

Academic & Limited Staff Moving from Exempt to Non-exempt

The Fair Labor Standards Act (FLSA) is a federal law through the Department of Labor that establishes a set of standards to determine which jobs are covered and eligible for overtime payments ("non-exempt") and which jobs are not covered ("exempt"). Universities of Wisconsin employees subject to this federal law is given a status of exempt or non-exempt based on job responsibilities performed for the university. This table provides information about changes that will occur when there is a change in exemption status.

For more information on FLSA visit https://www.wisconsin.edu/ohrwd/home/flsa/.

PAYROLL		
Pay Periods	NO CHANGE	
Overtime	CHANGE Non-exempt employees receive time-and-one half for all hours worked above 40 hours in a work week.	
Direct Deposit	NO CHANGE	
Taxes*	NO CHANGE	
*Receiving overtime pay may affect tax bracket levels or eligibility in some cases. Review the IRS Tax Withholding Estimator to determine if a change in tax withholding is needed www.irs.gov/individuals/tax-withholding-estimator.		
Garnishment*	NO CHANGE in withholding order or the timing of the deduction.	

*Deduction amount could change based on overtime earned. Garnishments are based on a percentage of income and change if overtime is paid.

PAID LEAVE		
Time Reporting	CHANGE Non-exempt employees report times worked in a timesheet.	
Compensatory Time	CHANGE Non-exempt employees are eligible for compensatory time.	
Leave Reporting	CHANGE Non-exempt employees report time off in 15-minute increments (exempt employees report time off in half or whole day increments).	
Vacation	NO CHANGE	
Legal Holidays	NO CHANGE	
Personal Holidays	NO CHANGE	
Sick Leave	NO CHANGE	



WISCONSIN Academic & Limited Staff Moving from Exempt to Non-exempt

INSURANCE			
Health Insurance	NO CHANGE		
Dental & Vision Insurance	NO CHANGE		
Life Insurance	NO CHANGE Includes State Group Life Insurance, Individual & Family Life Insurance		
AD&D and Accident Insurance	NO CHANGE		
Disability & Income Continuation	NO CHANGE		
SPENDING & SAVINGS ACCOUNTS			
Health Care Flexible Spending Account (FSA)	NO CHANGE		
Dependent Day Care Flexible	NO CHANCE		
SpendingAccount (FSA)	NO CHANGE		
Health Savings Account	NO CHANGE		
Parking & Transit Accounts	NO CHANGE deduction will automatically be adjusted, if applicable.		
RETIREMENT			
Wisconsin Retirement System (WRS)	NO CHANGE TO: Contribution Creditable Service Fiscal Year Category		
SUPPLEMENTAL RETIREMENT SAVINGS PLANS			
UW 403(b) Supplemental Retirement Program (SRP)	NO CHANGE		
Wisconsin Deferred Compensation (WDC) 457 Program	NO CHANGE		
OTHER			
General Deductions (e.g. parking & transit)	NO CHANGE deduction will automatically be adjusted, if applicable.		