

**LIBRARY BOARD MEETING**  
**August 8, 2016**  
**Library Community Room, 5:00 P.M.**



**PLEASE TAKE NOTICE** that a meeting of the Brown Deer Library Board will be held in the Community Room at the Brown Deer Library, 5600 West Bradley Road, Brown Deer, Wisconsin at the above noted time and date, at which the following items of business will be discussed and possibly acted upon:

- I. Roll Call
- II. Call for Additional Agenda Items
- III. Persons Desiring to be Heard
- IV. Consideration of Minutes: July 11, 2016
- V. Unfinished Business
  - a. Discussion and Action: Keyless entry
- VI. Report of Library Director
  - a. Director's Report
  - b. Usage Report
  - c. Revenue/Expense Report
- VII. New Business
  - a. Consideration of Vouchers: July 2016
  - b. Discussion: WIFI access after hours
  - c. Discussion: BDPL anniversary
  - d. Discussion: FLSA employment classifications
  - e. Review and Action: Library Administrative Manual
  - f. Discussion: 2017 Library Budget outlook
- VIII. Report of Friends of the Library
- IX. Next meeting date
- X. Adjournment

A handwritten signature in black ink, appearing to read "B. Williams-Van Klooster", written over a horizontal line.

Brian Williams-Van Klooster, Library Director  
August 5, 2016

**PERSONS REQUIRING SPECIAL ACCOMMODATIONS FOR ATTENDANCE AT THE MEETING SHOULD CONTACT THE VILLAGE LIBRARY AT LEAST ONE (1) BUSINESS DAY PRIOR TO THE MEETING.**

**BROWN DEER LIBRARY BOARD**  
**July 11, 2016 MEETING MINUTES**  
**HELD AT THE BROWN DEER PUBLIC LIBRARY**  
**5600 WEST BRADLEY ROAD**  
(Unapproved)

---

The meeting was called to order by Board President Lutz at 5:05 P.M.

**I. Roll Call**

Present: and Board members: J. Baker, E. Bennett, W. Jabas, S. Snyder  
Also Present: Brian Williams-Van Klooster, Library Director  
Excused: Board President Lutz

**II. Call for Additional Agenda Items**

Expenditure approval request: Keyless entry for rear door

**III. Persons Desiring to be Heard**

None.

**IV. Consideration of Minutes:**

a. June 13, 2016 – Regular Meeting

W. Jabas said the Friends Auction is November 10, not November 12 as stated in the minutes.

*It was moved by W. Jabas and seconded by J. Baker to approve the minutes of the June 13, 2016 regular meeting with the noted correction. The motion carried unanimously.*

**V. Unfinished Business: none**

**VI. Report of Library Director**

a. Director's Report

The Director highlighted the current progress of Summer Reading, the Recollection Wisconsin collection of digitized Historical Society Newsletters, hinge repairs needed to the rear door, and progress on the student ID as library card project.

b. Usage Report

There were no verbal highlights or discussion of the report.

c. Revenue/Expense Report

There were no verbal highlights or discussion of the report.

**VII. New Business**

a. Consideration of Vouchers: June 2016

*It was moved by W. Jabas and seconded by S. Snyder to approve the payment of the June 2016 vouchers. The motion carried unanimously.*

b. Patron ban request

*It was moved by S. Snyder and seconded by J. Baker to approve the patron ban as presented. The motion carried unanimously.*

c. Review and approval of \$5 fines policy change

The Director reviewed his requested changes as outlined in the packet. E. Bennett noted her own experience with inconsistencies among libraries in other policies, such as overdue fees, and said consistency in more areas like this would be helpful.

*It was moved by S. Snyder and seconded by J. Baker to approve the policy as presented. The motion carried unanimously.*

d. Review and approval of Library Strategic Plan

The Director highlighted the Plan sections labeled as 'At a Glance' and 'Overview'. There was brief discussion by all members about how the Plan will lead to more changes in Library operations. The Director said that Library operations have become very dynamic as we become

more efficient, try new things, and review past practices. W. Jabas moved to support the Action Plan for Year 1. J. Baker inquired about the value of supporting 1 year of the plan versus the entire plan. Discussion on this topic continued. W. Jabas amended her motion.

