



WILLIAM & MARY

CHARTERED 1693

ADMINISTRATION/ BUILDINGS & GROUNDS

November 17, 2016

SUMMARY OF FAIR LABOR
STANDARDS ACT (FLSA)
OVERTIME RULE CHANGES
AT WILLIAM & MARY

DOL RULE MAKING CHANGES



Agency action not Congressional action

UNCERTAINTY

- Two federal lawsuits were recently filed in an attempt to stall or halt the implementation of the new FLSA Overtime rules.
 - 21 states led by Nevada and Texas filed a Complaint for declaratory and injunctive relief in federal court in Texas, claiming the new rule violates APA rulemaking procedures and the Constitution.
 - 50 business groups claiming the new salary threshold is so high, that it effectively removes the exemption for entire categories that were previously exempt.
- 2016 Presidential Election



FLSA OVERVIEW

- Establishes minimum salary & overtime standards
- Establishes overtime threshold
- Specifies record-keeping requirements
- Distinguishes between:
 - covered employees (non-exempt) or eligible for overtime; and
 - excluded employees (exempt) or not eligible for overtime.



The FLSA has been in effect since 1938.

PRIMARY CHANGE – SALARY THRESHOLD

Old Overtime Rule	New Overtime Rule
<ul style="list-style-type: none">• Salary threshold: \$23,660 annual or \$455 week• No automatic adjusting	<ul style="list-style-type: none">• Salary Threshold: \$47,476 annual or \$913 week• Salary threshold reviewed every 3 years beginning in 2020• Issued revised guidance for higher education

Effective date of new overtime rule: December 1, 2016
Implementation date at W&M: November 25, 2016

IMPACT AT W&M

Reclassified due to:	# of Employees
Duties	73
Salary	116
Total:	189

EMPLOYEES WHO REMAINED EXEMPT

Reason	# of Employees
Teaching/Coaching Exception < \$47,476	34
Increased Salary	54
Total:	88

SOURCE OF SALARY CHANGES FOR EMPLOYEES WHOSE SALARIES WERE INCREASED

Source	\$
Merit Pool	\$75,000
Other Funds	\$168,000
Total:	\$243,000

IMPLEMENTATION AT W&M

1. Supervisors hand-delivered individualized letters to affected employees;
2. Changes to university policies to address overtime and employee classification become effective 11/25/2016;
3. Revised overtime compensatory leave policy. Non-exempt employees may elect to receive overtime as leave or pay. If the employee does not make an election, we default to leave;
4. Multiple town hall meetings were held on main campus and VIMS to review changes to overtime rules and university policies;
5. Professional employees who become non-exempt are grandfathered as Professionals so that there is no adverse impact to benefits or leave accrual; and
6. FAQ's posted on HR's website to answer common questions.

QUESTIONS?

