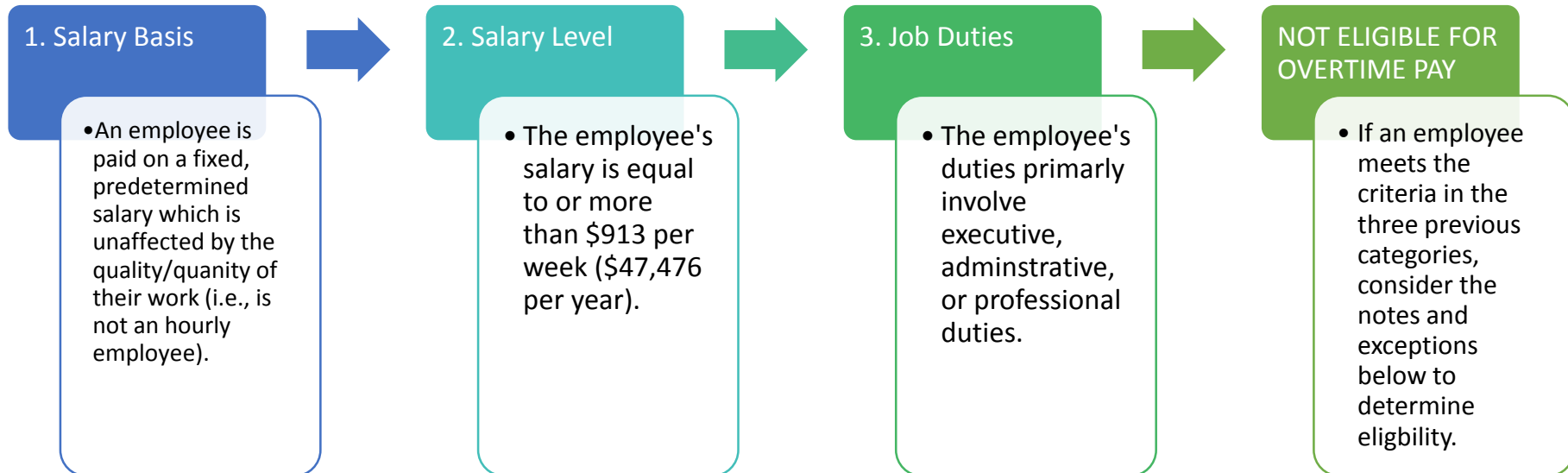


## Fair Labor Standards Act (FLSA) Update for State Charter School Employees

**BACKGROUND:** Under the federal Fair Labor Standards Act (FLSA), *certain* employees are entitled to overtime pay if they work more than 40 hours per week. Overtime hours are compensated at a rate *no less than one and a half times* the employee's regular rate of pay (commonly referred to as "time and a half").

The United States Department of Labor (USDOL) has issued a new rule that **will take effect starting December 1, 2016** that raises the salary level of categorically-exempt white collar employees from \$455 per week (\$23,660 for a full-year worker) to \$913 per week (\$47,476 for a full-year worker). In other words, employees who make **less than \$913 per week (\$47,476 for a full-year worker)** **may now be eligible to receive overtime pay** under the USDOL's new rule. **However, due to certain exceptions to the rule for teachers and school administrators, it is unlikely that this new rule will have a significant impact for state charter schools.**

**APPLICATION:** Generally, if an employee **meets all three categories below**, they will be **exempt and not eligible** to receive overtime pay.



### **IMPORTANT NOTES AND EXCEPTIONS:**

- **Teachers, regardless of their salary, are not eligible to receive overtime pay.** Non bona fide teachers (e.g., an athletic coach whose primary duty is recruitment, not teaching) may be eligible for overtime pay if they do not earn a salary equal to or more than \$913 per week (\$47,476 per year).
- **School academic administrative personnel (e.g., principals, vice-principals, department heads, etc.) are only eligible for overtime pay if they do not earn a salary equal to or more than \$913 per week (\$47,476 per year).**
- Paraprofessionals, and non-teaching support staff (e.g., building management and maintenance, food service staff, etc.) that are paid an hourly wage are eligible for overtime pay and are not impacted by this rule change.