



## **FLSA Non-exempt employees Awaiting Back Pay National Finance Center is Missed Payment Deadline**

(February 10, 2011) Employees who received FLSA non-exempt status and are entitled to back pay from the 2010 settlement NWSEO won in the case, are still waiting for their payments.

NOAA sent payment instructions to the National Finance Center (NFC) on December 1<sup>st</sup> with a request that back pay, damages and interest be calculated and that payment be made no later than pay period 25 in December 2010.

However, the NFC informed NOAA that they are behind on their work and that they hoped to have an estimate of when they can do the calculations and make payments by February 18, 2011. Now, the NFC is saying they are unable to meet that deadline. Please note, they are saying they are not able to meet the February 18 deadline by which they expected to know when they would be able to get around to the project, not the date by which it would be completed.

According to NFC, they have three other major FLSA cases to process first. So, at this point, NFC has not been able to discern when they will be able to make the calculations and payment, nor do they know when they will be able to start on the project.

Please note that interest continues to accumulate on back pay at the rate of 3 percent.

“NWSEO worked hard to win this case, putting thousands of dollars back in employees’ pockets. Unfortunately, we don’t control when the NFC will make the payments. It could take many months,” said NWSEO General Counsel Richard Hirn. “Employees should know that they are earning interest on the money owed. The longer it takes to receive the pay out, the more interest they will receive.”

In October 2010, NWSEO and NWS reached final settlement of a grievance which challenged the FLSA exempt status of 185 bargaining unit employees. A total of 161 employees were improperly exempted from coverage of the Fair Labor Standards Act. Those employees will be paid at time and one-half of their normal hourly rate for overtime worked.

The NWS has also agreed to pay the 161 employees who were improperly classified lost overtime wages plus an equal amount of damages for all overtime worked since August 2007. These employees will receive the difference between the lower “Title 5 overtime rate” at which they were paid for these overtime hours (which in many cases was the employee’s straight time rate) and true time and one-half. In addition, the

employees will receive an equal amount as liquidated damages for the delay in payment and interest.

Many different occupational categories were included in this grievance. However, the major groups of employees involved include GS-11 Facilities Engineering Technicians and GS-12 Regional Maintenance Specialists. All affected employees have been personally notified by the union.

For more information on the FLSA settlement visit:

[http://nwseo.org/Member\\_News/Final\\_Settlement\\_Overtime.php](http://nwseo.org/Member_News/Final_Settlement_Overtime.php)

(If you have trouble with this link, please cut and paste it into your browser.)

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