August 1, 1996

CHANCELLORS
LABORATORY DIRECTORS
SENIOR VICE PRESIDENT--BUSINESS AND FINANCE
VICE PRESIDENT--AGRICULTURE AND NATURAL RESOURCES

Delegation of Authority--Fair Labor Standards Act (FLSA) Exemption Status

Staff Policy 30, Salary, sets forth provisions related to salary actions, and Staff Policy 32, Overtime, sets forth provisions related to compensation for overtime based upon an employee's FLSA exemption status. The FLSA is a Federal law that sets minimum wage, overtime pay, equal pay, record keeping, and child labor standards. One requirement of the FLSA is that each employer, including the University of California, determines which of its employees are covered by minimum and overtime provisions ("non-exempt") and which are not covered ("exempt") by the Act.

Effective July 1, 1996, you are authorized to establish or change the FLSA exemption status for all positions within your respective areas of responsibility, in compliance with the legal requirements of the FLSA. To meet the requirements of the exempt classification under the FLSA, you must first demonstrate that an employee in an exempt position is salaried and second that the salaried employee falls into one of several exemption categories. Detailed instructions on the FLSA classification process may be found in the attached FLSA Exemption Classification Guidelines, University of California, dated July 31, 1991. These guidelines are currently under review by OGC to determine whether an update is required. You should use the enclosed guidelines until a revised version is completed, if it is needed.

Whenever the FLSA exemption status of a position is proposed to be established or changed, appropriate local HEERA notice to affected employees and interested employee organizations should take place to provide an opportunity for questions and comments in advance of the proposed implementation date.

Any redelegation of this authority shall be in writing with copies provided to the Senior Vice President--Business and Finance and to the Special Assistant--Coordination & Review.

Sincerely,

Richard C. Atkinson
President

Attachment

cc: Members, President's Cabinet
    Assistant Vice President Levin
    Special Assistant Gardner
    Principal Officers of The Regents