



As a manager, it's important to develop a good understanding of the Fair Labor Standards Act (FLSA) basics to assist your employee, and yourself, through this transition. Use this conversation checklist to guide discussions with employees shifting from exempt to non-exempt status.

1. Discuss what is happening.

Prior to individual employee meetings, be sure to explain FLSA in team meetings and how the change will impact some members of the team.

Familiarize yourself with FLSA.

Explain the Fair Labor Standards Act, emphasizing the purpose: positive outcomes for employees.

Ensure the employee understands this change is federally regulated and impacts employers nationwide.

Provide employee with transition letter (and Employee Guidelines if they don't already) and discuss.

Allow your employee to read over transition letter. Ask if they have questions.

Transition to "Why this is happening."

2. Discuss why this is happening.

Discuss the FLSA salary test and duties test with your employees.

Explain the federally mandated conversion date is Dec. 1, 2016. USG is transitioning before that date to ease the financial transition for employees.

Explain to your employee that both their job duties and salary determines their exemption status.

Refresh your employee's understanding of exempt (not overtime eligible) and non-exempt (overtime eligible).

Allow them to ask questions.

Transition to "How we move forward."

3. Discuss how we move forward.

Explain to the employee that they now have the advantage of being paid overtime. If overtime is not approved, assure them you'll partner together for best use of those 40 regular work hours.

It is important time is tracked accurately. Please do not ask employees to work untracked time, and don't allow employees to work untracked time.

Time will be captured on a system determined by work location.

Introduce the timekeeping system and explain there will be further training on its use.

Discuss overtime policy, flexibility with scheduling, telecommuting, unexpected interruptions, comp time, working through lunch, etc. Be sure to establish your approach ahead of time (i.e., will employees have flexibility with schedules as long as they work 40 hours in a work week?).

Transition to "Discuss initial reactions, concerns and fears."

4. Discuss initial reactions, concerns and fears.

Ask the employee for thoughts regarding everything discussed. Allow them to be candid, and be sure to reiterate benefits of FLSA: positive outcomes for employees.

Schedule a follow-up meeting to further check in with employee, provide additional updates, etc.

Thank the employee for their time and remind them you are partners in this transition.

For more resources to assist in the transition, please visit www.usg.edu/hr/flsa.