

From: UCSF-VPAA <UCSF-VPAA@ucsf.edu>

Sent: Friday, November 15, 2019 4:02 PM

To: [Vice/Associate Deans-Academic Affairs, Control Points Academic HR Shared Services]

Subject: New FLSA Threshold Effective 1/1/20 - Academics

Dear colleagues:

I am writing to update you on the University's implementation of the Department of Labor's overtime rule and imminent changes to overtime eligibility and pay schedules for University non-faculty non-student academic appointees.

BACKGROUND:

The United States Department of Labor (DOL) has approved a change in the federal Fair Labor Standards Act (FLSA), effective January 1, 2020. The revised rule increases the minimum salary threshold for overtime-exempt employees from the currently enforced level of \$455 per week (equivalent to \$24,660 per year for a full-year worker) to \$684 per week (equivalent to \$35,568 per year for a full-year worker).

Pursuant to the revised overtime rule, non-faculty academic appointees in research or administrative positions must receive a salary of at least \$684 in each week in which the appointee performs any work regardless of the number of days or hours worked to qualify for the exemption under the FLSA. This means that in order to remain exempt, both full-time and part-time academic appointees must earn at least \$684 per week. Academic appointees who no longer meet both the new salary threshold and the duties test will be reclassified as non-exempt overtime-eligible.

Effective 1/1/20	EARNINGS		
	MORE than \$684/week (\$35,568/year)		LESS than \$684/week) (\$35,568/year)
Status	Exempt		Non-Exempt
Payroll Cycle	Monthly		Bi-Weekly
Overtime Pay	Not Eligible		Eligible

Please note: Faculty will be unaffected by this rule no matter how much they earn because the minimum salary threshold does not apply to those who have the primary duty of teaching and imparting knowledge.

IMPACT:

Academic HR shared services has provided a list of academics who will be impacted by this ruling (see attached). Because the number of impacted academics on the campus is small (N=34) and not all Departments/Schools have effected academics, this announcement is not being sent to the campus at large. Rather, we are sending the announcement to the Vice/Associate Deans of Academic Affairs and the Control Points. You may wish to distribute this announcement further as appropriate to your School/unit.

ADDITIONAL INFORMATION:

- Academic HR Shared Services will be notifying the affected employees, their supervisors, and their department administration in the next few weeks.
- There will be resources available to those impacted by this ruling, including Frequently Asked Questions. Additional details will be provided by Academic HR Shared Services as it becomes available.

I appreciate your support in ensuring that UCSF complies with federal regulations.

Best regards,

Brian K. Alldredge, PharmD
Vice Provost, Academic Affairs