



# North Carolina Department of Public Safety

## Human Resources

Pat McCrory, Governor  
Frank L. Perry, Secretary

Nancy Lipscomb, Director  
Human Resources

June 16, 2016

### ADMINISTRATIVE MEMORANDUM: 05-2016

**TO:** DPS Division Directors and Section Heads

**FROM:** Nancy Lipscomb, Human Resources Director *NCL*

**SUBJECT:** Fair Labor Standards Act (FLSA) – Rule Change Effective December 1, 2016

The United States Department of Labor has issued a new rule that updates the regulations determining employee coverage under the Fair Labor Standards Act’s minimum wage and overtime pay protections. The rule increases the salary threshold below which most salaried employees are eligible for overtime compensation from the current \$455 per week (or \$23,660 for a full-year worker) to \$913 per week (or \$47,476 for a full-year worker). As a result, many employees currently exempt to the FLSA overtime rules will become subject as of December 1, 2016. These employees will begin earning overtime compensation, but will lose any remaining compensatory leave balance as of December 1, 2016.

The DPS HR staff will be further communicating with managers, supervisors and impacted employees, however, in anticipation of this change we are asking that managers monitor employees’ compensatory leave balances and encourage employees to use this time prior to November 30, 2016. Under no circumstances may an employee carry forward a balance nor be paid for the balance of compensatory leave, therefore, we are hopefully providing sufficient advance notice of this change to all ample opportunity for employees to use the compensatory leave.

Again, the DPS HR staff will provide further information regarding the specific employees impacted by this change in the future. Questions may be directed to the HR staff at (919)716-3800.

Thank you for your attention in this matter.

NL:MKS

Cc: Secretary Frank L. Perry  
Commissioner Gregory K. Baker  
Gregory A. Lusk, Adjutant General  
Deborah L. McSwain, General Counsel  
James C. Gardner, Chairman, ABC Comm.  
Renee Robinson, Director of OSI

Commissioner W. David Guice  
Colonel William J. Grey, Commander of the SHP  
Janie Sutton, Director of SBI  
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