*It was moved by W. Jabas and seconded by E. Bennett to support the Action Plan Year 1-3. The amended motion carried unanimously.*

e. Expenditure approval request for keyless entry

The Director said he would like to have a keypad lock installed on the rear door. He shared several justifications for this request and presented a quote for \$1200 from LaForce. J. Baker inquired about audit trail capability. The Director said the unit is very basic, there would be no audit trail, but each staff member would have their own unique code. W. Jabas said she has a contact who may be able to supply a similar product at a more competitive price. She asked to have the agenda item tabled. The members agreed.

**VIII. Report of Friends of the Library**

None

**IX. Adjournment**

**Next meeting: August 8, 2016.** *It was moved by J. Baker and seconded by S. Snyder to adjourn at 5:55 P.M. The motion carried unanimously.*



---

Brian Williams-Van Klooster, Library Director  
July 13, 2016

# Brown Deer Public Library - Director's Report

## July 2016

---

### Budget

- \$100 donation from estate of deceased patron.

### Facility

- Several Friends of Brown Deer Library have been watering the entry triangle flower beds, work to solve the bare soil area below community room windows is scheduled for August by DPW

### Meetings & Training

- 7/7 MCFLS LDAC
- 7/11 BDPL Board
- 7/12 BDPL Monthly staff
- 7/19 VBD Department heads
- 7/28 Brown Deer Historical Society Board

### Marketing/Communication/Outreach/PR

- Student Fieldworker represented BDPL at BD Farmers Market and Vibes on 7/20 and 7/27
  - anecdote: a family new to Brown Deer saw library table at farmers market where they signed up the kids for summer reading, then came to library afterward and got library cards

### Statistics

- Significant drop in all use measures, no explanation can be identified as all services were normal, wifi use was average, no construction impacts, no extreme weather, etc

### Miscellaneous

- Cooperative grant w/ BD Historical Society received from Wisconsin Historical Society for \$450 toward archival storage supplies for local history materials stored at Library
- Conducted major network file cleanup project to move work files out of personal folders with staff names into shared folders titled with functional categories, goal is to reduce duplication of files, reduce time searching for them, save time from recreating 'lost' files, prevent loss of important data when employees change

---

## Children's / Young Adult Services

### From Bekah's monthly report

*I prepped for upcoming storytimes and programs as well as stuffed prize bags for the summer reading program. I continued to update the library's Twitter account and add pictures of library events to the Facebook page. Also Cataloged, Organized craft storage area, Worked on enewsletter, Continued to send updates to Brown Deer Tracker*

### Programs:

- Attendance at Summer Reading special programs has been mixed, but some programs clearly were successes (Harry Potter party, popcorn movie night)
- Story time sessions, 6 total, 12 participants average
- Movie Screenings, 4 screenings, 55 participants total (32 participants at special Popcorn night)

### Meetings & Training

- Informally trained Student Fieldworker on youth programming and reference

### Miscellaneous

- Continued coordination of existing volunteer and projects.
- Display of Harry Potter and related material

---

## Adult Services

### Displays

- *80's Music*

### Materials

- Cataloged Granville/Brown Deer High School yearbooks from 1958-current for new local history reference collection
- Student Fieldworker has added dozens of high quality fiction donations to collection, and replaced several existing worn copies with donations

### Meetings & Training

- 7/19 Webinar sponsored by Booklist on Best Books for Book Clubs

### Miscellaneous

- Many collection management projects

### Programs

- Coffee, coloring and conversation continues to be popular, 12 attendees
- Movies for grownups also popular, 12 attendees

