



Office of the Chancellor

MSC 3Z
New Mexico State University
P. O. Box 30001
Las Cruces, NM 88003-8001
575-646-2035, fax: 575-646-6334

chancellor.arvizu@nmsu.edu

DATE: November 18, 2019

TO: All NMSU employees

FROM: Dan E. Arvizu, Chancellor

A handwritten signature in blue ink that reads 'Dan E. Arvizu'.

SUBJECT: Fair Labor Standards Act (FLSA) and options for staff converting from exempt to non-exempt

Beginning Jan. 1, 2020, new requirements will go into effect as part of the federal Fair Labor Standards Act (FLSA). While these changes will have an impact on our university and on a number of our employees, NMSU must follow the new requirements in order to comply with federal law. Employers throughout the nation are also dealing with this same situation.

We have already reached out to approximately 200 NMSU employees who will see their compensation change from an annual salary to an equal amount paid as hourly wages. This conversion involves moving to a lag pay status, where hourly wages are paid on a two-week lag, or the pay period after they are earned. That means individuals moving to non-exempt will not receive a paycheck on Jan. 15, 2020. The pay earned for the period between Jan. 1, 2020 and Jan. 15, 2020 will arrive instead as the Jan. 31 paycheck. All other paychecks will also be paid after they are earned.

Because we are aware of the hardship this is likely to cause, we are working with each of the employees affected to provide options for navigating through this difficulty. We have developed these options, following best practices, and to be as accommodating as possible.

For more information on the Fair Labor Standards Act, I encourage you to visit <https://hr.nmsu.edu/flsa/>.