TO: Deans, Directors and Department Heads

FROM: Eileen S. Goldgeier, Vice Chancellor and General Counsel

 Marie Y. Williams, Associate Vice Chancellor for Human Resources

DATE: December 1, 2016

RE: Status of the U.S. Department of Labor’s Fair Labor Standards Act (FLSA) Overtime Regulations

As you are aware from ongoing communications over the past several months from Human Resources, the Office of General Counsel and the Graduate School, NC State has been taking measures to prepare for the implementation of the revised FLSA overtime regulations, which were scheduled to go into effect today. However, a federal district judge has temporarily stopped the Department of Labor from implementing the revised regulations. As a result, the new salary level threshold ($47,476 for most jobs) for exemption from overtime and timekeeping requirements is on hold nationally.

What this means for NC State is as follows:

* UNC General Administration (UNC GA) has instructed the campuses system-wide to suspend all salary increases that would have been based on the new FLSA “salary test” requirement threshold.
* UNC GA has permitted a limited exception for salary adjustments made for postdoctoral scholars that were planned to go into effect by December 1. As a result, NC State will continue with the planned salary adjustments for designated Postdoctoral Scholars, in accordance with UNC GA’s instructions.
* Employees whose status would have changed today from FLSA exempt to non-exempt based on the new salary test will remain FLSA exempt and will **not** have to complete timesheets.
* Employees who are FLSA non-exempt must continue to complete timesheets for compensatory time/overtime purposes.

Since the judge’s ruling is a preliminary decision, the future applicability of the revised regulations is uncertain at this time. We are continuing to monitor the situation and will report on any significant developments. For an overview of FLSA information, including the latest updates regarding these regulations and UNC GA’s instructions, please visit <https://hr.ncsu.edu/flsa/>.

Letters will be sent to all impacted employees confirming their FLSA status. If you have any questions, please feel free to contact Becky Williams, Director of HR Business Operations, at 919-513-7817 or flsaquestions@ncsu.edu. Questions regarding postdocs should be directed to Siarra Dickey, Manager of Graduate Appointments and Postdoctoral Scholars, at 919-515-1991 or flsa-graduateschool@ncsu.edu.

cc: Chancellor’s Cabinet