

## Proposed Changes in the Fair Labor Standards Act -- Part 1

Information on this page was current as of the day of publication. For the latest information visit the [Auburn University FLSA](#) page.

**Is it true that there are proposed changes in the law requiring some A&P employees to “clock-in” their time and be eligible for overtime pay?**

- **Regulation: Fair Labor Standards Act (FLSA)**
- **Covered Employees:** Employees -- “Student” and “non-student” -- whose jobs are designated as “Non-Exempt” (*not exempt from* the obligations and requirements for the accurate recording of working time, right to a minimum wage and overtime pay provisions of the FLSA.)
- **Accountable Parties: Faculty, A&P and Staff Supervisors** – Any employee who directly supervises other employees whose jobs, by virtue of the work they are performing, or the minimum salary test, are designated as “Non-Exempt.”

**IMPORTANT: FLSA exemption designation has not and does not reflect the value of an Auburn University employee.**

**Yes, it’s true -- Final regulations of a major change to the Fair Labor Standards Act (FLSA) are expected to be announced in early 2016. This issue of “Good to Know” is the first in a series designed to help you better understand the proposed changes that may impact many Administrative and Professional employees at Auburn University.**

**Subject FLSA Provision: “Minimum Salary Level”** Currently, employees who earn \$23,660 per year or less have their jobs designated as Non-Exempt, and must keep accurate records of hours worked and be paid overtime premium for hours worked in excess of 40 hours in the designated workweek. Employees who make more than \$23,660 may be exempt from the FLSA regulations *only* if the primary duty(ies) of their jobs meets a “duties test exemption” as specified by the law.

**Proposed:** The Department of Labor (DOL) has proposed increasing the annual “Minimum Salary Level” threshold from \$23,660 to \$50,440. The threshold could also increase in subsequent years. We anticipate that the announcement in early 2016 will include a mandated compliance date.

**Impact:** If implemented as proposed, several hundred A&P employees will have their jobs’ FLSA exemption status designations changed from Exempt to Non-Exempt. As a result, the impacted A&P employees will be required to accurately **record their daily working time** (clocking-in) and will **have the right to be paid overtime premium** for all hours worked in excess of 40 in the designated workweek.

**Action:** At this time, no action is required on your part. You may have questions regarding what is going to happen to leave accrual and parking status. Human Resources is working diligently to understand the many implications of this change and to plan and prepare for effectively communicating this change. **While we do not have all of the answers at this time, we want you to stay informed.** For the next several weeks, “Good to Know” bulletins will be issued addressing the provisions of the law, how this change may impact supervision, and what we can do to protect the rights of our employees while ensuring Auburn University compliance.

At Auburn University, the Compensation team administers these tests to determine the appropriate FLSA exemption status. Questions or comments regarding this “Good to Know!” bulletin can be directed to Human Resources at 844-4145 or [univhr@auburn.edu](mailto:univhr@auburn.edu).