

QUICK Q&A

Answers to not-so-common questions

Even the most experienced HR pros have questions from time to time. Our monthly Quick Q&A series provides answers to not-so-common questions and links to helpful resources.

Q. We have some exempt managers whose annual salary is less than the DOL proposed \$55,068 white-collar overtime salary threshold. What steps should we be taking?

A. Until the proposed rule is finalized, there's no need to make any changes, but this interim period is a good time to evaluate how the final rule impacts your business. Suggested steps at this time are

- identify the current exempt positions that fall below the proposed annual \$55,068 (\$1,059 weekly) threshold,
- confirm your exempt positions still meet the DOL requirement to qualify for an overtime exemption, including
 - paid on salary basis,
 - paid based on the current salary threshold of \$684 a week or \$35,568 annually, and
 - perform duties that qualify for the [administrative](#), [executive](#) or [professional](#) DOL exemption,
- calculate the financial impact of any needed salary adjustments needed to retain the overtime exemption, and
- evaluate the financial impact of changing impacted positions to a non-exempt status and the consequences of paying overtime.

It's a guess as to when the final rule will be implemented and what, if any, change will be made to the salary threshold. Still, it's likely the threshold will increase and employers will want to prepare for any required adjustments.

Got an HR question? Let us know how we can help at HRconsulting@bukaty.com.