

Good to Know!

June 7, 2016 Issue

FSLA Final Rules - Part 1*

Information on this page was current as of the day of publication. For the latest information visit the Auburn University FLSA page.

The U.S. Department of Labor (DOL) recently announced changes to the Fair Labor Standards Act (FLSA) Overtime Rule which will impact several hundred A&P employees at Auburn University. Effective December 1, 2016, the DOL will increase the Minimum Salary Level threshold for positions designated as exempt, from the current threshold of \$23,660 per year to a new threshold of \$47,476 per year. While uncertainty continues regarding the final rule, some clarifications specific to higher education are provided below:

Students

- Student Workers are in jobs that are already designated as nonexempt and will not be impacted by the final rule.
- Students with an appointment of **Graduate Teaching Assistant** who have teaching as their primary duty are not subject to the salary tests and, therefore, their job remains exempt under the final rule.
- **Research Assistant** jobs will remain exempt from FLSA coverage as they are filled by undergraduate or graduate students who are engaged in research under a faculty member's supervision in the course of obtaining a degree and therefore are in an educational relationship rather than an employer-employee relationship.
- Students with an appointment of **Graduate Assistant** will be impacted by the final rule. Their jobs will be redesignated as nonexempt due to the FLSA considering them as being employed rather than in an educational relationship.
- **UNDER REVIEW:** Appointments as **Graduate Extension Assistant** are currently under review for proper FLSA designation.
- **UNDER REVIEW:** Appointments as **Resident Assistants** (Residence Life GA, Residence Life ST and Summer Residence Assistant) or **Graduate Area Coordinators** are currently under review for proper FLSA designation.

Postdoctoral Fellows

 Postdoctoral fellows as defined in the final rule meet the duties test for the "learned professional" exemption and therefore must also satisfy the Minimum Salary Level test; therefore, employees in this job who do not meet the new Minimum Salary Level test (\$47,476) will be impacted by the final rule and their jobs will be designated as nonexempt.

Teachers

- Teachers are exempt if their primary duty is teaching, tutoring, instructing, or lecturing in the activity of imparting knowledge, and if they are employed and engaged in this activity as a teacher in an educational establishment.
- The Minimum Salary Level and salary basis requirements do not apply to "bona fide teachers" and therefore they will not be impacted by the final rule.

Academic Administrative Positions (Alternate Minimum Salary Level Threshold)

UNDER REVIEW: There are special regulatory provisions for some administrative positions whose <u>primary duty is</u> <u>performing administrative functions directly related to academic instruction or training</u> in an educational establishment. These positions are known as "Academic Administrative Positions" and are subject to a different salary test called the Alternate Minimum Salary Level Threshold, set at the entrance salary for teachers at Auburn (currently \$37,870.) Positions generally eligible for the Alternate Minimum Salary Level Threshold include academic counselors and academic advisors, intervention specialists who must be available to respond to student academic issues, and other employees with similar responsibilities directly related to academic instruction or training. As of this bulletin date, no final determinations have been made regarding which positions at the University qualify as Academic Administrative Positions. Human Resources is currently analyzing which positions may be identified as Academic Administrative Positions and will notify those impacted as soon as possible.

Parking and Leave

Impacted employees -- those whose position FLSA designations will change from exempt to nonexempt -- will retain their current annual leave accrual levels and their current parking selections.

Questions or comments regarding this "Good to Know!" bulletin can be directed to Human Resources at 844-4145 or univhr@auburn.edu.

^{*} As the interpretation of the FLSA final rule is dynamic, additional clarifications will be forthcoming in future bulletins.