



**Professor Jean Morrison, University Provost and Chief Academic Officer**

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**TO:** Boston University Faculty

**FROM:** Jean Morrison, University Provost and Chief Academic Officer *JM*  
Gloria Waters, Vice President and Associate Provost for Research *G.W.*

**DATE:** October 21, 2016

**RE:** Fair Labor Standards Act Implementation and Its Impact on Employees in the Academic Research Job Family

The Fair Labor Standards Act (FLSA) is a federal regulation that includes rules for determining whether salaried employees are exempt from the Act's minimum wage and overtime pay protections. Employees are exempt from the minimum wage and overtime rules if they are salaried, paid more than a specified weekly minimum salary, and are employed in a bona fide executive, administrative, or professional capacity, as those terms are defined in Department of Labor regulations.

The FLSA new overtime rule has changed the salary threshold for overtime eligibility from \$455 to \$913 per week (\$23,660 to \$47,476 a year). This change impacts many staff members at BU, including a range of positions in the Academic Research Job Family.

Of the 581 employees currently included in the Academic Research Job Family, 189 earn less than the new salary threshold, with 129 of those classified as postdocs. A working group at Boston University examined many approaches to implementing the new overtime rule. Based on the working group's recommendations, we will be making adjustments to affected staff positions in one of three ways: 1) raise pay to at or above the threshold; 2) reclassify as salaried/overtime eligible; or 3) reclassify as non-exempt, hourly.

The classification of "salaried eligible for overtime" is a new way of designating a particular group of non-exempt employees at the University. It will include all positions meeting the FLSA duties test (executive, administrative, and professional) who do not meet the salary level test and are therefore not exempt from the overtime rules. Non-exempt employees who are in the "salaried eligible for overtime" group will be paid weekly and will retain the same employee benefits (vacation, etc.) as they had when they were exempt employees.

We believe the working group's recommendation to increase certain positions to the new salary threshold and to pay overtime to other, previously exempt, employees results in total compensation that is fair and reasonable.

The changes will take effect as of December 1, 2016, and a summary of research positions affected by the changes is shown below.

**Job Category:**

**Postdocs (full-time employee):** raise salary to \$47,500

**Postdocs (part-time employee):** non-exempt, hourly; re-categorize as Research Scientists

**Postdocs (full-time non-employee funded by NIH NRSA):** raise salary to \$47,500

**Postdocs (full-time non-employee):** pending further review

**Research Scientist/Associate/Engineer (full-time):** raise salary to \$47,500

**Research Scientist/Associate/Engineer (part-time):** non-exempt, hourly

**Research Fellows and Visiting Fellows:** reclassify as salaried, overtime eligible

In order to facilitate implementation, Boston University will provide central resources for bridge funding over a period of 7 months (December 1, 2016 to June 30, 2017) for currently exempt, salaried employees to cover the gap between an employee's current salary level and the new FLSA threshold. Principal Investigators will be responsible for funding salaries at these newly established levels as of July 1, 2017. Non-employee postdocs paid by NIH NRSA grants (either training or individual fellowship awards) will automatically receive a stipend increase through a supplementation issued directly to their sponsored award. We are currently reviewing all other non-employee postdoc positions to better understand and develop a plan for meeting both the postdoc stipend requirements established annually by the Vice President and Associate Provost for Research as well as the new FLSA overtime requirements.

For answers to questions regarding the implementation for postdocs, please see the [FLSA Impact on BU Postdocs](#) guide, and for questions related to other research job categories, please see the [FLSA Impact on BU Research](#) guide. Specific questions regarding postdocs should be directed to Sarah Hokanson, Director, Professional Development & Postdoctoral Affairs ([sch1@bu.edu](mailto:sch1@bu.edu) or 617-358-2111). Questions regarding other research job categories should be directed to Cara Ellis McCarthy, Assistant Vice President for Research Initiatives ([cellis@bu.edu](mailto:cellis@bu.edu) or 617-358-6118).

We greatly appreciate the tremendous effort that the FLSA working group and stakeholders across campus have invested in ensuring the success of the University's implementation of the new federal regulations.

Cc: Robert A. Brown  
Provost's Cabinet