Overtime Rules Checklist: 9 Things You Need to Know

- [ ] **Determine the Final Rule's Impact on Your Business**
  Make it a point to become familiar with the rules changes to determine your overtime situation.

- [ ] **Conduct an Audit**
  Conduct an audit of employees likely to be affected. Begin with a basic review of current staff, exempt status and compensation levels.

- [ ] **Track Exempt Employee's Time**
  Track exempt employees' hours (those earning below the $47,476 threshold). It's critical that you have accurate hourly data and a clear audit trail.

- [ ] **Determine Who Will Transition to Non-exempt**
  Identify exempt employees and decide whether to increase their salary levels to maintain exempt status or transition them to non-exempt status.

- [ ] **Develop a Plan**
  Look at your historical overtime payments and determine whether costs are likely to increase due to hours worked. Conduct scenario planning.

- [ ] **Update Timekeeping Policies**
  Should the new rule significantly impact the number of employees who need to track hours, time and attendance software may better suit your needs.

- [ ] **Develop Training Procedures**
  Educate staff on the company timekeeping and overtime approval procedure after updating recordkeeping and overtime policies.

- [ ] **Create a Communication Plan**
  Communicate policy and procedure changes to employees, making sure that there is a lot of transparency about new expectations.

- [ ] **Start Preparing Now**
  You need to start making plans now to ensure you understand what the regulations mean.