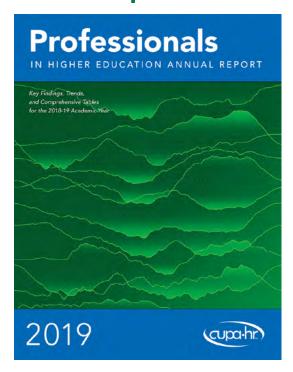
FLSA Overtime Changes **Higher Ed Positions Most Likely to Be Impacted**

Excerpt From the 2019 Professionals in Higher Education Annual Report







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CUPA-HR is higher ed HR. We serve higher education by providing the knowledge, resources, advocacy and connections to achieve organizational and workforce excellence. Headquartered in Knoxville, Tennessee, and serving more than 31,000 HR professionals and other campus leaders at more than 2,000 institutions, the association offers learning and professional development programs, higher education workforce data, extensive online resources, and just-in-time regulatory and legislative information.

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CITATION FOR THIS REPORT:

Bichsel, Jacqueline; Pritchard, Adam; & McChesney, Jasper (May 2019). Professionals in Higher Education Annual Report: Key Findings, Trends, and Comprehensive Tables for the 2018-19 Academic Year (Research Report). CUPA-HR. Available from https://www.cupahr.org/surveys/results/.

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Exempt Status

Over the past four years, the U.S. Department of Labor (DOL) has proposed several changes to the Fair Labor Standards Act (FLSA) that would impact higher education. On March 22, 2019, the DOL proposed changes to the rules governing exempt "white collar" employees, raising the salary threshold from \$23,660 to \$35,308. CUPA-HR has been involved in this process from the beginning, advocating for higher education as proposed changes and regulatory opinions have been issued and opened for public comment. As the revision process for FLSA rules proceeds, CUPA-HR continues to collect information on exempt status for all positions in the *Professionals in Higher Education Survey* to provide higher education leaders with relevant data on how these changes might affect their institutions.

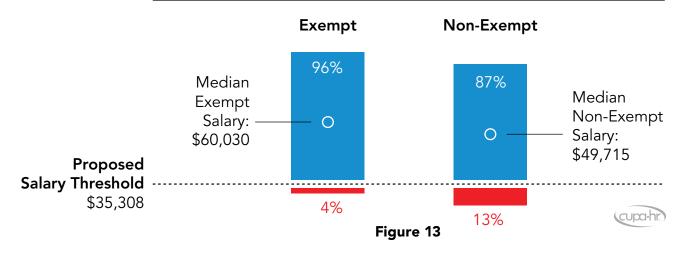
EXEMPTION THRESHOLD

Figure 13 shows the percentage of professionals currently above and below the proposed salary threshold of \$35,308 for "white collar" employees. Around 83% of professionals are classified as exempt, a slight decrease from 85% last year.

Of all higher education exempt professionals, 96% currently are paid at or above the proposed exemption threshold. This means that only 4% of exempt professionals would need to be re-evaluated for possible exempt-status changes or salary increases if the proposed rule were to take effect. This is far fewer than the 21% reported last year who were under the previously proposed salary threshold of \$47,476.²²

