption, employees must meet the above salary basis and level tests, as required, *and* qualify under one of the following job duty tests:

Executive

- Primary duty is management of the enterprise in which the employee is employed or of a customarily recognized department or subdivision thereof; AND
- Customarily and regularly directs the work of two or more other employees (2 FTE); AND
- Has authority to hire or fire other employees or must have significant ability to influence these decisions.

#### Administrative

- Primary duty is the performance of office or non-manual work directly related to the management or general business operations of the employer or the employer's customers, AND
- primary duty includes the exercise of discretion and independent judgment with respect to matters of significance OR is related to academic instruction or training;
- Certain jobs in careers such as Finance, Auditing, Human Resources, Accounting, Public Relations, Database Administration, Procurement, and Budgeting may qualify as exempt.



- Certain jobs applying well established techniques, procedures, or standards described in manuals or other sources may not qualify as exempt.
- Those performing clerical, secretarial, mechanical, recurrent or routine work would not qualify as exempt.

#### Professional

- Primary duty must be the performance of work requiring advanced knowledge in a field of science or learning; AND
- Customarily acquired by a prolonged course of specialized intellectual instruction OR primary duty must be the performance of work requiring invention, imagination, originality, or talent in a recognized field or artistic or creative endeavor;
- Occupations that may qualify as exempt are in the fields of law, theology, medicine, accounting, architecture, engineering, physical sciences, chemical sciences, and biological sciences.
- Types of jobs that may not qualify as exempt are Licensed Practical Nurses (LPN), accounting clerks and bookkeepers who process routine work, paralegals, engineering technicians, and cooks/chefs who perform routine work.

#### Computer **Computer**

- Computer systems analysts, computer programmers, software engineers or those in similar positions are considered exempt.
- Positions such as computer support specialists, help desk employees, computer network specialists, and database administrators do not qualify as exempt under the computer exemption; however, some of these positions may qualify under other exemptions.

#### Teaching

- Any employee with a primary duty of teaching, tutoring, instructing or lecturing in the activity of imparting knowledge and who is employed and engaged in this activity as a teacher in an educational establishment, by which the employee is employed, is considered exempt.
- This exemption applies to both full-time and part-time teachers as long as teaching is the majority of their duties.
- Teachers are considered exempt professionals and do not have to meet the salary basis or salary level tests.

The above section describes only general guidelines. Further information and assistance in interpretation of the FLSA can be obtained from the Division of Human Resources.

## 2.4 Minimum Wage Provisions

The *Fair Labor Standards Act* requires that all employees be paid at least at the current federal minimum wage rate of \$7.25 per hour. However, the Commonwealth of Virginia has established its own minimum wage rate, which is greater than the federal rate, with incremental increases. Further, the U.S. Department of Labor requires that all workers performing work on or in connection with federal contracts covered by Executive Order (E.O.) 13658, *Establishing a Minimum Wage for Contractors*, be paid a minimum wage subject to an inflation-adjusted amount as determined by the U.S. Secretary of Labor in accordance with the E.O. and appropriate regulations.



The university has established its own pay structure for all full-time employees in which the minimum salary, and thereby the equivalent hourly rate, exceed the federal and state minimum wage rates.

## 2.5 Volunteers

The *Fair Labor Standards Act* states that non-exempt employees must be compensated for all hours they are required or permitted to work. Thus, even when employees *offer* to work beyond their normally scheduled hours, the department must compensate employees for those hours worked.

An individual is considered to be a volunteer only if the following conditions are met:

- 1. Services are performed for which it is customary that no compensation is received beyond expenses or a nominal fee; AND
- 2. Services rendered are not the same type of services that the individual is employed to perform for the university.

**Example:** A custodial employee may volunteer to work a fundraising event for the university. The individual is not considered an employee while volunteering.

## 2.6 Lectures, Seminars, Training Courses and Classes

The **voluntary** attendance of a non-exempt employee at lectures, training courses, seminars or classes that are not directly related to the employee's job and **outside the normal scheduled work hours** is not considered as work hours if the employee performs no productive work while in attendance. This is true even if the university compensates the employee for the cost of the course.

Attendance is not voluntary if management requires it or if the employee is led to believe that his or her present working conditions or continued employment would be adversely affected by not attending. Such attendance is considered hours worked.

