



ACADEMIC PERSONNEL

UNIVERSITY OF CALIFORNIA, SANTA BARBARA

May 17, 2016

To: Department Chairs, Directors, and all Senate Faculty (Via SBCHR-L, SBDIR-L, SBFACU-L)

From: Alison Butler, Associate Vice Chancellor for Academic Personnel

Re: Upcoming Department of Labor Salary Threshold Changes

As you may be aware, the federal Department of Labor (DOL) has proposed a change under the Fair Labor Standards Act (FLSA) to increase the salary threshold required for employees to be designated as exempt from overtime pay requirements when they work more than 40 hours a week. Specifically, the DOL is proposing to raise the minimum salary threshold from \$455/week (\$23,660/year) to as much as \$970/week (\$50,440/year). *Recent news reports have indicated that the new salary threshold may be as low as \$904/week (\$47,000/year).*

We have been informed by the Office of the President that the DOL may make their announcement this week, with an implementation window that may be as narrow as 60 days.

All academic employees are currently exempt, meaning they are not eligible for over-time pay and report their time in daily rather than hourly increments. All teaching titles, including graduate student teaching titles, will continue to be exempt. Graduate Student Researchers will also continue to be exempt since their primary relationship with the University is as a student.

Academic employees most likely to be impacted are those in Junior and Assistant Specialist titles, Postdoctoral Scholars, and some Academic Coordinators and Librarians. Part-time employees will also be impacted because the threshold is based on actual earnings per week as opposed to the annualize full-time salary rate.

We understand that this change may have significant impacts, particularly on grant-funded positions. Office of the President is actively investigating options to minimize the impact of the threshold change and will be informing campuses as soon as guidance is available. We will share further information and implementation processes as soon as possible. Questions may be directed to Cindy Doherty at cindy.doherty@ucsb.edu