---

## MCFLS / Other

- Discussion on use of collection agency for materials and fee recovery
  - MPL has used Unique Management Systems collections service for 6 years with very positive results
  - Bruce Gay would like to see all MCFLS libraries use the same service to help reduce duplication of fine/fee contacts by member libraries
  - Several Directors agreed that this would be a worthwhile centralized MCFLS service and would like to have a company rep explain it in more detail before bringing to individual library Boards for discussion
- Electronic Resources Buying Pool (see following pages)
  - Bruce Gay has initiated conversation about how to structure the MCFLS Strategic Plan's eResources Buying Pool, for which resources have been made available through to the MCFLS 2016-2019 ILS, Resource Sharing, and Technology Agreement with member libraries.
  - Reminder, the 2016-2019 MCFLS member contracts (which include the Agreement above) included incremental cost increases for member libraries. Some of those increases are now being returned to member libraries in the form of the proposed Buying Pool.
  - A set of County-wide eResources available uniformly to all Milwaukee residents helps MCFLS be in closer compliance with the 'same services' provision of 2015 Wisconsin Act 306 that amends Statute 43.15(4)(c)

## Electronic Resources Buying Pool—draft

### Background

The E-Resources Buying pool idea is one of the goals in the MCFLS Strategic Plan. In the plan, one service goal is to “develop system-coordinated electronic resources/databases service” through “a long-range plan for system electronic resources.”

Activities identified in the plan to do this:

- a. Continue to broker library licensing of electronic databases for member libraries.
- b. Gather, analyze, and disseminate use statistics for electronic resources and databases.
- c. With member library input, determine the system’s role in selecting, providing, promoting, and evaluating electronic resources across Milwaukee County.
- d. Develop an evaluation and selection process that aligns system and local library budgeting, decision making, and state law.

With the implementation of the 2016-2019 ILS, Resource Sharing, and Technology Agreement, MCFLS has resources available for this goal.

### Purpose

In meetings with library directors in 2014 and 2015, electronic resources were identified as an area where system-wide coordinated efforts could be made more effective. A later survey of directors for the strategic plan confirmed this.

Basically, MCFLS would both broker licensing for and contribute financially to provide a complete selection of electronic resources for all member libraries.

#### Benefits:

- Less public confusion—any library cardholder can access the resource.
- More effective promotion and marketing—messages can be targeted at everyone in the county.
- Provides consistent public face on electronic resources for the public.
- Less cost for member libraries for more content.

### Selection

A member library subcommittee would be created that would review electronic resources and make recommendations to LDAC for approval at its August meeting. The subcommittee would run trials, seek public input, review other libraries’ experiences, etc.

### Evaluation

The above subcommittee would review ease of use, content, usage, pricing, data collection and other input and make recommendations on continuation for a resource. The review should be presented to the full LDAC. Recommendation would be to use a resource for at least two years to fully explore its viability.

### Implementation of Resource

After a resource is selected, MCFLS would work with the vendor to configure access for all member libraries. MCFLS would—as far as possible—integrate the resource into the ILS and MCFLS website; provide any links for member libraries to use on websites; configure remote access; provide access to training for library staff—either from the vendor or from MCFLS staff; provide administrative/statistical dashboard access for member libraries; if possible, integrate resource use into the MCFLS dashboard; as much as possible provide marketing materials to member libraries and promote the use of the resource through vendor-provided materials, online promotion, and other means.

### Budgeting

MCFLS would match every \$2 from member libraries with \$1 from MCFLS funding. Currently, MCFLS member libraries pay approximately \$150,000 (2016) for Zinio and Overdrive access. Under this plan, the Electronic Resources Buying Pool would have \$225,000 available for content in 2017.

The subcommittee could be given annual budget parameters with some general information, such as “nothing greater than a 2% increase.”