The **voluntary** attendance of a non-exempt employee at lectures, training courses, seminars, or classes during the **normal scheduled work hours** must be counted as hours worked. If the supervisor approves this time away from work, it must be tracked as hours worked. However, for-credit courses taken under the university's tuition waiver program are not counted as hours worked.

**Example:** Voluntary attendance in courses offered by the university's professional development program would normally be counted as hours worked for those hours falling within the employee's regularly scheduled work hours. The time spent traveling to the course location that occurs outside the employee's normal work schedule does not apply to hours worked.

## 2.7 Meal Breaks

<u>Policy 4300, Hours of Work for University and Classified Staff</u>, requires a 30-minute meal break for employees working six consecutive hours or more. Employees who work through their meal period must be compensated. This includes an employee who stays at her or his workstation and occasionally answers the phone during the meal break or who, without approval of the supervisor, takes it upon himself or herself to work through the meal break. Employees who work without approval may be subject to disciplinary action but still must be compensated for time worked.



# 2.8 Lactation Accommodations

The *Fair Labor Standards Act* requires employers with over 50 employees to provide non-exempt workers with "reasonable break time ... to express breast milk for her nursing child each time such employee has need to express the milk for 1 year after the child's birth." Typically, 15 to 20 minutes every three to four hours are required. Virginia Tech's Policy 4300 allows managers to grant non-exempt employees working an 8-hour day morning and afternoon breaks, not exceeding 15 minutes each, which are included with the total required hours of work. These breaks are to be paid. To accommodate mothers who require more than 15 minutes, managers may permit them to extend these breaks by up to 15 minutes each by taking unpaid time from the lunch break or by extending the workday by the amount required. Managerial approval is required for extended breaks.

Employers are also required to provide "a place, other than a bathroom, that is shielded from view and free from intrusion from coworkers and the public, which may be used by an employee to express breast milk." Human Resources provides information about the locations of lactation facilities and guidance regarding options for situations in which a lactation facility is not accessible at the <u>Hokie Wellness website</u>. Code of Virginia 2.2-1147.1 states that a woman may breast-feed her child at any location where that woman would otherwise be allowed on property that is owned, leased or controlled by the Commonwealth.

Exempt employees wishing to express milk should be accommodated in a similar manner, including access to an appropriate space if they don't have a private office.

Questions regarding these requirements and requests for assistance or guidance should be directed to Hokie Wellness in Human Resources.

# 3.0 Procedures

# 3.1 How to Determine Overtime Hours or What Constitutes Hours Worked

The *Fair Labor Standards Act* states that non-exempt employees must be compensated for overtime at a rate of time and one half for all hours worked over 40 in a period of seven consecutive days (work week). The seven-day work period for the university is normally Friday at midnight to the following Friday at midnight. In calculating the total hours an employee works, hours used for leave of any kind including holidays are not included.

Work periods of more than seven days are available for law enforcement and fire protection employees.

#### 3.1.1 Exempt Employees

Additional pay, or overtime leave, for any exempt employee may be given only if approved by the appropriate Dean or Vice President, and pre-authorized by Human Resources for occasional, special circumstances or projects which require hours to be worked beyond the employee's normal schedule. Overtime compensation for exempt positions should not be given on a continuing basis.

## 3.2 Non-Exempt Employees

#### 3.2.1 Approval for Overtime Compensation

Overtime should be authorized only by the supervisor and primarily for exceptional requirements of an emergency or temporary nature. Employees who take it upon themselves to work overtime without prior approval from the



supervisor may be subject to disciplinary action. This includes working through the meal break or after the normal work schedule. Departments should prohibit the continual use of overtime.

In order to avoid the need for overtime pay or overtime leave, management may reschedule employees during the same work week so that no more than the 40 hours are worked.

#### 3.2.2 Overtime Leave

Overtime leave is earned at a rate of one-and-one-half overtime leave hours for each hour actually worked over 40 in the work week.

