

# Temporary Change from Salaried to Hourly Employment

As required by participation in SharedWork Ohio or the Fair Labor Standards Act (FLSA)

# Rationale

- SharedWork Ohio (SWO) requires that all participants be paid on an hourly basis for the duration of the SWO agreement
  - This assists in claim payments as well as prevents employees from being pressured by their employer to work more than their reduced hours without compensation
- The federal Fair Labor Standards Act (FLSA) requires that most employees paid below the salary threshold of \$35,568 per year must be paid on an hourly basis
  - If your working hours are reduced by more than 50%, you will not be subject to the SWO agreement, and
  - If your salary falls below the above salary threshold, you will be required to be paid on an hourly basis for the duration of your FTE reduction

# Reporting

- To comply with either the SWO or FLSA requirements, you will be transitioned from Unclassified Salaried to Unclassified Hourly employment for the duration of your FTE Reduction
- As an Unclassified Hourly, non-exempt, employee you will begin recording all hours worked, and leave time used, via the bi-weekly timesheet schedule
  - You will be compensated for all hours worked; you must report all time worked and cannot 'volunteer' to work more hours unpaid; your supervisor must approve all hours over (or under) your allotted hours
  - Under SWO, if you work more than your allotted hours (consistent with your reduced FTE), your unemployment compensation will be reduced accordingly
  - If you work over 40 hours in a given workweek, you will be paid overtime (compensated at one and one-half times your hourly rate of pay for each hour worked over 40)

# Hourly Rate of Pay

- Your hourly rate of pay, as determined by your current FTE, will remain unchanged
  - Your current annual salary will be divided by the 2,080 working hours in a year to arrive at your hourly rate of pay
  - This will be multiplied by your hours worked each week to arrive at your gross weekly pay
- This change does not adversely reflect the value or level of your work, or your importance to the University. The change of your position to hourly (non-exempt) is necessary to comply with state and/or federal regulations and it provides you with wage and hour protections that you do not have as an exempt employee.

# Timing of Pay

- Your last salaried paycheck will be paid on May 29, 2020 and will include your full month's pay
- Effective Monday, June 1, 2020, you will open your first biweekly timesheet for the dates June 1, 2020 through June 12, 2020; this time sheet must be accurately submitted no later than 5:00 p.m. on Friday, June 12, 2020
- Your May and June direct deposits will be appear in your account as follows
  - May's monthly pay will be deposited on the last business day of the month (Friday, May 29, 2020)
  - Your first bi-weekly pay (through June 12, 2020) will be deposited on June 19, 2020
    - This will include only the hours you worked from June 1, 2020 through June 12, 2020 as entered on your first bi-weekly timesheet
  - The next bi-weekly pay period: June 13, 2020 through June 26 will be deposited on July 2, 2020 (due to the holiday on the 3rd)

# Pay Schedules

- Subsequent pays will follow the bi-weekly pay schedule that can be found here:  
<http://www.wright.edu/controller/payroll>
- Additionally, at the bottom of the payroll schedule website, you will see the date and time for your timesheet submission, as well as the date and time for your manager's approval
  - The information listed is updated each pay period
  - Note that dates may change during holiday timeframes (such as for the Independence Day Holiday that will be observed Friday, July 3<sup>rd</sup>)

# Timing of Benefit Deductions

- Benefit deductions for the month of May will be withheld on the last working day of the month as usual (May 29, 2020)
- Your benefits, including your contributions, will not change as a result of your compensation being paid hourly; however, the timing of the deductions will change
  - Beginning with the first pay in June (which is deposited June 19, 2020 and considered the second pay in June), benefit deductions will follow the normal bi-weekly schedule presented on the Payroll Deduction Chart on the next slide

***Payroll Deduction Schedule for Bi-Weekly Paid Employees***

Payroll Deductions	Once a Month*	24 Pay Periods**	26 Pay Periods***	Responsible for Change
Parking Pass	X			Automatic, 1st pay of month
Short Term Disability	X			Automatic, 1st pay of month
Dependent Life	X			Automatic, 1st pay of month
Medical, Dental and Vision Premiums		X		Human Resources
Flexible Spending - Healthcare and Dependent Care		X		Human Resources
Health Savings Account		X		Human Resources
Supplemental Life Insurance		X		Human Resources
OPERS Service Purchase		X		Payroll
Direct Deposit			X	Employee, only if more than one account
Federal and State Income Tax			X	Employee, only if extra \$ deduction
403(b), 457(b) and Ohio Deferred Compensation			X	Employee
Local Income Tax			X	Automatic
OPERS and ARP Retirement Contributions			X	Automatic
Medicare			X	Automatic
Donations: Scholarships, Culture Works, United Way			X	Payroll
Child Support and Garnishments			X	Payroll
IRS Federal Tax Levy			X	Payroll
Weight Watchers			X	Human Resources

Deductions only from: \***first** paycheck of each month; \*\***first two** paychecks of each month; \*\*\***from all** paychecks of each month.



# Payroll Deposit/Deduction Considerations

- As shown in the Payroll Deduction Chart on the previous slide, bi-weekly deductions are taken once a month, twice a month, or three times a month (in applicable months); the majority of the changes to the timing of benefit deductions will either be automatic in the system, or Human Resources and Payroll will coordinate the changes
- There are three instances where you might need to complete forms for changes; these forms will need to be submitted by June 5, 2020
  1. Direct Deposit - if you have multiple accounts, a new Direct Deposit Form should be turned in to Payroll
  2. Federal and State Tax Withholdings - if you have additional dollar amounts deducted out of each pay, you will need to complete the appropriate tax form and return to Payroll
  3. Supplemental Retirement Accounts – if you participate in a supplemental retirement account – 403(b) or 457(a) plan – you will need to complete the change in Retirement Manager so that your current monthly deduction amount can be split over your bi-weekly pays

# Training on Completion of Time Sheets

- In order to assist both you, and your supervisor, with the completion of time sheets, training videos can be found here: <http://www.wright.edu/human-resources/policies-and-resources/time-sheet-leave-reporting>
- As a note, these videos have not yet been converted to avoid using Flash Player. Until that process is complete, you may have to 'allow' Flash Player temporarily to get the videos to work.

# Commonly Referenced Websites

## University pay, time sheet and/or benefit deductions

- Payroll Website <http://www.wright.edu/controller/payroll>
- Time Sheet Instructions <http://www.wright.edu/human-resources/policies-and-resources/time-sheet-leave-reporting>
- HR Benefits Website <http://www.wright.edu/human-resources/benefits>

## Unemployment compensation

- ODJFS Website <https://jfs.ohio.gov/ouio/index.stm>

## SharedWork Ohio

- SWO Website <http://jfs.ohio.gov/ouio/SharedWorkOhio/index.stm>

# WSU Contacts for Questions

## Questions about University pay and/or benefit deductions

- HR Operations Analyst assigned to your area (<http://www.wright.edu/sites/www.wright.edu/files/page/attachments/departmentlisting2017.pdf>)

## Questions about time sheets

- Payroll (<http://www.wright.edu/controller/payroll>)

## Questions about the FTE Reduction/Leave Process

- HR Business Partner assigned to your area (<http://www.wright.edu/human-resources/policies-and-resources/human-resources-business-partners> or <http://www.wright.edu/sites/www.wright.edu/files/page/attachments/departmentlisting2017.pdf> )

## Unemployment Compensation questions under the control of WSU

- HR Talent Management Team ([emily.hamman@wright.edu](mailto:emily.hamman@wright.edu) or [meltem.kokaly@wright.edu](mailto:meltem.kokaly@wright.edu))