HOT TOPIC
FLSA Update
Exempt or Non-Exempt

On May 18th, the Department of Labor published its final rule on a project that was initiated in 2014---the update of Fair Labor Standards Act (FLSA) overtime regulations. Nonprofit leaders concerned about correctly classifying their own staff may be wondering how, or even if, the new rules apply to us. The short answer to that question is, "Maybe."

There is no blanket exemption for nonprofits. We must not assume that because we do charitable work and are not engaged in "commerce" that we are excluded. Even if our organizations are not covered enterprises, our individual employees may be if they engage in interstate "commerce." Do employees make or receive interstate telephone calls, ship materials to other states, use a credit card, use the internet for research, or transport clients to services across state borders? If so, they may be individually covered under FLSA. We need to be educated, be sure, and be responsive.

Non-exempt employees are entitled to be paid overtime after 40 hours per week. It does not matter what expectations are written in their job descriptions, or how they were paid prior to the rule change. In brief, the new rule increases the base salary level for an exempt employee to $913 per week, or $47,476 per year. We know that many nonprofit staff in the Wiregrass do not reach this mark. So depending on their job tasks, they could very well be covered. But even for employees meeting the salary test, their duties must meet specific requirements set out in FLSA. We can have a $50,000 per year employee who is covered under FLSA's non-exempt protections. It is complicated, and the new rule brings with it many questions. Will I still be able to ask non-exempt employees to work night and weekend events? Will my payroll costs increase? What systems can I use to track hours, and how will I communicate these changes to affected employees?

To get started, scroll down to the DoL guidance specifically for non-profits on this federal website. https://www.dol.gov/WHD/overtime/final2016/

This column and the DoL link, above, are offered for information only and should not be construed as legal advice. Readers should consult with their attorney or with an advisor having specialized knowledge of FLSA when making staffing decisions.

GRANTS UPDATE
(April Meeting)

Houston Co. Commission
Juvenile Court Services Relocation Architect
$30,000

Sav-A-Pet---Animal Transport
$30,000

Wallace Community College—Simulated Clinic
$500,000

Spectracare—Haven Facility Project
$970,000

$28,677 in Micro-grants to six organizations

MILESTONES

At a recent Alabama Giving meeting (for grantmaking organizations in our state) we learned about a potentially valuable professional development resource for nonprofits hosted by

The Community Foundation of Huntsville/Madison County----*NonProfit University (NPU.)*

This event is held one day each year, and is scheduled for June 22nd in Huntsville. We know this is short notice. But for those of you who can take time away for a couple of evenings, it could be worth exploring. Costs are minimal (registration is $60-$80 per person, plus the cost of overnight travel to Huntsville.) Tracks include: Board development, budget and finance, CEO Forum, faith–based organizations, fundraising, grantwriting, marketing and PR, social media, and volunteer management. There are three sessions in each track, with a keynote speaker: *The Dreams You Plan: How Walt Disney Might Approach Donor Relations*, presented by Wayne Olson, President of Wayne Olson Consulting, LLC.

NPU is a different capacity building approach from Wiregrass Foundation's own *CapCONNECT*, with different intended outcomes. If you do decide to attend, please let us know what you think. The Alabama Giving organizations want to learn from one another. http://www.communityfoundationhsv.org/connect/nonprofit-university.