- 1. Overtime leave may be carried over from one year to the next. When an employee with an overtime leave balance separates from the university or transfers to another state agency, overtime leave balances must be paid out at the current hourly rate or the average rate over the last three continuous years of employment, whichever is higher.
- 2. Overtime leave may be accumulated up to a maximum of 240 hours (480 hours for non-exempt public safety, emergency and seasonal positions). Once the maximum level is reached, additional hours worked over 240 must be compensated with time-and-one-half pay.
- 3. Departments electing to compensate employees with overtime leave instead of time-and-one-half pay must notify each affected employee prior to working overtime.
- 4. Management should establish and maintain written documentation on the departmental policy of either paying overtime or granting time-and-one-half off.
- 5. Employees who wish to use overtime leave must be permitted to do so within a reasonable period after making such a request if the requested leave does not unduly disrupt the department.

#### 3.2.3 Compensatory Leave

Overtime leave and compensatory leave are not interchangeable and different rules apply.

Compensatory leave is normally granted for holidays and for hours worked during an authorized closing; the leave must be used within a year's time.

#### 3.2.4 Straight-Time Pay for Additional Hours Worked

Straight-time pay or compensatory leave must be given to non-exempt employees for time worked beyond the required hours in a work week **where no more than 40 hours are worked.** This may happen when a state holiday or inclement weather day has occurred or when the employee has taken paid leave.

#### 3.2.5 Travel Time

The hours a non-exempt employee spends traveling to a destination as part of the job for the university (except for normal home-to-work travel time) must be counted as hours worked **and is determined by management.** 

• All-In-One-Day Travel: In the case of a non-exempt employee riding in an automobile or using mass transit, and traveling directly from and returning home on an all-day trip, all of the hours must be counted as work hours except travel time to and from the point of departure (i.e., train station or airport). Travel between the home and place of departure is regarded in a similar way to travel time between home and the normal office location and is not work time.



• **Overnight Travel:** When a non-exempt employee is traveling on an overnight trip all of the hours occurring within the normal daily scheduled hours must be counted as work hours even if the travel takes place on days when the employee is not normally scheduled to work. Time spent as a passenger during overnight travel outside of normal scheduled work hours where no work is performed does not count as hours worked.

A non-exempt employee who is required to drive is compensated for all travel hours.

**Example:** An employee normally works 8:00 a.m. - 5:00 p.m., Monday through Friday. Any travel hours between 8:00 a.m. and 5:00 p.m., even on Saturday and Sunday, are counted as hours worked.

#### 3.2.6 On-Call Time

On-call time is not counted as hours worked when the employee is considered *unrestricted*, which means they are free to spend their time as they wish. An employee who is required to leave word where he or she can be reached or who carries a beeper is considered *unrestricted*.

If the non-exempt employee is required to be in a specific location waiting for an assignment, then they are considered to be "engaged to wait" and must be paid for the on-call time.

#### 3.2.7 Joint Employment

Joint employment exists when:

- 1. An employee occupies two wage positions or a salaried and a wage position on a regular basis within the university, and
- 2. At least one of the positions is non-exempt.
  - a. If the primary position is exempt, and the secondary position is non-exempt, then the hours over 40 will not be paid at time and one half.
  - b. If the primary position is non-exempt, hours worked are cumulative, and overtime must be paid after 40 hours are worked in a work week in one or a combination of positions.
  - c. If the two positions are paid at different rates, a weighted average must be used as the regular rate for determining overtime compensation due.

Joint employment does not exist when the employee independently seeks employment with another state agency or non-university employer.

#### 3.2.8 Occasional and Sporadic Work

Section 7(p)(2) of the FLSA provides that where State or local government employees, solely at their option, work occasionally or sporadically on a part-time basis for the same agency in a different capacity from their regular employment, the hours worked in the different jobs shall not be combined for purposes of determining overtime liability under the FLSA.

This document summarizes the U.S. Department of Labor interpretations related to the application of the above language. The hours worked on separate appointments are NOT combined for purposes of determining overtime liability, only when ALL of the following requirements are met:



- 1. The occasional or sporadic work is accepted SOLELY at the employee's option.
  - The decision must be made freely by the employee, and the employee must be free to refuse to perform such work.
  - There may not be any sanctions against the employee for refusing to perform, nor any requirement to justify or explain the refusal.
- 2. The occasional or sporadic work is performed on a part-time basis.
  - Assignments must be infrequent, irregular, or occurring in scattered instances (e.g., assignments may not be every week or every other week).
  - Assignments may be anticipated, scheduled and re-occurring when they occur seasonally.
- 3. The occasional or sporadic work is in a different capacity from the regular employment.
  - "Different capacity" means in a different occupational category using the definitions in the Dictionary of Occupational Titles. Some occupations are much broader than others (i.e., clerical occupational titles are much broader than professional occupational titles).
  - <u>Exception</u>: Public safety employees taking on any kind of security or safety function are NEVER considered to be employed in a different capacity.

