

## Payroll and TimeClock Plus

Changes in the Fair Labor Standards Act (FLSA) in 2004 have impacted how employers handle overtime pay for those employees properly classified as “non-exempt”. The original law and the subsequent interpretation of the regulations by the U.S. Department of Labor and the courts have resulted in serious fines for employers found in violation of the law.

Concerns about the inconsistency in County Agricultural Extension Districts’ approach to FLSA and the tools and processes used to track employees’ time, overtime, and absence time could result in unnecessary claims and financial liability. As a result, extension councils need to adopt or continue the following practices to avoid violations of FLSA subject to serious fines:

- By law, overtime begins to accrue after 40 hours worked per week, not an average of hours over multiple weeks. For non-exempt employees, any hours worked over 40 hours in a single week must be calculated at one and one-half times the hourly rate for that week, not hour for hour.
- Overtime is to be calculated on hours “**worked**” over 40 hours/week and does not include vacation, sick leave, holidays, jury duty, paid time off, or other “absence” hours.
- A work week in County Agricultural Extension Districts will be Sunday (12:00 a.m.) through Saturday (11:59 p.m.).
- Each County Agricultural Extension District needs to choose one of two payroll period options: monthly (first day of the month to the last day of the month) or bi-weekly (every other week, meaning 26 pay periods per year).

TimeClock Plus is a payroll software available for counties to use to ensure compliance with wage hour law. The software helps to track employee time categories consistent with FLSA. [Instructions and materials](#) for staff and bookkeepers are available on the County Services website.

More information about the Fair Labor Standards Act can be found on the [U.S. Department of Labor’s Wage and Hour Division](#) website.

Extension council members should direct questions regarding TimeClock Plus and Fair Labor Standards Act to their regional director.