

ACUHO-I Impact Analysis
Proposed Fair Labor Standards Act (FLSA) Changes

In July 2015, the Department of Labor (DOL) released updates to the Fair Labor Standards Act (FLSA). Foremost amongst these changes was an increase to the exempt salary threshold, a marker that determines eligibility for overtime pay. The proposed increase (from \$23,660/year to \$50,440/year) is significant for many industries, and is of particular concern for housing and residence life (HRL) departments that employ a number of entry-level, live-in staff (i.e., hall directors and area coordinators). This is the case because compensation for these professionals typically includes a stipend well below the new threshold, as well as on-campus accommodations, and often a meal plan.

According to the 2015 ACUHO-I Operational Survey data, the average hall director (HD) stipend is \$27,047 and the average area coordinator (AC) stipend is \$33,809.72. If HRL departments determine that they will meet the proposed salary threshold rather than converting live-in staff to an hourly equivalent, they will be increasing HD stipends by approximately 86% and AC stipends by 49%, increases that stand to have a significant budgetary impact. The analysis below provides compensation-related data for both HDs and ACs, based on institutional sector. Additionally, data on the impact of the proposed change (\$50,440) and a potential compromise level (\$47,000), has been provided. ACUHO-I performed the following impact analysis to contribute relevant data to the narrative surrounding the proposed FLSA changes and to advocate for our membership. This data will be shared with both NASPA and CUPA-HR.

ACUHO-I Operational Survey Data (2015)

Entry-level housing staff are typically assigned one of two titles: hall director and area coordinator. The 2015 ACUHO-I Operational Survey asked institutional respondents to answer compensation-related questions for both of these position designations, as applicable.

Hall Director (HD): Usually recent masters' graduates or graduate students who supervise assistant hall directors (if applicable), and students within a complex or several residence halls.

- Over 80% of survey respondents indicated that they hire HDs.
- Compensation for these professionals often fall into three categories: stipend, apartment, meal-plan.

Table 1. Hall Director - Average Annual Stipend by Sector

All respondents	\$27,047
All public institutions	\$28,019.07
All public, 4-year institutions	\$28,232.26
All public, 2-year institutions	\$23,400
All private, 4-year institutions*	\$25,572.06

* Respondent private, 2-year institutions did not report this data.

HD Apartment:

- 7% of respondent institutions reported providing a standard room/efficiency for HDs.
- 52% of respondent institutions reported providing one BR apartments for HDs.
- 81% of respondent institutions reported providing two BR apartments for HDs.
- 11% of respondent institutions reported providing three BR apartments for HDs.

HD Meal-Plan:

- 46% of respondent institutions reported providing a full (18+ meals a week) meal plan to HDs.
- 39% of respondent institutions reported providing a partial meal plan to HDs.
- 15% of respondent institutions reported they did not provide a meal plan to HDs.

Area Coordinator (AC): Usually recent masters' graduates or graduate students who supervise hall directors, and students within a complex or several residence halls.

- 37% of survey respondents indicated that they employ ACs on their campuses.
- Compensation for these professionals often fall into three categories: stipend, apartment, meal-plan.

Table 2. Area Coordinator - Average Annual Stipend by Sector

All respondents	\$33,809.72
All public, 4-year institutions*	\$36,312.50
All private, 4-year institutions**	\$29,555

* Respondent public, 2-year institutions did not report this data.

** Respondent private, 2-year institutions did not report this data.

AC Apartment:

- 83% of respondent institutions reported that they cover between 81-100% of the cost of housing ACs.

AC Meal-Plan:

- 32% of respondent institutions reported providing a full (18+ meals a week) meal plan to ACs.
- 43% of respondent institutions reported providing a partial meal plan to ACs.
- 25% of respondent institutions reported they did not provide a meal plan to ACs.

