

### **MINUTES**

StaffLINKS Committee Meeting
November 7, 2016
11:00-Noon
249 Barnhart Building
Presiding: Karin Pekarchik, Chair

12 members in attendance

## 11:06 PM Meeting called to order - Welcome, Introductions

Collection of Thanksgiving basket drive – 3<sup>rd</sup> year running

# FLSA changes - Susan Campbell (see attached documentation)

- Over 800 employees affected campus-wide; 75 positions within CAFÉ
- Salary threshold changed from \$23,660 to \$47,476
- Bi-weekly, hourly time keeping, eligible for overtime pay
- Salary, paid monthly, exempt from overtime pay
- Grade 43 positions served as tipping pointing for evaluation in UK
  - o Exceptions granted through waiver application process; 7 titles unique to CAFÉ considered
- Based on 40-hour work week, not 37.5 (so base pay of those affected does not change)
- 1-time transition payment equal to 1-week salary granted to affected employees Paid Dec. 16th
- FSLA class trainings available
- PTIs/Extension agents are exempt from salary threshold changes due to teaching role
- Post-doc scholars' pay raised to meet new threshold; Provost to provide 1-year bridge before departments are required to fund increase

## Fulbright Experience - Karin Pekarchik

- Available international experience for staff members 2-week program option in Germany
- German-American Fulbright Program
- Discuss work commitment with supervisor before starting application process
- Educator program most applicable to staff
- France and Germany programs applications due February 1, 2017
- Research Bologna Process/Bologna Accord for opportunities
- Visit for more information: www.cies.org

#### Distribution of Circle of Love names

- Families adopted in conjunction with the UK Center for Community Outreach
- Receive information about the child's age, sex, first name, and gift suggestions

- All gifts should be unwrapped, with gift paper and tape
- Submit gifts in a sturdy bag by Circle of Love card firmly stapled on by November 23th

# Items to be addressed via email/in upcoming meetings:

- Stafflinks name change vote
- Safety Request from Kristen Wilson Watkins (AgEcon): The addition of sidewalks from the Orange Lot to the Gluck Lot as well as from the tiny parking lot in front of Gluck to Farm Road (please see attached map). When the rain and snow from winter hits it can be very difficult to traverse those areas when walking in because they become muddy and slick. The areas are already high in traffic, and you can see walking trails being cut through.

Request for Dr. Workman to provide update on campus map changes (Motor Pool, etc.)

12:11 PM Adjournment

**Upcoming 2016-2017 meetings:** February 14, 2017

May 9, 2017

### Fair Labor Standards Act (FLSA) – Changes Effective December 1, 2016

The FLSA establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in Federal, State, and local governments.

On December 1, updates to the FLSA will become effective. The biggest change for UK is an increase in the minimum annual salary required for a position to be considered exempt from overtime pay (i.e., a salaried position/monthly payroll). The current minimum salary of \$23,660/year has been raised to \$47,476/year. So, with only a few exceptions, employees earning less than \$47,476 must be paid hourly and are eligible for overtime for any hours worked beyond 40 hours in a work week (Sunday-Saturday). The minimum salary amount cannot be pro-rated for part-time employees.

There are a few exceptions under which employees can be paid less than \$47,476 and remain exempt (salaried). For example, there is an exception for those employees primarily involved in teaching covering classroom teachers, coaches, and county extension agents.

Several unanswered questions remain as of today. Decisions are expected to be finalized in HR by November 15.

All current post docs will be brought up to the new minimum salary on December 1. We will be provided with one year of bridge funding from the Provost. After 12/1/17, departments will need to fund the post doc salaries in full.

#### Decisions made by HR so far relative to staff positions:

- 1. Employees in positions reclassified from exempt (salaried) to non-exempt (hourly) will retain their current vacation accrual rates. These employees will not see any change in their benefits or annual salary (presuming they work a full 40-hour week).
- 2. All positions in the same job title will have the same classification, either exempt or non-exempt.
- 3. Job titles in pay grades up through grade 43 will generally be reclassified to non-exempt, hourly paid.
- 4. Job titles in pay grades of 44 and above will likely remain exempt if the following conditions are met:
  - Position occupant is a 0.75 FTE or higher and within \$5,000 of the new threshold, AND
  - Requesting department has recurring funds available to cover the salary increase, AND
  - All departments with employees in that job title agree to fund salary increases.
- 5. For those employees being reclassified from exempt to non-exempt status, the personnel action will be effective Dec. 1. Employees who transition from a monthly to a biweekly payroll schedule due to these changes will receive a one-time transition payment to ensure their December pay remains whole. (This one-time payment will be centrally funded by the University.)

#### **Exception requests:**

HR is allowing colleges to request exceptions to the protocol outlined above in points 3 and 4. The exception requests we submitted as a college involve point 3 (grades 43 and lower) and cover seven different job titles which are unique to our college. A few of our departments have also requested exceptions related to point four where they could not meet the criteria. We have not yet been informed of the HR decisions on any of these requests.

#### Timing:

For positions that transition to non-exempt, employees will receive a full monthly paycheck on Nov. 30 and begin receiving biweekly paychecks on Dec. 16. The Dec. 16 paycheck will be for hours worked December 1-10 (seven working days). They will receive the first full biweekly paycheck on December 30 for 10 working days. There will be a one-time payment (not a loan) equal to one week of salary paid to employees who are converted as a result of FLSA. The date of the transition payment is currently scheduled for the December 16 paycheck. Departmental business officers will need to monitor the trial payrolls in December closely to be sure employees are paid correctly.

### **Training Sessions:**

Sessions are being offered to three target audiences: employees, managers, and business officers. Signups are being conducted through the Training component of Employee Self Service. (Enter "FLSA" in the Search Term to find available time slots.) Each session is limited to 20 participants. It is very important for all affected employees and their supervisors to attend a training session.

#### **Preliminary Stats:**

- # regular staff employees we expect to be converted to hourly = **60** (if our exceptions are approved). This is about 5% of our regular staff population. Could be as many as **110**.
- At least 12 temps & post-retirement appointees are also likely to be converted to hourly.
- # regular staff employees who may receive an increase to the new minimum salary on
  December 1 could be anywhere between 10 and 35, depending on if our exceptions are
  approved and what other units on campus indicate as preference on shared titles (their ability
  to pay is a factor)
- # of post docs receiving an increase to the new minimum salary = approx. 45

#### Your Input Needed:

How can we make this transition easier for employees and supervisors?

# HR FLSA web page:

http://www.uky.edu/hr/hr-home/fair-labor-standards-act