



**DHRM HR Highlights  
November/December 2024**

### **Data Cleanup Project Kickoff: FLSA Status Audit**

Earlier this year, DHRM announced plans to initiate a [targeted data cleanup project](#) to ensure that Cardinal records are accurate and up to date. During this first phase, the focus will be on FLSA status classifications. Ensuring compliance with the Fair Labor Standards Act (FLSA) is a vital part of maintaining fair and equitable HR practices. FLSA compliance not only ensures that employees are classified and compensated appropriately but also protects your agency and the Commonwealth from potential risk.

DHRM recognizes the complexity of navigating FLSA regulations, especially following the recent decision by the U.S. District Court for the Eastern District of Texas to vacate the Biden administration's proposed overtime rule and the update communication from the Department of Labor (DOL) noting that their agency will rely on [2019's minimum salary levels](#) with regard to enforcement while the DOL appeals the November 15<sup>th</sup> decision.

While the decision and subsequent appeal have raised questions, DHRM recommends continuing to comply with [FLSA salary thresholds established in July 2024](#) until further guidance is provided directly from the US DOL, or similar guidance from the Virginia Office of the Attorney General.

#### **Key Objectives of this Phase:**

1. **Accurate Employee Work Profiles (EWP's):** ensure EWP's accurately describe the work and at the appropriate level.
2. **Complete Audit for Current FLSA Status:** review FLSA status within Cardinal by accessing data directly from [Cardinal](#) or [HR Data Insights \(HRDI\)](#). Cardinal is the source data for HRDI and FLSA status can now be accessed through the job data query within Cardinal. However, HRDI is an application that provides flexibility for queries to review the data points you'd like to access using the same Cardinal data.

Follow these instructions to guide you through downloading data through [Cardinal](#) or [HRDI](#), the auditing process, and then making the necessary corrections as applicable.

3. **Confirmed or Corrected FLSA Status:** Confirm exempt vs. non-exempt classifications based on the [FLSA duties test](#).
4. **Communicate:** Depending on the change, additional communication may be required to impacted employees, supervisors, and finance partners.

5. **Documented Decisions:** Ensure all FLSA determinations, including duties test evaluations, are well-documented.

**What You Need to Know:**

- **Timeline:** Agency FLSA audits and required updates within Cardinal should be complete by **January 31, 2025.**
- **Resources:**
  - Instructions for pulling and auditing data in [Cardinal](#) and [HRDI](#).
  - [FLSA Duties Test](#)
  - [FLSA Final Rule](#)
  - [Earnings thresholds under the FLSA](#)
  - [Cardinal Job Aids](#): filter by Application: “HCM” and Module: “Human Resources”
  - [DHRM Compensation Team](#)

Thank you for your partnership in this important effort. Accurate data is the foundation for effective decision-making and compliance, and your expertise is vital to the success of this project.