Impact Analysis

This analysis used both 2014-2015 IPEDS and 2015 ACUHO-I Operational Survey data, and is based on the following assumptions:

- (1) We know from experience that the majority of institutions hire multiple live-in professionals, depending on their housing capacity and the needs of their residence education programs. Since we do not have raw data for the actual number of entry-level, live-in professionals employed within each sector, we have provided different ranges (i.e., 5, 10, 15) to illustrate the potential impact of the proposed FLSA changes for each sector of institutions.
- (2) Typically, HDs and ACs are regarded as professional staff who have either completed or are in progress with a master's degree program. In the case of full-time staff, we make the assumption that institutions will want to move entry-level live-in staff to meet the proposed salary threshold rather than converting them to an hourly equivalent (making them eligible for over-time pay).

Table 3. U.S. postsecondary institutions that provide on-campus housing (IPEDS, 2014)

Sector of Institution	<i>n</i>
Public, 4-year	567
Private, 4-year*	1,316
Public, 2-year	222
Private, 2-year*	58
Other**	17
Total	2,180

* Includes private not-for-profit & for-profit institutions

** Includes public (less-than 2-year), private not-for-profit (less-than 2-year), & private for-profit (less-than 2-year) institutions.

Table 4. Impact of increase for HDs by Sector (Threshold: \$50,440)

Sector of Institution	<i>n</i>	Avg Current Stipend	\$ Difference	Additional cost (5 HDs per institution)	Additional cost (10 HDs per institution)	Additional cost (15 HDs per institution)
Public, 4-year	567	\$28,232.26	(\$50,440-\$28,232.26 =) \$22,207.74	\$62,958,943	\$125,917,886	\$188,876,829
Private, 4-year	1,316	\$25,572.06	(\$50,440-\$25,572.06 =) \$24,867.94	\$163,631,045	\$327,262,090	\$490,893,136
Public, 2-year	222	\$23,400	(\$50,440-\$23,400 =) \$27,040	\$30,014,400	\$60,028,800	\$90,043,200

Table 5. Impact of increase for ACs by Sector (Threshold: \$50,440)

Sector of Institution	<i>n</i>	Avg Current Stipend	\$ Difference	Additional cost (5 ACs per institution)	Additional cost (10 ACs per institution)	Additional cost (15 ACs per institution)
Public, 4-year	567	\$36,312.50	(\$50,440-\$36,312.50 =) \$14,127.50	\$40,051,463	\$80,102,925	\$120,154,388
Private, 4-year	1,316	\$29,555	(\$50,440-\$29,555 =) \$20,885	\$137,423,300	\$274,846,600	\$412,269,900

Table 6. Impact of increase for HDs by sector (Threshold: \$47,000)

Sector of Institution	<i>n</i>	Avg Current Stipend	\$ Difference	Additional cost (5 HDs per institution)	Additional cost (10 HDs per institution)	Additional cost (15 HDs per institution)
Public, 4-year	567	\$28,232.26	(\$47,000-\$28,232.26 =) \$18,767.74	\$53,206,543	\$106,413,086	\$159,619,629
Private, 4-year	1,316	\$25,572.06	(\$47,000-\$25,572.06 =) \$21,427.94	\$140,995,845	\$281,991,690	\$422,987,536
Public, 2-year	222	\$23,400	(\$47,000-\$23,400 =) \$23,600	\$26,196,000	\$52,392,000	\$78,588,000

Table 7. Impact of increase for ACs by sector (Threshold: \$47,000)

Sector of Institution	<i>n</i>	Avg Current Stipend	\$ Difference	Additional cost (5 ACs per institution)	Additional cost (10 ACs per institution)	Additional cost (15 ACs per institution)
Public, 4-year	567	\$36,312.50	(\$47,000-\$36,312.50 =) \$10,687.50	\$30,299,063	\$60,598,125	\$90,897,188
Private, 4-year	1,316	\$29,555	(\$47,000-\$29,555 =) \$17,445	\$114,788,100	\$229,576,200	\$344,364,300