

STATEWIDE FLSA PROJECT TRAINING SUMMARY

1. Purpose of the Project

- Preparation for statewide biweekly payroll implementation in 2027 requires all position data to be accurate and consistent.
- Review covers all 56,000 positions statewide to ensure:
 - Correct FLSA exemption status
 - Accurate overtime eligibility
 - Proper classification, salary range, budget information
 - Alignment with statewide standards
- Goal: Enterprise-wide FLSA compliance and correct compensation calculations for employees.

2. What the Review Covered

- Complete data comparison across:
 - Budgeted position
 - Position job profile
 - Worker job profile
 - FLSA status
 - OT eligibility
- Focus on identifying inconsistencies, misalignment, missing data, or outlier FLSA statuses.
- Reviewers flagged positions when any relevant field was inaccurate, incomplete, or inconsistent with enterprise patterns.

3. Why Positions Were Flagged

Four major categories of issues triggered review:

A. Missing or incomplete data

Examples:

- Missing position overtime eligibility
- Missing budgeted classification fields
- Worker FLSA/OT fields left blank

Required agency action: Fill in missing data and verify alignment with FLSA. If filling in data *changes FLSA status*, a formal review is required.

B. FLSA & overtime misalignment

Standard expectation:

- Exempt = NOT OT eligible
 - Non-exempt = OT eligible
- Exceptions may exist due to CBAs.

Examples flagged:

- Worker marked OT-eligible while position is exempt
- Position exempt but marked OT-eligible without exception
- Worker/position FLSA mismatch

Some misalignments may be permissible but require agency confirmation and justification.

C. FLSA outliers (classification pattern inconsistencies)

Positions whose exemption status differs from most in the same statewide classification.

Examples:

- Program Analyst 2 (PA2): 700 non-exempt vs 50 exempt → exempt ones flagged
 - ISS8 or NRS5 positions marked non-exempt despite expectations they typically qualify as exempt
- Agencies must review duties to confirm or correct. Formal FLSA review required only if a status change is needed.

D. Underlying data misalignment

Examples:

- Salary range mismatch between position and worker profile
 - Classification or budget fields inconsistent
 - Non-budgeted positions with budgeted codes filled in
- These may or may not require FLSA changes, but all require correction.

4. What Agencies Will Receive

- A spreadsheet listing:
 - Worker ID
 - Position/budget classification
 - Status indicators
 - DAS notes explaining why it was flagged
- Agencies must select from a dropdown for each position:
Confirm, Correct, or Request FLSA Change
- Agencies must provide a written explanation for each selected action.

5. Types of Required Agency Actions

A. Status Confirmation

Used when:

- Position truly is an FLSA “outlier,” but appropriate based on duties
- CBA or classification-specific exceptions apply
- Position legitimately meets exemption tests despite being uncommon for the classification

Agency must:

- Confirm FLSA & OT status is correct
- Provide explanation referencing duties or justification.

B. Data Correction

Most common outcome.

Used when:

- Errors involve overtime eligibility, missing fields, mis-entered classification, worker/position mismatch

- FLSA status **does NOT change**

Agency must:

- Correct data in Workday
- Note what was corrected
- Ensure corrections do **not** alter the FLSA status.

C. FLSA Change Request

Required when:

- Review of duties reveals position actually meets exemption requirements
- Position’s FLSA status must change to align with its correct duties

Agency must submit:

- FLSA analysis review template
- Updated position description
- Justification tied to duties and exemption criteria.

6. Handling Positions with Multiple Issues When notes indicate several problems (missing data, OT misalignment, outlier classification):

- First correct all data errors
- Then reassess whether FLSA status must change
- Provide comprehensive notes on all actions taken
- Submit full review only if FLSA must change.

7. FLSA Review Process Overview Steps when assessing a position:

1. Identify primary purpose and duties
2. Compare duties to exemption tests
3. Determine whether:
 - Status is confirmed
 - Data correction is needed
 - FLSA change request should be submitted

A streamlined FLSA template must be used for all change requests.

8. FLSA Review Template Highlights Template requires:

- Current vs recommended position data
- Explanation of why current FLSA status is not appropriate
- Identification of duties that justify exemption
- Selection of exemption type with supporting examples

Only one exemption category may be selected; all others must be deleted.

Supporting examples must come from the **actual position description**, not general statements.

9. Exemptions Overview (Brief)

- Manages people/operations, directs 2+ staff, hiring/firing authority

Professional Exemption

- Advanced knowledge, specialized degrees, independent professional judgment

Computer Exemption

- Systems design, development, complex programming (not help desk roles)

Administrative Exemption

- Work tied to business operations, high-level independence, advising, policy, compliance, HR, budgeting

Agencies must cite duties directly supporting chosen exemption.

10. Workflow & Timeline

- June 1: Agencies receive spreadsheets
- Throughout June: Agencies submit spreadsheet with selected actions (confirm/correct/request)
- FLSA change requests (analysis + PD) due based on volume:
 - 1–100 positions: June 15
 - 101–300: June 22

- 301–500: June 29
- 500+: July 6
- Underlying data corrections must be completed before July 2027, but agencies encouraged to correct early.
- Most agencies have under 100 positions to review.

11. Additional Notes

- Reclassifications (representation, service type, classification changes) must go through standard reclass process, not this FLSA review process.
- DAS will provide FAQs and offer support through IM or email.
- Some agencies may have zero positions flagged; they will receive confirmation.