### Some notes on legal changes in regards to Electronic Resources and Systems:

A 2015 act changed the same services provision and language relating to online resources:

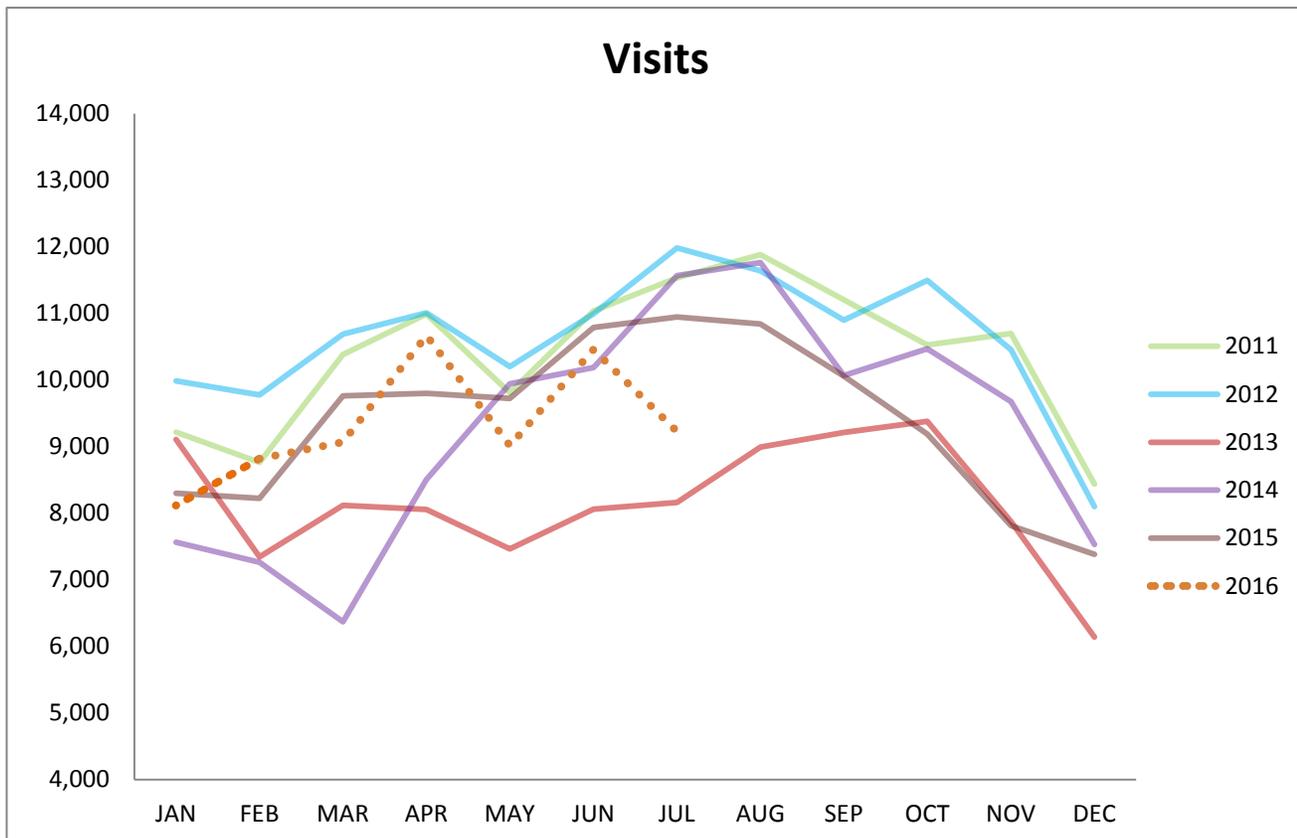
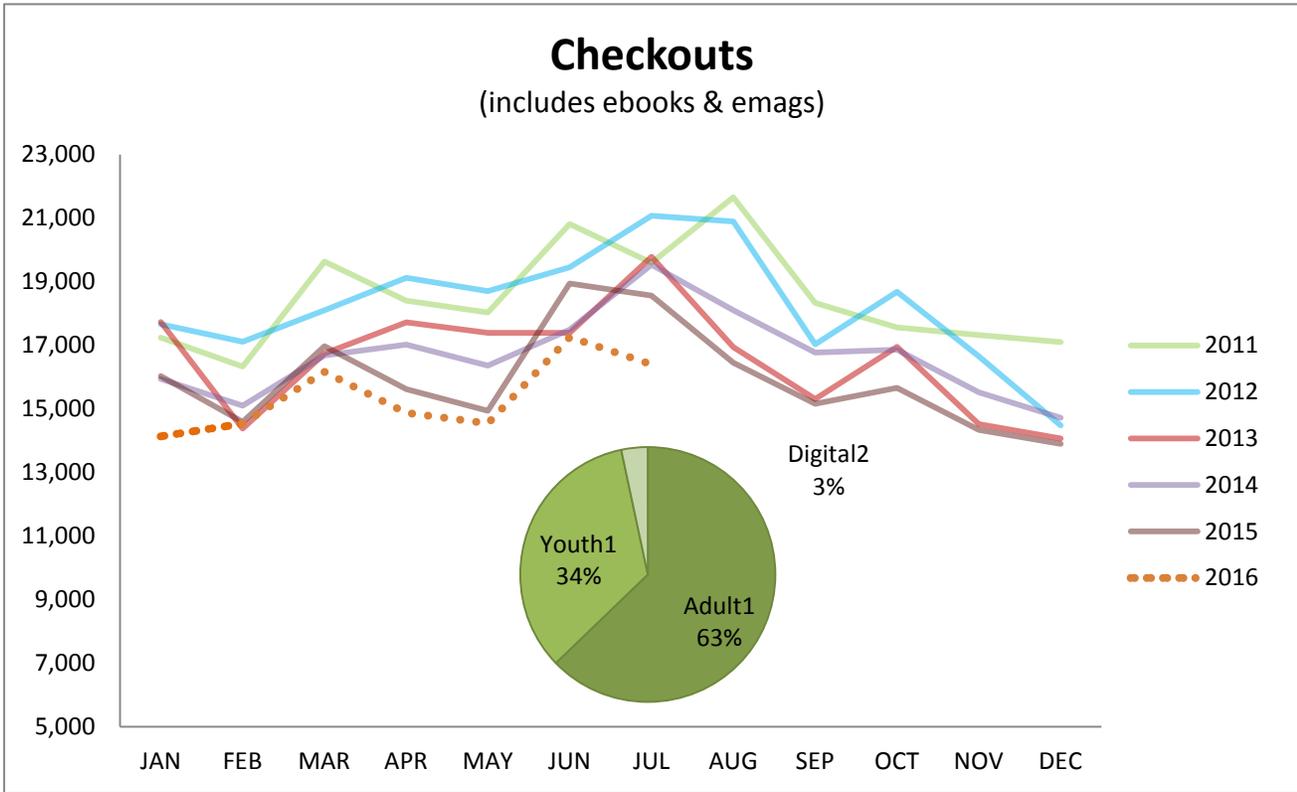
#### 2015 WISCONSIN ACT 306