#### 3.2.9 Record Keeping

Each department must keep a record of hours worked, docked time and leave taken for each work period for nonexempt employees. Time records are accounting records and must be retained by the university in accordance with the records retention schedule provided by the Library of Virginia.

- Salaried Employees (Non-Exempt): All non-exempt salaried employees must complete and submit time worked in the university's electronic timekeeping system of record. Time records for non-exempt employees should reflect the hours worked each day, except for insubstantial or insignificant periods of time outside normal daily scheduled hours. The "de minimis" rule applies to only those times where the work involved is limited to a few seconds or minutes that cannot, as a practical administrative matter, be precisely recorded for payroll purposes and has no regularity in frequency. Time records should be approved weekly by the employee and by the employee's supervisor. If a department wishes to use an alternate record or process, it must be approved by Human Resources.
- Any non-teaching adjunct and wage faculty who is paid less than \$684 per week (\$1,482 per pay period which cannot be prorated) is considered non-exempt based on the FLSA salary level test. The hours worked in a week must be recorded to ensure that the employee's actual hourly rate does not fall below Federal minimum wage and cannot be paid on a P-14. If the employee works more than 40 hours in a week, time and a half must be paid for the hours in excess of 40. For these non-exempt employees, the university's electronic timekeeping system must be used to record employee hours worked. For additional information, see Policies 4296, Adjunct and Wage Faculty Payments (P-14 Payments) and 4298, Wage Employee Time Worked Records. Wage Employees: Hourly wage employees (student, non-student, and emergency hire) should document hours worked by clocking in and out of the electronic timekeeping system or by entering the total number of hours worked in the electronic time sheet. Employees should verify the hours are correct each work week by viewing the hours recorded in the system for the period. At the end of the pay period, the employee's supervisor must review and electronically approve all hours recorded for each employee for the pay period in order for the hours to be loaded into the payroll system for payment. The recommendation is that supervisors review and approve hours at least weekly. (See <a href="https://www.controller.vt.edu/resources/payroll/BannerTimeEntry.html">https://www.controller.vt.edu/resources/payroll/BannerTimeEntry.html</a>).



# 3.3 Deductions

#### 3.3.1 Circumstances in Which the Employer May Make Deductions from Pay

Deductions from pay are permissible when an exempt employee:

- is absent from work for one or more full days for personal reasons other than sickness or disability,
- for absences of one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness,
- to offset amounts employees receive as jury or witness fees, or for military pay,
- OR for unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions (see Standard of Conduct on penalties for workplace conduct rule infraction).

An employer is not required to pay the full week's salary:

- in the initial or terminal week of employment,
- for penalties imposed in good faith for infractions of safety rules of major significance,
- OR for weeks in which an exempt employee takes unpaid leave such as the Family and Medical Leave Act. In these circumstances, either partial day or full day deductions may be made.

It is the university policy to comply with the salary basis requirements of the FLSA and, therefore, managers may not make any improper deductions from the salaries of exempt employees.

#### 3.3.2 What To Do If An Improper Deduction Occurs

If an employee believes that an improper deduction has been made to their salary, they should immediately report this information to their direct supervisor, or to Human Resources.

Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made.

# 4.0 Definitions

FLSA: Fair Labor Standards Act

**Compensatory Leave:** Leave earned due to special circumstances where an employee worked (on a holiday) as an essential employee in an authorized closing.

Exempt Employee: An employee who has been determined exempt from the overtime requirements of FLSA.

**Non-exempt:** A position that is required to be compensated at time and one-half for all hours worked exceeding 40 in a work week.

Overtime: Payment made for hours of overtime worked.

Overtime Leave: Leave paid in lieu of overtime payments.

**Primary Duty:** The principal, main, major or most important duty that the employee performs on which an employee spends more than 50 percent of time or, in some circumstances, the duty that is relatively more important than others.



Straight Time: Hour-for-hour compensation for time worked beyond the required hours in a work week in which no more than 40 hours are worked.

Workday: Normally an eight-hour workday.

