 

**Mid-Valley SHRM Mission Statement: To provide knowledge, skills, and resources while working to enhance personal and professional development.**

BOARD MEETING (Chapter 202) September 25, 2019 7:30 a.m. - 9:15 a.m. Allan Bros. Coffee House/ Albany, Oregon

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| --- | --- | --- | --- | --- |
| DeeDee Kaundart | Past President |  | Claudia Hamilton | Sponsorship Chair |
| Jason Bushnell | President |  | Jill Sharp | Membership Chair & President Elect |
| Kristen Taylor | Certification Chair |  | Darcee LaCalli | Legislative Liaison |
| Kathy Westberg | Foundation Chair |  | Bonny Ray | Secretary |
| Susan Ellingson | Website Chair |  | Karlina Christensen | Programming |
| Tim Nortz | Workforce Readiness |  | Lucille Valley | Diversity Chair |
| Robin Bilyeu | Treasurer |  |  |  |

Highlight if PRESENT

The Board Meeting began at 7:40 a.m. Special guest Shauneen Scott, Oregon State SHRM Council President visited the meeting today.

**President’s Updates and General Discussion Items:** Jason suggested discussing position reports first. The Board covered these first and Jason provided the following additional updates at the end of the meeting.

* Jason introduced Shauneen Scott. She gave an update on several item: The NHRMA conference is on track. They had to cancel the evening event due to the vendor going out of business. Otherwise the conference planning is going very well. The volunteer slots are filled. The registration numbers are higher than they have ever been, and the bottom line is looking very good budget wise. Yamhill, Salem and Mid-Valley SHRM will split the profits allocated to the hosting chapters. The Salem chapter is sponsoring a Veteran’s program as a statewide initiative. The Salem chapter is hosting the event on October 22, 2019. It is free and hosted at SAIF in Salem. NHRMA is sponsoring a student conference and would like chapters to support this as well. The cost to put on a student conference is about $475 a person. Also be on the lookout for fraudulent e-mails. This is happening across chapters. VLS is now called Volunteer Leadership Business meeting instead of Volunteer Leaders’ Summit. Shauneen offered to answer questions through e-mail as well.
* Jason reported that our bylaws were approved. The Board reviewed the changes. Darcee motioned approval. Jill seconded the motion and the bylaw changes were approved.
* Our new Mid-Valley SHRM logo was also approved.
* The IRS also approved our name. Robin has submitted paperwork to the bank so that we can order checks and complete banking business.
* Lucille is not able to attend NHRMA and has a ticket for someone else to attend if there is a Board member that is willing to take her volunteer slots. If a Board member is not able to do this, we could offer it to a chapter member at a reduced cost. The volunteer slots are required.
* Susan has the online Job Board up and going at our website. It is very user friendly. There is a cost to post. Jill will put this on a slide and information can go out to members in an e-mail.
* Susan also completed a survey draft for sending out to the chapter membership. The Board discussed the survey. We also discussed including a question about chapter member interest/ideas regarding specific initiatives. Instead it was decided that we would send out a separate survey regarding initiatives maybe in conjunction with the Board Election survey. Susan will combine the survey e-mail with an update about the Salem Veteran’s conference, the NHRMA opportunity and the survey. The subject line will be announcements and survey.

Approval of Minutes: The Board reviewed the August 28, 2019 minutes. Minutes were approved.

Position Reports:

**Treasurer:**

Robin paid for a full year for the P.O. box fee for $92. Otherwise the financials are very straight forward this month. Robin checks the mailbox once a week. All Star staffing will be sponsoring in November. Robin has invoiced them. Robin will also investigate with Citizens Bank the option of a high yield savings account that might yield more than the CD investments.

Bonny asked about offering a chapter scholarship for certification for the chapter or for a Board member. Shauneen shared that the SHRM chapter in Salem offered scholarships to the Board members. This encouraged the Board to get certified and supported certification. They reimbursed after the member passed the exam. We will continue to think about this.

Certification: Kristen thanked Jill for adding certification updates to the slides educating chapter members about certification and re-certification.

**Foundation:** Kathy was not in attendance. She will prepare a basket for raffle for the November meeting. We have donated close to $200 at this point.

**Legislative:** Darcee asked if a meeting attendee shows up in someone else’s place what we would like to do about the cost if they are not members there is a cost difference. The Board agreed that we would allow the individual to attend and message back to the member about the dynamic of the cost different.

Darcee reported on the following updates: Overtime rule passed. It can be met with bonuses. It will not automatically adjust like the previous version. It will instead focus on the market. She provided the following updates by e-mail as well:

**New Overtime Rule Raises Salary Cut-Off to $35,568**

Employees who make less than $35,568 are now eligible for overtime pay under a final rule issued today by the U.S. Department of Labor (DOL). The new rate will take effect Jan. 1, 2020.

To be exempt from overtime under the federal Fair Labor Standards Act (FLSA), employees must be paid a salary of at least the threshold amount and meet certain duties tests. If they are paid less or do not meet the tests, they must be paid 1 1/2 times their regular hourly rate for hours worked in excess of 40 in a workweek.

