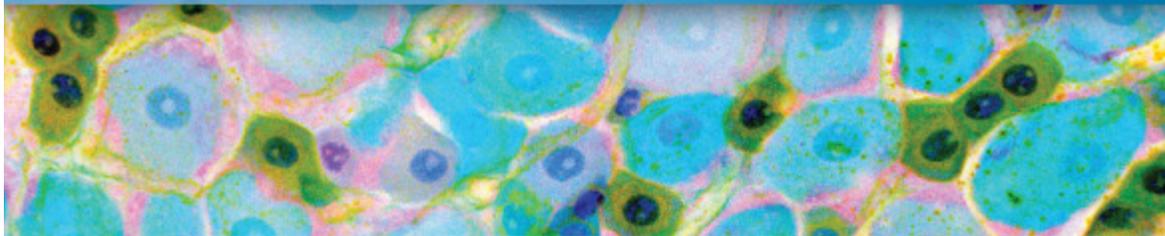


# A MESSAGE FROM THE VICE CHANCELLOR FOR RESEARCH



UNC  
RESEARCH



Date: August 22, 2016

To: Dean, Directors, Department Chairs and all Faculty

From: Terry Magnuson, Vice Chancellor for Research

Subject: Increase to the Minimum Stipend for UNC Postdoctoral Scholars and Trainees

This memorandum serves as formal notice that the minimum stipend for a Postdoctoral Scholar at UNC-Chapel Hill will be no less than the new federal Fair Labor Standards Act (FLSA) minimum salary threshold of \$913 a week (or \$47,476 annually). Salaries of UNC Postdoctoral Scholars and Trainees must be raised to the new minimum salary threshold with an effective date of December 1, 2016.

The United States Department of Labor (DOL) recently amended the Fair Labor Standards Act (FLSA) by raising the salary threshold for exempting certain employees from FLSA overtime requirements from \$455 a week (or \$23,660 annually) to \$913 a week (\$47,476 annually), effective December 1, 2016. Employees who do not meet the new salary threshold must be paid overtime for all hours worked over 40 hours in a workweek. This amendment affects postdocs, as well as many other positions at the University and at institutions and businesses nationwide.

The decision by the DOL to amend the minimum salary threshold has been an extended process at the federal level and one in which universities across the country, including UNC-Chapel Hill, have provided their input. Throughout the past year, the Office of the

Vice Chancellor for Research has also been in communication with the Research Deans and Department Chairs about the proposed FLSA amendment.

Postdocs at UNC-Chapel Hill currently are classified as salaried, exempt employees under the FLSA, not eligible for overtime pay. After considerable analysis and discussion with leadership and faculty on campus, UNC-Chapel Hill has concluded that the most appropriate course of action will be to set salaries for postdocs at or above the new FLSA minimum salary threshold in order to maintain their exempt FLSA status, consistent with the new federal requirement.

For those postdocs funded on NIH training grants and fellowships, the NIH has announced it will raise their postdoc stipends up to the new FLSA minimum salary.

Many PIs at UNC are currently factoring this change into their new proposals for grants and contracts and federal research funding agencies are, of course, familiar with the new FLSA threshold. In keeping with the University's decision, and going forward, all new proposals for grants and contracts should budget no less than the FLSA minimum salary for all postdoctoral research positions to ensure they are sufficiently funded. The FLSA minimum salary level is expected to be reviewed and updated every 3 years. It would be prudent for PIs to factor in regular postdoc salary increases when preparing future grant proposals.

The Office of Postdoctoral Affairs will send additional follow-up communications to HR Officers regarding template increase letters for postdocs, considerations for those postdocs on sponsored visas, and timing of the salary increases.