

AP Executive Committee MEMORANDUM

TO: Grand Valley State University Senior Leadership Team (SLT)

FROM: Administrative Professionals (AP) Executive Committee

SUBJECT: FLSA Minimum Earnings Threshold

DATE: September 11, 2024

CC: AP Executive Committee; Mychal Coleman

The Administrative Professionals (AP) Committee recognizes that effective January 1, 2025, the Fair Labor Standards Act (FLSA) Section 13(a)(1) sets a new minimum earnings threshold for employees classified as executive, administrative, and professional who are exempt from minimum wage and overtime protections.

Grand Valley State University's AP staff positions currently fall within the <u>definitions of exemption categories</u> for executive, administrative, professional, computer, and outside sales employees under the FLSA. At present, approximately 240 Administrative Professional staff members at GVSU have salaries below the new minimum threshold of \$58,656 per year.

The AP Committee offers priorities on this issue while recognizing we lack the information and time to make informed recommendations. In the future, we request to be a participant in these conversations and consulted on policies impacting AP staff.

We encourage Human Resources and Senior Leadership to recognize the priorities of AP staff, which in order are:

- 1. Supporting a positive university culture that demonstrates a commitment to valuing and caring for our Administrative Professionals.
- 2. Avoiding potential future workforce reductions as a product of meeting the new minimum threshold.
- 3. Raising the salaries of exempt staff that are below the new minimum threshold while addressing the ensuing salary compression within the same time frame.
- 4. Limiting divisions in how AP staff are viewed concerning workforce exemptions.

We encourage Human Resources and Senior Leadership to carefully weigh these considerations in pursuing a solution that serves the best interests of both the university and our staff.

Due to the importance of this issue, we appreciate the opportunity to receive insight into the factors Human Resources and the Senior Leadership Team use when weighing options and reaching a decision. We request a written response to fulfill our responsibility to provide transparency in communications with staff.

Thank you for your attention to this important matter.