The new rule will raise the salary threshold to $684 a week ($35,568 annualized) from $455 a week ($23,660 annualized). A blocked Obama-era rule would have doubled the threshold, but a federal judge held that [the DOL exceeded its authority](https://www.shrm.org/ResourcesAndTools/legal-and-compliance/employment-law/pages/judge-strikes-down-obama-dol%27s-overtime-rule.aspx) by raising the rate too high.

The new rule is expected to prompt employers to reclassify more than a million currently exempt workers to nonexempt status and raise pay for others above the new threshold.

The Society for Human Resource Management (SHRM) is pleased that the DOL has finalized the overtime rule. "Employees and employers have been waiting for an overtime salary adjustment for over 10 years," said Nancy Hammer, SHRM's vice president of regulatory and judicial engagement. "Today's rule provides important clarity for the workplace on FLSA implementation," she said.

Here's what employers need to know about the new rule.

**The Details**

Under the new rule, nondiscretionary bonuses and incentive payments (including commissions) paid on an annual or more frequent basis [may be used to satisfy up to 10 percent](https://www.shrm.org/ResourcesAndTools/legal-and-compliance/employment-law/Pages/proposed-overtime-rule-small-bonuses.aspx) of the standard salary level.

In addition to raising the salary cutoff for exempt workers, the new rule raises the threshold for highly compensated employees from $100,000 a year to $107,432 (of which $684 must be paid weekly on a salary or fee basis). The increase is about $40,000 less than what the DOL initially proposed because it is based on the 80th percentile, rather than the 90th percentile, of all full-time salaried workers' earnings nationwide.

For the FLSA's executive, administrative and professional exemptions—the so-called white-collar exemptions—employees must [perform certain duties](https://www.shrm.org/ResourcesAndTools/legal-and-compliance/employment-law/pages/review-duties-tests-for-overtime-exemptions.aspx) and earn at least the salary threshold. But under a special rule, highly compensated employees are eligible for exempt status if they meet a reduced duties test as follows:

* The employee's primary duty must be office or nonmanual work.
* The employee must "customarily and regularly" perform at least one of the bona fide exempt duties of an executive, administrative or professional employee.

Employers should note that the rule doesn't make any changes to the duties tests.

Also, unlike the overtime rule that President Barack Obama's administration put forward in 2016, the new rule doesn't include automatic adjustments to [the exempt salary threshold](https://www.shrm.org/ResourcesAndTools/legal-and-compliance/employment-law/pages/flsa-overtime-rule-resources.aspx).

The Obama administration sought to automatically adjust the threshold every three years to represent the 40th percentile of earnings for full-time salaried workers in the lowest-wage census region.

Employers likely will be pleased that the new rule doesn't call for automatic adjustments to the salary threshold, as many believe the marketplace—rather than the federal government—should dictate appropriate salary levels, said Josh Woodard, an attorney with Snell & Wilmer in Phoenix.

However, the DOL "intends to [update these thresholds](https://www.shrm.org/ResourcesAndTools/legal-and-compliance/employment-law/Pages/timeline-overtime-rule-history.aspx) more regularly in the future," according to the final rule.

**Review Job Descriptions and Budgets**

Employers should immediately pull data for exempt workers earning below the threshold, attorneys said.

"Review your budgets, consider what positions you might restructure, flag whom you might reclassify to nonexempt or give a salary increase, and think about when, practically speaking, you should implement changes," said Caroline Brown, an attorney with Fisher Phillips in Atlanta.

Román D. Hernández, an attorney with Troutman Sanders in Portland, Ore., said employers should forecast financial ramifications for changes in labor costs necessitated by changes in the rules.

Employers also should weigh the cost of raising employee salaries above the new threshold against the cost of reclassifying employees as nonexempt and paying overtime, he said. "That is an individual workforce determination that should be made in consultation with HR professionals and outside counsel to ensure compliance with the new rules."

Meeting the salary cutoff is just one requirement for classifying workers as exempt. Employers should also take the time to [review workers' job duties](https://www.shrm.org/ResourcesAndTools/legal-and-compliance/employment-law/pages/review-duties-tests-for-overtime-exemptions.aspx) to ensure that they satisfy the applicable exemption's criteria.

The white-collar exemptions each have slightly different duties tests:

* **Executive exemption.** The employee's primary duty must be [managing the enterprise or a department or subdivision of the enterprise](https://www.dol.gov/whd/overtime/fs17b_executive.pdf). The employee must customarily and regularly direct the work of at least two employees and have the authority to hire or fire workers (or the employee's suggestions and recommendations as to hiring, firing or changing the status of other employees must be given particular weight).
* **Administrative exemption.** The employee's primary duty must be office or nonmanual work that is directly related to the management or general business operations of the employer or the employer's customers. The employee's primary duty also must [include the exercise of discretion and independent judgment](https://www.dol.gov/whd/overtime/fs17c_administrative.pdf) with respect to matters of significance.
* **Professional exemption.** The employee's primary duty must be [work requiring advanced knowledge](https://www.dol.gov/whd/overtime/fs17d_professional.pdf) in a field of science or learning that is customarily acquired by prolonged, specialized, intellectual instruction and study.

