



# December Newsletter

December 8, 2015

# Annual Holiday Party



## Annual Holiday Party

**Tuesday,  
December 8th**

In lieu of our normal meeting, we will have our annual holiday party.

**Vittone's  
Restaurant Pizzeria**  
(across from the Princess Theater in downtown Decatur)

109 2nd Ave NE  
Decatur, AL 35601

6:00 pm — 8:00 pm

We will have heavy appetizers, desserts and a cash bar.

In lieu of gifts, we would like to ask everyone to bring a gently used jacket or coat to donate to Coats Because We Care. This organization provides coats and jackets to those who do not have them. Since it is already starting to get cold, this will be a desperate need for this organization.



## Will DOL Change “Duties Test” for Exempt Status?

*Courtesy of Lehr Middlebrooks & Vreeland, P.C.*

Recently, the Department of Labor stated that it may be several months before they issue their final regulations regarding the standard(s) that white collar employees must meet to be considered “exempt” from overtime pay. As you’ll recall, there are three basic standards: (1) that the employee is paid on a salary (rather than an hourly, piece, or other) basis; (2) that the employee performs exempt job duties (for example, an executive supervises 2 or more FTEs); and (3) that the employee is paid a minimum salary (currently \$455/week or \$23,660/year). In July 2015, the DOL published its Notice of Proposed Rulemaking to amend only the third of these standards by raising the salary threshold to just over \$50,000/year.

Of particular concern to us is the DOL’s consideration of changing the Duties Test for exempt status. In the proposed regulations, the Wage and Hour Division asked for comment on whether changes should be made to the Duties Test for exempt employees and, if so, what changes should be made. DOL received over 260,000 comments to its proposed change to the revised regulations as a whole, at least some of which were a response to the DOL’s invitation for comment on changing the Duties Test.

Currently, there is not a minimum time requirement that an individual classified as an exempt executive must spend on exempt work. Thus, in several industries (retail, hospitality, fast food, healthcare), an exempt employee may spend a substantial amount of time performing non-exempt work and still qualify for the exemption. In the proposed regulations, the DOL expressed its concern that too many exempt employees are performing too much non-exempt work. Thus, DOL invited comments about changing the Duties Test to include a threshold amount of time (such as 50%) that must be spent performing exempt tasks.

A change to the Duties Test for exemptions will have a far greater impact on employers than merely increasing the salary level. Think of the number of exempt employees within your organization who may be exempt 100% of the time, but still perform non-exempt work over half of the time. If DOL moves forward with a change to the Duties Test, those individuals will either have to be classified as non-exempt or their duties will have to change.

Additionally, the Department has indicated it is contemplating lowering the salary threshold from the initial proposal of over \$50,000, to something in the range of \$47,000. Additionally, the DOL is giving strong consideration to including within the salary level a non-discretionary bonus. For example, assume an exempt employee earns \$35,000 a year and if certain goals are achieved, the employee receives a \$15,000 year-end bonus. The DOL may permit the \$15,000 bonus will count toward the salary threshold, thus sustaining the exempt status. Under the current regulations, non-discretionary bonuses may not be included in an employer’s determination of whether the salary level is sufficient for exempt status.

Wage and Hour compliance is one of those few areas where an employer’s self-audit may actually eliminate the risk of liability. Even without proposed changes to exemptions, we think an annual Wage and Hour compliance audit is important to eliminate the risk of Wage and Hour liability. The end of the calendar year is an excellent time for such an audit, and it should include a review of exempt status, recordkeeping requirements, whether employees are paid appropriately for meal and break time and overtime compliance, such as employees who check emails and perform incidental work from home.