**Work week:** The work week for Virginia Tech is defined as Friday from midnight to the following Friday at midnight.

# 5.0 References

Policy 4296, Adjunct and Wage Faculty Payments (P-14 Payments) https://policies.vt.edu/assets/4296.pdf

- Policy 4298, Wage Employee Time Worked Records https://policies.vt.edu/assets/4298.pdf
- Policy 4300, Hours of Work for University and Classified Staff <u>https://www.policies.vt.edu/4300.pdf</u>
- Policy 4305, Policy on Authorized Closings https://www.policies.vt.edu/4305.pdf
- Policy 4315, Guidelines on Holidays https://www.policies.vt.edu/4315.pdf
- Policy 4010, Human Resources Policies Governing University Staff <u>https://www.policies.vt.edu/4010.pdf</u>

Fair Labor Standards Act <u>https://uscode.house.gov/view.xhtml?path=/prelim@title29/chapter8&edition=prelim</u>

Employer Liability, Chapter 3 of Title 40.1-29.2 of the Code of Virginia Policy 2000: Management of University Records https://policies.vt.edu/assets/2000.pdf

# 6.0 Approval and Revisions

• Revision 0

Approved November 20, 1995, by Associate Vice President for Personnel and Administrative Services, Ann Spencer.

• Revision 1

Changed work week from starting at 5 p.m. Friday to midnight Friday.

Approved January 20, 1997, by Associate Vice President for Personnel and Administrative Services, Ann Spencer.



- Revision 2
  - Extensive review and rewrite took place to clarify overtime issues throughout the policy.
  - Section 2.5 Record Keeping; Time records may be signed weekly by the employee and supervisor.
  - Time records retention schedule by the university has been changed from three to four years.
  - Section 3.3 Exempt/Non-Exempt Status of Classified Titles under the Fair Labor Standards Act. This section was deleted since the exempt or non-exempt determination is based on the individual duties of a position, not the classification.
  - Section 3.4 Overtime Leave. Deleted sentence stating that a copy of the departmental policy on pay versus time off to compensate an employee for overtime be signed by each affected employee and maintained in the departmental employee files.
  - Deleted the Section on Virginia Child Labor Laws. This will become a separate set of guidelines.

Approved June 22, 1999, by Director of Personnel Services, Linda Woodard.

October 10, 2001: Technical corrections to update policy links and name change for the Commonwealth of Virginia's Department of Human Resource Management (formerly Department of Personnel and Training).

- Revision 3
  - Section 2.3: Revision due to updated FLSA regulation requirements effective August 23, 2004.
  - Section 2.5: Recordkeeping moved under Section 3 Procedures
  - Section 4.0: Addition of policy and complaint procedures for improper deductions.
  - Language edits to clarify provisions.
  - Sections 1 & 5: Changed "Classified Employee" to "Staff Employee" to capture potential change to employees being either classified or university staff.
  - Section 5, definition #6 Overtime: Changed the definition to more accurately capture meaning of word "Overtime."
  - Technical corrections made to address changes in the Fair Labor Standards Act, including increase in the salary amount to \$455 per week, and changes in the Exemption Tests in Section 2.2.

Approved March 10, 2006 by the Vice President for Business Affairs, Kurt. J. Krause.

June 8, 2007: Technical correction to Section 3.2.12 Record Keeping.

Annual review June 1, 2010 by Vice President for Administrative Services, Sherwood G. Wilson. No revisions.

• Revision 4

Added Section 2.8 to address 2010 amendments to the Fair Labor Standards Act regarding accommodations for lactation.

Approved January 24, 2011 by Vice President for Administrative Services, Sherwood G. Wilson.

• Revision 5

Revised section 2.7 to increase the meal break period from 20 minutes to 30 minutes to be consistent with the state Hours of Work Policy and replaced "lunch break" with "meal break" throughout the policy. Approved August 31, 2011 by Vice President for Administrative Services, Sherwood G. Wilson

• Revision 6

Revised section 3.2.9 to reflect the "de minimis" rule (or exception of insubstantial periods of work from time records) as allowed by applicable Fair Labor Standards Act-related case law.



Approved June 29, 2018 by Interim Vice President for Human Resources, Lisa J. Wilkes.