2019 PROFESSIONALS IN HIGHER EDUCATION

Incumbents Above and Below Proposed Salary Threshold by Exempt Status



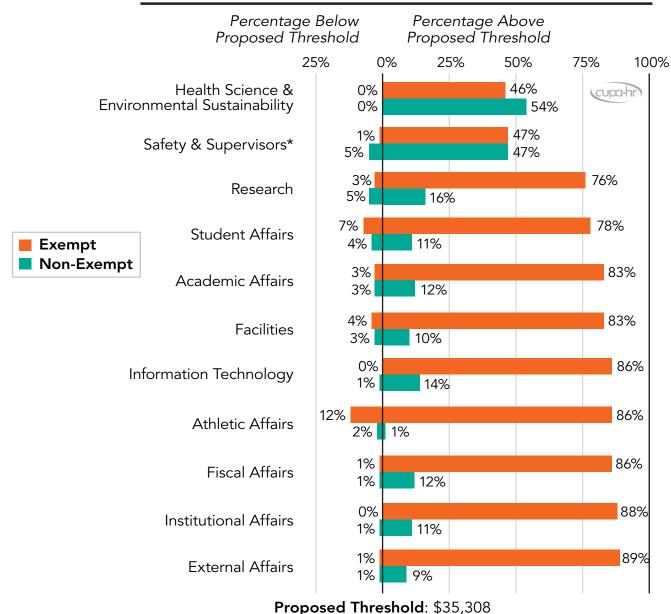
- 21 For more information on the history and details of these changes, the most up-to-date news on these regulations, and information on other recent DOL opinion letters and proposed rules, consult CUPA-HR's Legislative and Regulatory News.
- 22 Bichsel, J., Li, J., Pritchard, A., & McChesney, J. (2018). Professionals in Higher Education Annual Report: Key Findings, Trends, and Comprehensive Tables for the 2017-18 Academic Year (Research Report). CUPA-HR.

PROFESSIONAL AREAS MOST IMPACTED

Certain professional areas in higher education are more likely to be impacted by changing the salary threshold in the overtime rule. Figure 14 shows the percentage of each professional area potentially impacted by the proposed \$35,308 threshold. Areas with a relatively high percentage of exempt employees below the threshold include athletic affairs (12%) and student affairs (7%).²³

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Incumbents Above and Below Proposed Salary Threshold by Professional Area



* Safety professionals and supervisors of office/clerical, skilled craft, service/maintenance personnel

Figure 14

²³ To view percentages and salary differences between exempt and non-exempt employees for any professional position, subscribe to DataOnDemand.

PROFESSIONAL POSITIONS MOST IMPACTED

Figure 15 displays the professional positions with the highest number of incumbents currently being paid below the proposed salary threshold of \$35,308. Topping this list are student admissions counselors and student residence hall managers (room and board included).²⁴ For some of these positions, exempt employees paid below the proposed threshold make up a large percentage of employees in the position. More than one-third of student residence hall managers (room and board included), child care center teachers, and assistant baseball coaches are exempt professionals currently paid below the proposed threshold. If the proposed changes to the overtime rule take effect, these positions may warrant additional scrutiny for possible changes to exempt status or salary.²⁵

2019 PROFESSIONALS IN HIGHER EDUCATION

Positions With the Greatest Number of Exempt Employees Paid Below the Proposed Salary Threshold

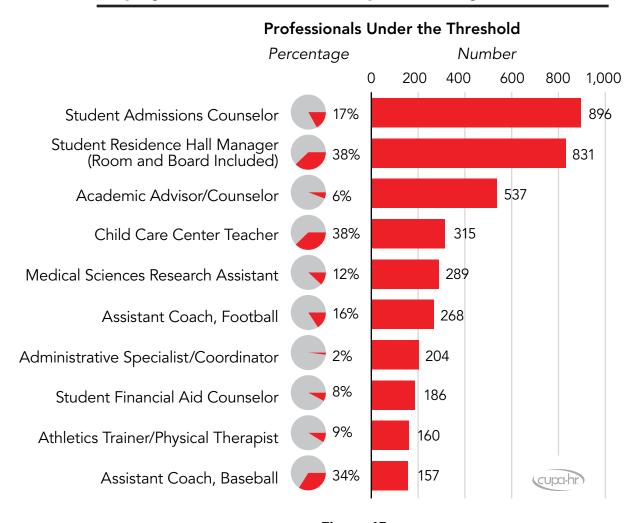


Figure 15

²⁴ CUPA-HR's *Professionals in Higher Education Survey* also collects data on student residence hall manager positions that do not include room and board.

²⁵ To analyze how your peer institutions are handling changes to exempt status or salary for any professional position, subscribe to DataOnDemand.