John M. Poma, Chief Human Resources Officer

jmpoma@wm.edu

(757) 221-3115

BUILDINGS & GROUNDS

COMPLETED PROJECTS

- ISC II Brick Facade







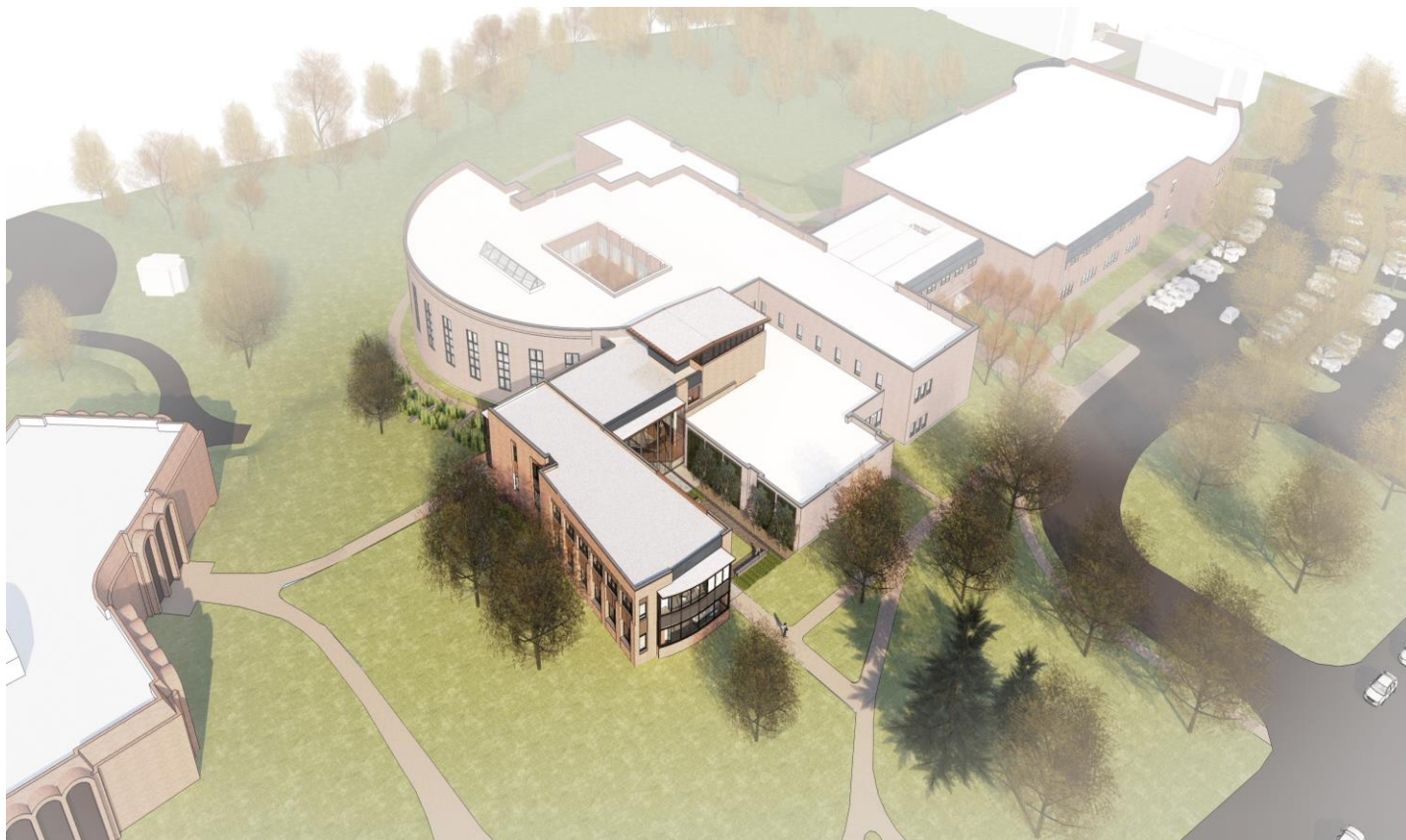




PROJECTS UNDER CONSTRUCTION

- Hixon Center for Experiential Learning and Leadership
- Millington Hall Demolition

HIKON CENTER FOR EXPERIENTIAL LEARNING AND LEADERSHIP



VIEW TO BE REFINED AND UPDATED WITH NEW EXTERIOR STAIR

MODEL AERIAL VIEW - NW

THE JAMES A. AND ROBIN L. HIXON
CENTER FOR EXPERIENTIAL LEARNING AND LEADERSHIP







MILLINGTON DEMOLITION





PROJECTS IN DESIGN

- McLeod Tyler Wellness Center
- Fine Arts Phase I & II
- West Utilities Plant
- Landrum Hall Renovation

