

## FAIR LABOR STANDARDS ACT (FLSA)

### **How will changes in FLSA impact research positions at UWM?**

1. The [US Department of Labor](#) has raised the FLSA minimum salary threshold between exempt and non-exempt status for most employees to \$47,476 for a 12-month appointment, and \$38,845 for a 9-month appointment. This equates to a salary of \$913 per week. This change is effective December 1, 2016.
2. Individuals with salaries less than these amounts are “non-exempt” and will be paid on an hourly basis; that is at their base rate for hours worked up to 40 hours per week and at time-and-one-half in overtime pay or compensatory time for all hours worked over 40 hours per week. It will be necessary to track hours worked (including evenings and weekends) for non-exempt employees.
  - a. No employee can waive payment for hours actually worked. Under the law, employees are not permitted to “volunteer” to put in unpaid hours for a job they are otherwise paid to do. Employees who are deemed non-exempt will have to be paid by the hour, and at time-and-one-half for all hours worked over 40 in a workweek,
  - b. Nonexempt employees who work more than 40 hours in a workweek must be compensated with time-and-one-half pay, or time-and-one-half compensatory time.
3. Due to the professional nature of their work, the minimum salary rate for **Research Associates** (post-docs), **Researchers**, and **Scientists** at UWM will increase to \$47,476 for 12-month appointments and \$38,845 for 9-month appointments on December 1, 2016. This will avoid the potential for overtime pay for full-time employees.

This requirement does not affect graduate student [Research Assistants or individuals with a primary duty of teaching](#)

### **How will UWM implement changes to position salaries as a result of FLSA changes?**

1. UWM’s Department of Human Resources is currently exploring mechanisms to change the salary rate for **Research Associates**, **Researchers**, and **Scientists** with rates below the threshold. The goal will be to make the change in an efficient manner.
  - a. Units should proceed with **Research Associate**, **Researcher**, and **Scientist** appointments for FY 2016-17. These can be made using current resources at the budgeted rates.
  - b. The mechanism for adjusting salaries on December 1 will be implemented later in the Fall semester.

2. Some agencies have indicated that supplemental funds may be available to cover the additional costs related to the FLSA changes. The Office of Sponsored Programs will post this information [online](#) as it becomes available. We ask that investigators pursue this option if it is appropriate.
3. For funded projects that do not receive such supplemental funds, UWM administration is working to identify funds for providing salary adjustments to externally-supported **Research Associates, Researchers, and Scientists** positions. This support will be provided for externally-supported positions in FY 2017, FY 2018 and FY 2019 with the following conditions:
  - a. The positions were listed in the budgets of external proposals submitted before August 2016.
  - b. Campus funds will only be used to increase the base salary rate from the rate stated in the proposal budget (or, if higher, the rate currently in effect) to the FLSA minimum salary threshold.
4. The unit providing funding for internally-supported positions is responsible for funding salary adjustments for their positions. The Office of Research will support adjustments to RGI-funded positions. The Deans have been provided estimates of their respective unit's obligations based on the Fall 2015 payroll.
5. Part-time employees paid less than the weekly (\$913), academic (\$38,845), or annual (\$47,476) levels (depending on their appointment) will no longer be classified as "exempt." FLSA does not prorate the minimum salary requirements for part-time employees—thus any part-time employee earning less than these amounts (depending on their appointment) must be paid hourly.
6. Starting in August 2016, proposal budgets will require use of salaries at or above the FLSA minimum salary threshold for **Research Associates, Researchers, and Scientists** positions. The Department of Labor has indicated that the threshold salaries will be raised on a regular basis. Proposal budgets will incorporate an annual increase for these salaries, as is currently done for faculty, researcher and scientist salaries.