


THE CALIFORNIA STATE UNIVERSITY
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Date: October 11, 2004 **Code:** **TECHNICAL LETTER**
HR/Salary 2004-20

To: Human Resources Directors
AVPs/Faculty Affairs **Reference:** HR 2004-25
Pay Letter 2004-06
Payroll Managers

From: Cathy Robinson 
Assistant Vice Chancellor
Human Resources Administration

Subject: **FLSA's "White Collar" Exemption Changes**

As a result of the new FLSA "white collar" exemption regulations, the CSU Pay Scales were updated and communicated to campuses in Pay Letter 2004-06. This technical letter outlines the impact of these changes to employees' PIMS employment records and provides technical processing instructions to campuses.

➤ **FLSA Status Changes:**

Effective October 1, 2004, the FLSA status code of certain classifications was changed in the CSU pay scales. As a result, the FLSA status code on the incumbent's PIMS employment record has been updated by the State Controller's Office. A summary of the FLSA status code changes is as follows:

Unit	Class Code	Classification Title	New FLSA Status
R02	7988	Radiation Protection Specialist	Non-exempt
	8005	Sanitarian II	Non-exempt
	8150-8151	Registered Nurse I	Exempt
	8153-8154	Registered Nurse II	Exempt
R09	8830-32	Fire Apparatus Engineer	Non-exempt
R03	2379-2381	Coaching Specialist	Non-exempt
	2382-2384	Coaching Assistant	Non-exempt

Campus Responsibility:

- CIRS Compendium Report X93, Cycle 0410, provides campuses with a list of all impacted employees. Campuses are responsible for updating their CMS Baseline system, as appropriate.

Distribution:

CSU Presidents
Vice Chancellor, Human Resources
Vice Presidents, Administration
Compensation/Classification Professionals

The following processing instruction is provided in Attachment A:

⇒ I - FLSA Status Code Changes

➤ **Increase to Salary Range Minimums:**

The salary level test of the FLSA “white collar” exemption regulations require that exempt employees be paid a minimum of \$455 per week or \$1972 per month. Effective October 1, 2004, the salary range minimums were increased for the following exempt classifications:

Unit	Class Code	Classification Title	New Minimum
E99	2944	Legislative/Executive Fellow	\$1972/mo
	4660	Special Consultant	\$91/day

Campus Responsibility:

- In order to keep the Special Consultant as an exempt classification, the salary range minimum was increased to \$91 per day ($\$91 \times 5 = \455). Effective October 1, 2004 and thereafter, Special Consultants paid less than \$91 per day will need to be appointed to another non-exempt classification (e.g., Casual Worker).

➤ **CSEA Per Diem Employees:**

Effective October 1, 2004, the salary range maximum of the Per Diem – Nonexempt – Healthcare classification (class code 7930) was increased to \$55.91 per hour. Because employees paid on an hourly basis do not meet FLSA’s Salary Basis exemption test, it is no longer appropriate to have an exempt Per Diem – Healthcare classification.¹ Employees in exempt classifications who are paid on an hourly basis are considered non-exempt under the FLSA and are therefore entitled to receive overtime pay in the event the employee works over 40 hours in a workweek.² For this reason, the Per Diem – Nonexempt – Healthcare salary range maximum was increased to include Unit 2 exempt classifications so that campuses can convert employees currently in exempt per diem classification into the non-exempt classification.

Campus Responsibility:

- Effective October 1, 2004, campuses are responsible for moving all incumbents out of class code 7940 (Per Diem – Exempt Health Care) and into class code 7930 (Per Diem – Nonexempt – Healthcare).

The following processing instruction is provided in Attachment A:

⇒ II – Per Diem – Non-Exempt – Healthcare Conversion

¹ Class code 7940 will be abolished once vacated.

² The Salary Basis test does not apply to doctors, lawyers, teachers, and certain computer-related professionals. Refer to CSU's White Collar Exemption Guidelines for more information.

Questions regarding this technical letter may be directed to Human Resources Administration at (562) 951-4411. This document is available on Human Resources' Web site at: <http://www.calstate.edu/HRAdm/memos.shtml>.

CR/gc

TECHNICAL LETTER
HR/Salary 2004-20
ATTACHMENT A

PROCESSING INSTRUCTIONS

I - FLSA STATUS CODE CHANGES

PAY SCALES IMPACT:	
Change Summary:	The FLSA status code will be changed.
Class Code(s):	7988, 8005, 8150, 8151, 8153, 8154, 8830, 8831, 8832, 2379, 2380, 2381, 2382, 2383, 2384
CBID:	R02, R03, R09
Pay Scales Effective Date:	10/1/04
Date in Production:	10/1/04
Pay Letter:	2004-06

EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:	
Processing Responsibility:	The SCO keyed the FLSA code changes on the employee's record
Processing Date(s):	Complete 10/05/04
Effective Date:	10/01/04
PIMS Transaction:	215
Detailed Transaction Code (Item 719)	N/A
EH Remarks (Item 215)	HR 2004-06
Pay Amount:	N/A
Pay Form:	N/A
Lump Sum Earnings ID:	N/A
Employees on Leave:	N/A
Additional Information:	N/A
SCO Personnel Letter:	N/A

COMMON MANAGEMENT SYSTEMS (CMS) INSTRUCTIONS:	
Pay Scales Impact:	Salary Schedule Load was provided by HR-ISA to SOSS on 09/29/04
GSI/SSI Load Impact:	None
CMS Action/Reason:	Campus-determined

**TECHNICAL LETTER
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ATTACHMENT A**

PROCESSING INSTRUCTIONS

II – PER DIEM – NON-EXEMPT – HEALTHCARE CONVERSION

PAY SCALES IMPACT:	
Change Summary:	Increase salary range maximum to \$55.91 per hour
Class Code(s):	7930
CBID:	R02
Pay Scales Effective Date:	10/01/04
Date in Production:	10/01/04
Pay Letter:	2004-06

EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:	
Processing Responsibility:	Campus
Processing Date(s):	By 10/21/2004, payroll cutoff
Effective Date:	10/01/04
PIMS Transaction:	CRO
Detailed Transaction Code (Item 719)	N/A
EH Remarks (Item 215)	HR/Salary 2004-20
Pay Amount:	N/A
Pay Form:	N/A
Lump Sum Earnings ID:	N/A
Employees on Leave:	N/A
Additional Information:	N/A
SCO Personnel Letter:	N/A

COMMON MANAGEMENT SYSTEMS (CMS) INSTRUCTIONS:	
Pay Scales Impact:	Salary Schedule Load was provided by HR-ISA to SOSS on 09/29/04
GSI/SSI Load Impact:	None
CMS Action/Reason:	Must map to PIMS CRO transaction