



UNIVERSITY SYSTEM OF GEORGIA

USG Human Resources RACAA/RACSA Summer Conference

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July 2016

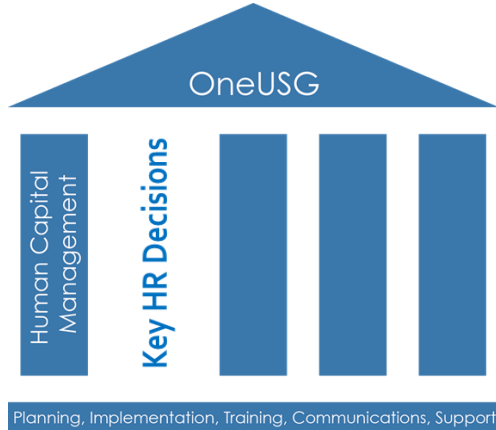


UNIVERSITY SYSTEM OF GEORGIA

Agenda

- **OneUSG Decisions**
- **Voluntary Benefits Programs**
- **FLSA Update**
- **HR Policy Updates**

OneUSG Human Capital Management



Impactful Decisions

- Confirm faculty option for 10/12 month pay
- Standardized calculation for 10-month faculty hourly rate
- Select monthly pay frequency change approach
- Reaffirm manager self-service and standardized approval hierarchies
- Benefits outsourcing key decision making

USG Employee Benefits – Voluntary Benefits

Overview

- This spring, we evaluated current institution based plans and the competitive marketplace. We went out to market for 4 group plans:
 - *Critical Illness*
 - *Accident*
 - *Hospital Indemnity*
 - *Legal*
- **Currently 22 out of our 29 institutions** have at least one of these program offerings for their campus



US Department of Labor Regulations

Fair Labor Standards Act (FLSA)

Update

- May 17, 2016 - U.S. Department of Labor announced the final revision
 - Effective date of change is December 1, 2016
 - Projected USG implementation September 2016 to minimize impact on employees moving from exempt to nonexempt.
- Annual Salary Threshold
 - \$455/week (\$23,660) to \$913 (\$47,476 per year);
 - Highly Compensated - threshold increased from \$100,000 to \$134,004
 - Automatic updates of the salary threshold effective January 1, 2020
- Duties Test
 - Workers earning more than the salary threshold are still subject to the duties test to determine eligibility for overtime



US Department of Labor Regulations Fair Labor Standards Act (FLSA) Special Provisions for Higher Education Institutions

Compensatory Time

- An employee must be permitted to use comp time on the date requested unless doing so would “unduly disrupt” the operations of the agency.
- **Any overtime worked over max must be paid.** Compensatory time must be paid on termination or transfer from the institutions.

Timekeeping

- The recordkeeping requirements provide that an employer must keep an accurate record of the total number of hours worked for each day in a pay period.
- Employers can continue to permit their employees to work flexible hours as long as their total hours each day are accurately recorded.



US Department of Labor Regulations Fair Labor Standards Act (FLSA) Special Provisions for Higher Education Institutions

Teachers

Teachers continue to be exempt from the overtime provisions if their primary duty is teaching, tutoring, instructing or lecturing in the activity of imparting knowledge, and if they are employed and engaged in this activity as a teacher in an educational establishment.

Academic administrative personnel

- Subject to the salary basis requirements
- Example - department heads and other employees with similar responsibilities.
- **Non-academic administrative employees** who do not meet the special provisions for academic administrative employees (i.e., admission counselors and recruiters), will be eligible for overtime if they earn below the salary level set in the final rule and they work more than 40 hours in a week.



FLSA Readiness Assessment Survey

Potential number of Exempt Employees Changed to Non-Exempt

Research	5,900
Comprehensive	880
State University	780
State College	470



FLSA Readiness Assessment Survey

Top Three Job Classifications Impacted:

Student Affairs Professionals

- Recruiters
- Financial Aid or Admissions, etc.

Academic Affairs Professionals

- Advisors
- Counselors, etc.

Administrative Associates

- Administrative Specialist
- Administrative Coordinators, etc.



FLSA Readiness Assessment Survey

Implementation Strategies Identified

- **Offset potential costs by managing hours of full time employees moving from exempt to nonexempt** rather than increasing salaries or paying additional overtime
- **Utilize compensatory time in lieu of overtime payment** (policy modification pending to increase current maximum)
- Impactful soft changes
 - Expanding flexible scheduling for employees
 - **Implement process improvements to increase efficiencies and minimize hours** required to complete work
 - Job-sharing
 - Work away strategies (i.e., teleworking, working from a site closer to home, etc.)



FAIR LABOR STANDARDS ACT

Top Concerns:

- Compliance Timeframe
- Conversion of staff from monthly payroll to bi-weekly payroll
- Unbudgeted Cost Communication and training
- Impact on strategic goals, i.e. enrollment growth(balancing time management/overtime cost control) of previously exempt staff
- The impact on morale/employee perception of loss
- Change Management and Training
- Future Annual Automatic Increases to salary threshold level (budget planning)
- Next Steps...



Human Resource Policies

HRAP Updates

- Tuition Assistance Program (TAP) 2017/2018 Academic Year
- Dual Employment (Joint Employment)
- Reduction In Force
- Inclement Weather
- Time and Leave Approval
- Workweek and Overtime
- BCAT Job Codes



Follow Up & Questions