- Revision 7
  - Technical corrections to grammar, language, and web links.
  - Section 2.3, technical corrections made to address changes in the Fair Labor Standards Act, including (a) increase in the salary basis amount per the exemption tests to \$684 per week, and (b) inclusion of two sentences, "The salary level may not be "pro-rated" for part-time positions." and "Virginia Tech encourages all hiring managers to pay a minimum of \$40K per year (\$769 per week) to all exempt level employees."
  - Section 2.4, listed the current federal minimum wage rate as \$7.25 per hour and added the following two sentences: (a) "Further, the Department of Labor requires that all workers performing work on or in connection with federal contracts covered by Executive Order (E.O.) 13658, Establishing a Minimum Wage for Contractors be paid a minimum of \$10.60 per hour." and (b) "The university has established a minimum salary for all full-time employees of \$24,960, equivalent to an hourly rate of \$12 per hour."
  - Section 3.2.8, deleted example, as already reflected in Section 2. 6.
  - Section 3.2.9 clarified the record keeping procedure language for documenting hours worked of wage employees.

Approved January 6, 2020 by Vice President for Human Resources, Bryan Garey.

- Revision 8
  - Technical corrections to grammar, language, and references.
  - Removed references to "overtime leave" where no longer applicable pursuant to the Virginia Overtime Wage Act.
  - Section 2.1, added language regarding the new Virginia Overtime Wage Act.
  - Section 2.4, added general language providing allowance for inflation adjustments in minimum wage for federal contractors. Added language for current and upcoming increases to Virginia minimum wage rate. Added general language regarding university pay structure in relation to federal and state minimum wage rates.
  - Section 3.1, added language reflecting the current regular rate of pay calculations for hourly and salaried, non-exempt employees.
  - Section 3.2.2, added language pursuant to the Virginia Overtime Wage Act regarding excepted employees still eligible to earn overtime leave.
  - Section 3.2.4, corrected leave type.
  - Section 4.0, amended definition of "Overtime Leave."
  - Section 5.0, added reference to "Virginia Overtime Wage Act."

Approved July 1, 2021 by Vice President for Human Resources, Bryan Garey.

- Revision 9
  - Added references to "overtime leave," as applicable, pursuant to an amendment to the Virginia Overtime Wage Act excepting public agencies effective August 9, 2021 and expiring June 30, 2022.
  - Sections 3.1, 3.2.2 and 3.2.4, removed language pursuant to an amendment to the Virginia Overtime Wage Act regarding excepted employees still eligible to earn overtime leave.
  - Section 4.0, amended definition of "Overtime Leave."
  - Section 5.0, updated or added links to websites.

Approved August 9, 2021 by Vice President for Human Resources, Bryan Garey.



- Revision 10
  - The Virginia Overtime Wage Act was amended and reenacted in Chapter 3 §40.1-29.2 et seq., effective July 1, 2022, to reflect the provisions under the federal Fair Labor Standards Act. This provision allows the university the ability to accrue or pay compensatory time for overtime worked.
  - Sections 2.1 and 3.2.2, removed references to the "Virginia Overtime Wage Act," and associated language, which are no longer applicable under the amended and reenacted statute.
  - Section 5.0, added updated reference to new legislation.

Approved July 1, 2022 by Vice President for Human Resources, Bryan Garey.

- Revision 11
  - Section 2.3: Revision due to updated Fair Labor Standards Act, effective July 1, 2024, the minimum salary threshold for exempt employees will change to \$844 per week.

Approved July 1, 2024 by Vice President for Human Resources, Bryan Garey.

- Revision 12
  - Section 2.3: Pursuant to the DOL's Overtime Final Rule, effective November 15, 2024, the minimum salary threshold for exempt employees reverted to \$684 per week. Notwithstanding, Virginia Tech will maintain the exempt salary threshold minimum of \$844 per week for A/P existing and future faculty and staff positions. Clarified requirement of certain exemption tests applicable to teaching and to work performed under a P-14.
  - Section 3.2.9: Updated minimum salary threshold to \$684 per week (\$1,482 per pay period which cannot be prorated) to be considered exempt for any non-teaching adjunct and wage faculty paid on P-14. Added language clarifying that non-exempt employees must use the university's electronic timekeeping system to record employee hours worked. Updated link to the Controller's Office webpage regarding the university's electronic timekeeping system.
  - Technical revisions to links, grammar, language, and references.

Approved April 3, 2025 by Vice President for Human Resources, Bryan Garey.