Next Steps From an Institution That Implemented the Higher Threshold in 2016

On September 24, 2019, the U.S. Department of Labor (DOL) released the final rule increasing the salary threshold for white-collar exemptions to the federal overtime pay requirements under the Fair Labor Standards Act from $23,660 to $35,568. However, many institutions had already implemented the higher 2016 threshold before an eleventh-hour injunction prevented the 2016 rule from taking effect.

One such institution, a public research university in the Southeast, has taken the following steps in anticipation of rule taking effect on January 1, 2020:

- Run lists of all employees and positions that were changed in 2016 to provide updated data that reflects turnover and other position changes.
- Review every position that was changed from exempt to non-exempt in 2016 to assess whether any positions should be revisited for possible change back to exempt.
- Meet with various campus leaders to share the list of positions and to discuss the ones in their areas that might warrant a change.
- Develop guidelines for evaluating positions that goes beyond funding and takes into account job duties, comparable positions, salary equity, salary compression and other considerations.
- Submit guidelines for approval by the president’s cabinet and the provost’s cabinet.
- Continue the meetings with leaders to get feedback and refine approach.
- Identify changes in order to build them into the budget for 2020-21.