Although the changes to the overtime rule are all about salary, the upcoming adjustments provide a good opportunity for employers to look at the job duties for their lowest exempt pay bands and make sure they actually qualify, said Tammy McCutchen, an attorney with Littler in Washington, D.C. "It's a great time to correct errors on the job-duties side."

*[SHRM members-only toolkit:*[*Determining Overtime Eligibility in the United States*](https://www.shrm.org/resourcesandtools/tools-and-samples/toolkits/pages/determiningovertimeeligibility.aspx)*]*

Hernández noted that, in general, it's a good idea for employers to periodically review job descriptions and ensure that they are up-to-date and accurate.

**Develop a Training and Communication Strategy**

If employers decide to reclassify employees to nonexempt status, they will need to track affected workers' work time and pay overtime premiums for all hours worked beyond 40 in a workweek.

Employers will need to develop a communication strategy and make sure that reclassified employees know they are not being demoted, McCutchen said. Be clear that these changes are based on new government rules.

In addition, employees who will be required to track their hours for the first time—as well as their managers—will need training on time-keeping procedures, she added.

Employers should evaluate their systems for timekeeping, tracking overtime and paying bonuses, Hernández said. They should also develop plans and procedures to manage or limit overtime hours worked by newly nonexempt workers, he suggested.

Brown noted that taking some initial steps sooner rather than later can go a long way toward triaging potential issues and creating a smoother transition plan.

Programming: In November Karlina will be gone and so will Jason so we need someone to greet the speaker. Darcee will greet the speaker. Kristen has a few Starbucks cards from a past meeting that she will bring to the meeting.

* Pages are built for November. Working on December. December’s Eventbrite will have a different registration set up as members can pay more to take the leadership assessment.
* Reminder- no October meeting due to NHRMA conference
* Draft- 2020 Schedule
  + January- Leading with Creativity and Innovation – Western Oregon University
  + Feb- Labor Law 2020 with Randy Sutton
  + March- Kyle Abrams- NLRB Updates
  + April- Laurie Grenya- equal pay and paid leave
  + May- Devon Hughes – Leadership topic
  + June- Jennifer Bouman Steagall
  + July- John Berg- Littler
  + August-
  + September- Mental Health Panel
    - Attorney- maybe Rebecca Watson- workers comp
    - Provider with Trillium
  + October- Paula Baran
  + November- Stacy Stack
  + December- Deborah Jeffries- employee motivation

**Past President Report:** DeeDee was not in attendance.

**Sponsorship:** Claudia was not in attendance.

October: No meeting

November: All Star Labor & Staffing

December: Jennifer Bauman/RedKite

**Membership:**

**CURRENT ACTIVE MEMBER STATS**

**Current active member count**: 114

There is no word on an audit yet. SHRM is behind due to staff turnover.

Jill wants to compare the Eventbrite list and the membership list to see if we are capturing all members.

Jill also asked about changing the e-mails. Jason reported that Karlina has a quote from g-mail and we are waiting for one from Yahoo.

**CURRENT ACTIVE MEMBER STATS**

**Current active member count**: 114

**New Members:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Name** | **Company** | **Title** | **Date** |
| No New Members |  |  |  |

**Members that are no longer affiliated**

|  |  |  |  |
| --- | --- | --- | --- |
| **Name** | **Company** | **Title** | **Date** |
|  |  |  |  |

**SEPTEMBER MEETING STATS**

Total Registered: 28

Meeting Attendance: Members 29 Non-Members: 1 Speaker: 1

No Shows: 4

Attendees Not Registered: 4 (including sponsor and speaker)

Members Paid at Door: 3 = $30.00

No Charge Speaker = 1

**ACTIVITIES**

* Created slides for September Monthly Meeting.

**TO DO**

* Create slides for October meeting.
* Anticipating Annual Audit Soon. No word yet.
* Show Susan how to do mass email to members.

**Communications/Website:**

Susan created a survey through Survey Monkey. She will be sending out the survey to all members. She would like feedback from the Board. Susan is working on Facebook and Linked in updates. There was a discussion about access with the website and slides limiting the focus to chapter business. Susan linked our website to a job board. She also changed the e-mail and forwarded items from the old e-mail to clean out the box and as we were receiving a great deal of spam. All the emails going to [mhrashrm@gmail.com](mailto:mhrashrm@gmail.com) are now automatically forwarded to [midvalleyshrm@gmail.com](mailto:midvalleyshrm@gmail.com). This email is attached to the LinkedIn account as well.

**Diversity**: Lucille was not in attendance.

**Workforce Readiness:** Tim would like to know what initiatives the chapter is interested in. He will also reach out to the State Director to connect regarding collaboration and ideas. Scott Lee is the contact for the state and is also a member of the chapter. Tim is visiting with the student chapter on campus today too. He will be talking with them about their involvement. The chapter will allow them to attend at the member fee level of $10. Bonny mentioned that if students are interested in an internship in HR that they could also contact her about opportunities at OSU. We might include in the survey items about students.

**The next Board Meeting is October 23, 2019**.

Meeting adjourned at 9:15 a.m.