

# December 1, 2016, FLSA Changes

On May 18, 2016, the U.S. Department of Labor announced that the “salary basis minimum” of the Fair Labor Standards Act (FLSA) will be raised from \$455 per week (\$23,660 per year) to \$913 per week (\$47,476 per year). The revision sets a higher minimum salary that positions must be paid in order to be exempt from overtime requirements. This minimum salary requirement applies to both full-time and part-time employees, regardless of how many hours they work.

The revised salary basis minimum goes into effect December 1, 2016, and will be automatically adjusted every three years, with the first adjustment scheduled for January 1, 2020.

There is no change to the FLSA “duties tests” at this time.

## IMPACT

All positions that don’t meet the new FLSA threshold requirements will be overtime eligible, required to track their time and be paid for all hours worked, as well as being paid time and a half for all hours worked over 40 in a workweek.

## Breakdown by Employment Program

Employment Program	Number of OT exempt employees currently paid under \$47,476/year as of 5/15/16
Professional Staff	460
Contract Classified	154
Classified Non-Union	31
Exempt Temporary	37
ICA Coaches	9

## AMBIGUITY REGARDING NON-TEACHING ACADEMIC PERSONNEL

Positions that teach, such as professors, lecturers, and teaching assistants, are not covered by the FLSA. Other non-teaching academic positions that do not directly teach but who have an integral connection to teaching have historically been overtime exempt. The University is seeking clarity on whether the changes to the language in FLSA will move some academic student employee positions in non-teaching titles, such as research assistant and staff assistant, to overtime eligibility.

UW Human Resources, Academic Human Resources, the Graduate School, the Office of Research, and Planning and Budgeting have all been tracking the progress of the proposed changes and collaborating on impacts and mitigation strategies. More information will be shared in coordination with the Office of the Attorney General. Legal advice is being sought about how the final rules impact non-teaching academic student employee positions. This update focuses primarily on changes affecting staff and ASEs. The office of Academic Personnel is separately tracking changes to academic personnel and meeting with affected schools and colleges to discuss impacts and options.

<b>Academic Student Employees Possibly Impacted by Rule Change</b>	
Graduate Staff Assistant	42
Predoc Research Associate 1	606
Predoc Research Associate 2	660
Predoc Staff Associate 1	34
Predoc Staff Associate 2	38
Research Assistant	467
<b>TOTAL</b>	<b>1,847</b>

**NEXT STEPS**

On May 31, 2016, Compensation sent organization leaders and administrators a list of professional staff and classified staff employees projected to be impacted by the new salary basis test based on the employees’ salary and FTE percentage on May 15, 2016.

An updated list will be provided in early October that takes into account the July 1, 2016, across-the-board increases for contract classified and classified non-union employees and the September 1, 2016, merit increases for professional staff.