MCLEOD TYLER WELLNESS CENTER





WEST UTILITIES PLANT

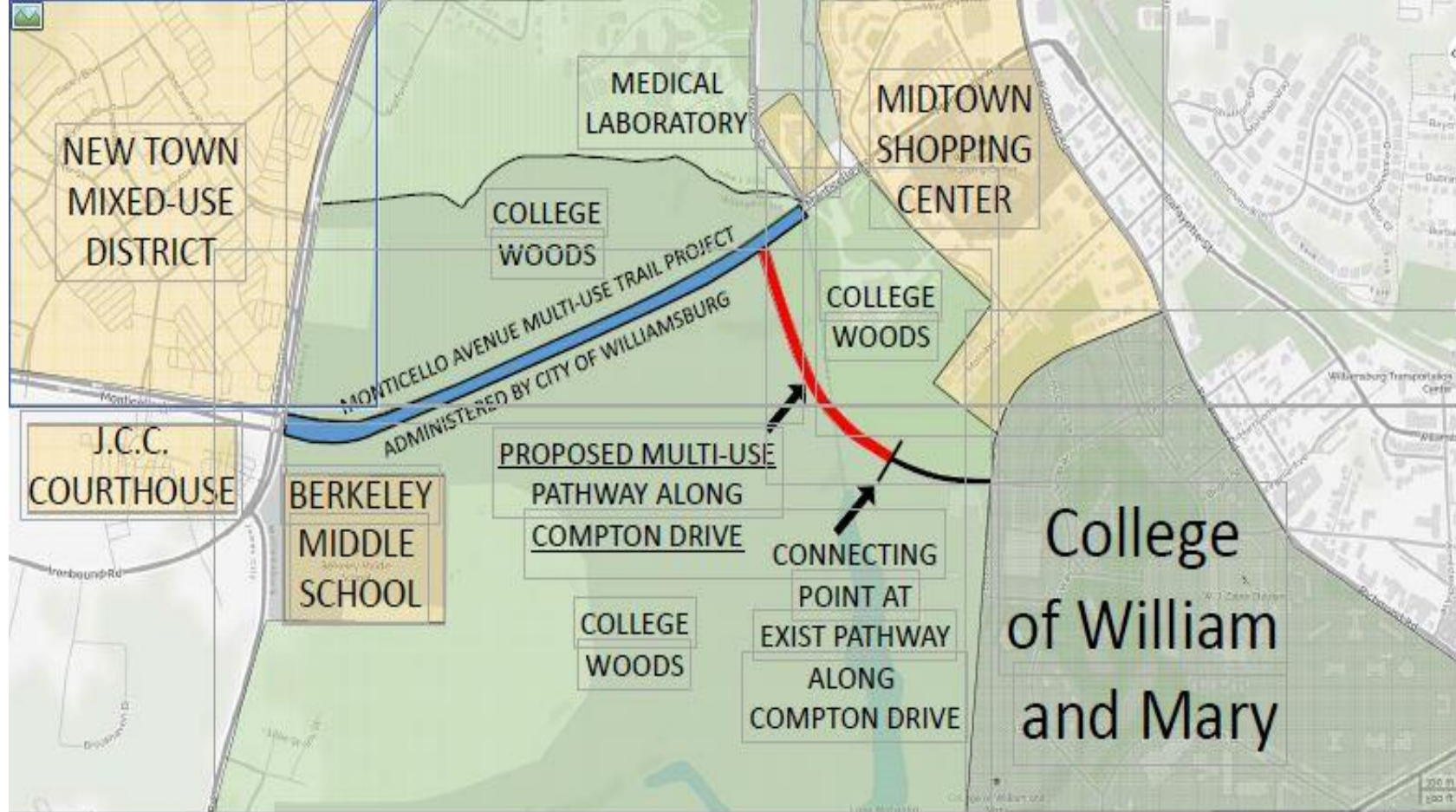


PROJECTS IN PREPLANNING

- Muscarelle Museum
Renovation/Expansion

RESOLUTIONS #6-8

- Approve FY 2017 Transportation Alternatives Set-Aside Project (Compton Drive Multi-Use Trail)
- Approve Capital Project Construction Procurement Process
- Approve the Naming of The Martha Wren Briggs Center for the Visual Arts



COMPTON DRIVE MULTI-USE TRAIL







COMPTON DRIVE MULTI-USE TRAIL

- VDOT Grant Application for use of Federal Funds
- Extends and widens Compton Drive sidewalk to include lighting
- Ties into VDOT-approved project, Monticello Avenue Multi-Use Trail
 - Expected design start: Winter 2017
- Application Date: November 1, 2016
- Notification of award (if successful): Spring 2017
- Total Project Cost: \$793,135
 - VDOT share 80%: \$634,508
 - W&M share 20%: \$158,627

CAPITAL CONSTRUCTION PROCUREMENT PROCESS

- Three types of Construction Procurement:
 - Design/Bid/Build (i.e.: low bid)
 - Design-Build (negotiated contract; builder as designer)
 - Construction Management @ Risk (negotiated contract)
- Chapter 780, 4-4.01 (y) 2016 Acts of Assembly
 - Agencies and Institutions will develop a process for validating selected method of construction contract procurement
 - Department of General Services (DGS) will review and comment
 - Board of Visitors will approve

CAPITAL CONSTRUCTION PROCUREMENT PROCESS

- W&M procurement process includes:
 - Delivery Method selected
 - Justification narrative
 - List of considerations applicable method, including but not limited to:
 - Technical complexity
 - Cost, Schedule
 - Historical Nature
 - Disruption to academic and research programs/Continuity of operations
- DGS comments:
 - Add additional language emphasizing cost and schedule as critical components of procurement method selection process
 - Include the justification narrative in the Request for Qualifications (RFQ)