

Fair Labor Standards Act

Priority Action Items to Prepare for Proposed Changes

- Conduct an audit to identify which current exempt/salary employees make less than \$50,440; create a list of the positions and salaries of who would fall in this range
 - Assess how much overtime these employees work in a typical year
 - Calculate the cost of overtime if this same position was non-exempt based on your state's overtime rules (can vary by state, see <http://www.dol.gov/whd/state/state.htm>)
 - Determine the "worst case scenario" cost associated with these changes
- Conduct a job analysis and ensure the job descriptions for these positions and ideally all jobs in the organization are accurate and up-to-date
- Review your policies and procedures
- Review your flex time, paid time off, and other time-related programs
- Review your retirement and health and welfare plan documents to ensure any program based on compensation or salary amounts is providing the intended level of coverage for each position
- Evaluate timekeeping systems and processes; consider having salaried employees start to track time early in 2016 to help inform overtime estimates and the budgeting process
- Budget NOW for the impact of the changes that will likely be effective in Q4 of 2016 or early 2017