## 2016 TVC-SHRM Board Members

We are pleased to announce the following Board of Directors for TVC-SHRM for 2016:

- ♦ **President:**  
Dr. Denny Smith
- ♦ **VP of Programs:**  
Valerie Curtis
- ♦ **VP of Membership:**  
Alicia Higginbotham
- ♦ **Treasurer:**  
Pat Bearden
- ♦ **Secretary:**  
Suzanne Sims
- ♦ **Legislative Director:**  
Linda Robinson
- ♦ **Director of Community Relations:**  
Taylor Simmons
- ♦ **SHRM Foundation Director:**  
OPEN
- ♦ **Director of College Relations:**  
Jeff Powers
- ♦ **Director of Certification:**  
Forrest Keith
- **Diversity Director:**  
Omar Smith
- **Director of Wellness:**  
Heather McDearmond
- **Advisor to the Board-Technology:**  
Amanda Tidwell
- **Special Events Advisor:**  
OPEN
- **Newsletter:**  
OPEN
- **Past President:**  
Amy Smith

**2015 TVC-SHRM BOARD****President****Amy Smith, PHR***Big Heart Pet Brands*[Amy.Smith@bigheartpet.com](mailto:Amy.Smith@bigheartpet.com)**Vice President of Programs****Mary Ila Ward, SPHR***Horizon Point Consulting*[miw@horizonpointconsulting.com](mailto:miw@horizonpointconsulting.com)**Valerie Curtis***Alliance Source Testing*[Valerie.Curtis@StackTest.com](mailto:Valerie.Curtis@StackTest.com)**Vice President of Membership****Taylor Simmons***Horizon Point Consulting*[tbs@horizonpointconsulting.com](mailto:tbs@horizonpointconsulting.com)**Secretary****Patti Fowler***Alliance HR*[pfowler@alliancehrservices.com](mailto:pfowler@alliancehrservices.com)**Treasurer****Pat Bearden***National Packaging Co., Inc.*[pat.bearden@npcoinc.com](mailto:pat.bearden@npcoinc.com)**Legislative Director****Pam Werstler, SPHR***National Packaging Co, Inc.*[Pam.werstler@npcoinc.com](mailto:Pam.werstler@npcoinc.com)**Director of Community Relations****Dr. Denny Smith, PHR***Calhoun Community College*[dws@calhoun.edu](mailto:dws@calhoun.edu)**Director of SHRM Foundation****Linda Robinson**[linda.robinson@bellsouth.net](mailto:linda.robinson@bellsouth.net)**Director of College Relations****Jeff Powers, SPHR***Toray Carbon Fibers America, Inc.*[Jeff.Powers@toraycfa.com](mailto:Jeff.Powers@toraycfa.com)**Director of Certification****Forrest Keith, SPHR***Daikin America*[forrestkeith@daikin-america.com](mailto:forrestkeith@daikin-america.com)**Diversity Director****Omar Smith**[omar.smith@rehab.alabama.gov](mailto:omar.smith@rehab.alabama.gov)**Director of Wellness****Heather McDearmond**[Heather.mcdearmond@bunge.com](mailto:Heather.mcdearmond@bunge.com)**Special Events Advisor****Newsletter****Tiffany Weaver***Ascend Performance Materials*[tweave@ascendmaterials.com](mailto:tweave@ascendmaterials.com)**Advisor to the Board-Technology****Amanda Tidwell**[Amanda.tidwell@npcoinc.com](mailto:Amanda.tidwell@npcoinc.com)**Past President****Robin Jackson***Cook's Pest Control*[Robin.Jackson@cookspst.com](mailto:Robin.Jackson@cookspst.com)**Get Connected (Clickable Icons)****Save the Date! Upcoming Events**

- **Tuesday, December 8, 2015**  
**TVC-SHRM Holiday Party** at **Vittone's Restaurant Pizzeria**  
109 2nd Ave NE Decatur, AL 35601
- **Tuesday, December 15, 2015**  
**Decatur Job Networking Group** at the **Decatur Public Library**
- **Every 1st Wednesday**  
**Workforce Coalition meeting** at **The Chamber of Commerce**  
(Contact Taylor Simmons- [taylor@dcc.org](mailto:taylor@dcc.org) for more info)

Please contact **Tiffany Weaver** at [tweave@ascendmaterials.com](mailto:tweave@ascendmaterials.com) if you have an upcoming event that you would like to add.

**In lieu of our normal meeting in December, we will have our annual holiday party at Vittone's in Decatur.**  
**Hope to see everyone there!**



**Tennessee Valley Chapter SHRM**  
POa Box 1271  
Decatur, AL 35602  
[www.tvcshrm.org](http://www.tvcshrm.org)