May 20, 2016

To: Deans, Directors, and Department Heads

From: Jewel Washington, Assistant Vice President, Human Resources
       Cynthia Hale, Associate Vice President, Office of the Senior Vice President and Provost

Subject: FLSA Overtime Regulations Update

The Fair Labor Standards Act (FLSA) establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in Federal, State, and local governments. The current salary threshold for which employees are entitled to overtime compensation is $23,660. In 2014, President Obama issued a memorandum directing the Department of Labor (DOL) to update and modernize regulations related to the FLSA’s minimum wage and overtime standards.

Earlier this week, the U.S. Department of Labor issued its final regulations which will change the overtime thresholds for all U.S. employees as follows:

**General Regulations:**

- The overtime salary threshold will increase from $23,660 to $47,476. This threshold will be indexed to future national salary trends and reset every three years.
- The regulations take effect on December 1, 2016.

**Impact on UMD:**

The regulations include significant exceptions for higher education institutions. Some of these exceptions are complex and subject to detailed regulatory language. In order to thoroughly analyze and interpret the impact of these changes on this campus, a FLSA Impact Taskforce has been convened to develop a campus-wide strategy for implementation. This committee will be comprised of the following members:

Michele Eastman, Assistant President and Chief of Staff, (Executive Advisor)
Cynthia Hale, Associate Vice President, (co-chair)
Jewel Washington, Assistant Vice President, (co-chair)
Dean Kitchen, Assistant Dean
Warren Kelly, Assistant Vice President
Julie Wright, Assistant Dean
Karen McDonald, Assistant Director
Carolyn Skolnik, Associate General Counsel
Diane Krejca, Deputy General Counsel
2 Faculty members (TBD)

The committee will announce its implementation and compliance strategy by September 1, 2016. The deadline for FLSA implementation is December 1, 2016. Please refrain from making any decisions about faculty and/or staff changes as they pertain to this new regulation until the committee releases the final plan for campus.

For your convenience, we have attached an information sheet regarding the new FLSA regulations that you can share with your faculty/staff. If you have additional questions, please contact University Human Resources for staff related inquiries at 301-405-5650 or the Office of the Senior Vice President and Provost for faculty inquiries at 301-405-7226.