43.15 (4) (c) 4. Enters into a written agreement with the public library system board to participate in the system and its activities, to participate in interlibrary loan of materials with other system libraries, and to provide, to any resident of the system area, the same library services, on the same terms, that are provided to the residents of the municipality or county that established the member library. This subdivision does not prohibit a municipal, county, or joint public library from giving preference to its residents in library group programs held for children or adults if the library limits the number of persons who may participate in the group program, or from providing remote access to a library's ~~electronic database~~ online resources only to its residents.

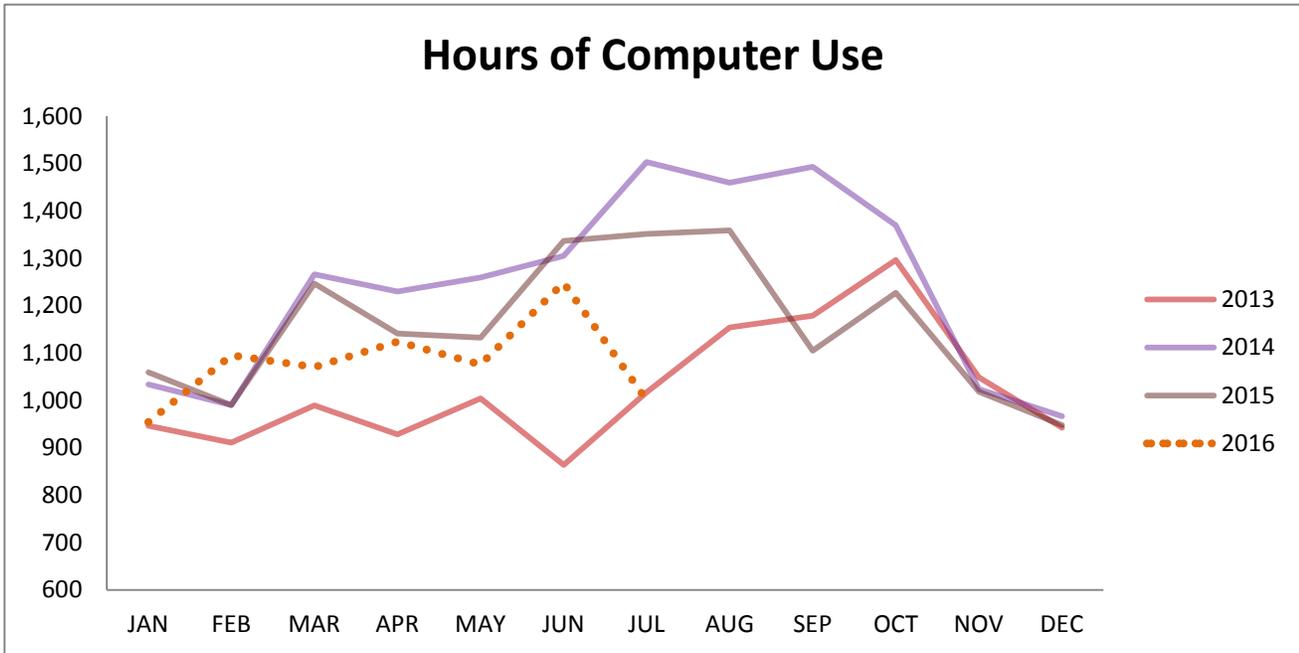
John Debacher at the DLT explained the change in the *WILibraries for Everyone* blog:

That most recent change also provides a clearer mechanism for public libraries that to license online digital resources that may be remotely available only to its own residents. Library boards, directors and staff should keep in mind, however, that the "same services" provision still requires that, should a non-resident from your system area ask to use those resources while visiting your library, you must provide a means for that access that fully meets the law--the "same services, on the same terms, that are provided to the residents of the municipality...." So if a local resident can, while in the library, access and use a particular online service on their own handheld device, others from the system area must similarly be provided access. If you, as a library director or staff, are considering products offered by vendors of online resources, be sure to make careful consideration of those requirements before contracting for those services. Discuss the issue with your library board, as well as the director or staff of your regional public library system to make ensure that you do not jeopardize your library's eligibility for membership in the system. <http://wilibrariesforeveryone.blogspot.com/2016/04/libraries-as-system-members-same.html>

# Brown Deer Library Monthly Usage Report



# Brown Deer Library Monthly Usage Report



	<b>Reserves/Holds</b>				<b>Programs</b>						
	Staff assisted holds <sup>1</sup>	% change from last year	Holds Sent from BD <sup>8</sup>	% change from last year	Juv/YA pgms <sup>6</sup>	Juv/YA attend <sup>6</sup>	Adult pgms <sup>6</sup>	Adult attend <sup>6</sup>	Total attend	% Attend change from last	Notes
<b>JAN</b>	381	-13%	1,635	-27%	6	106	3	28	134	91%	
<b>FEB</b>	418	1%	1,715	12%	13	274	3	35	309	-12%	
<b>MAR</b>	424	-8%	1,561	-12%	13	243	2	23	266	-34%	
<b>APR</b>	393	-11%	1,231	-19%	9	125	4	39	164	-37%	
<b>MAY</b>	351	2%	1,488	10%	5	86	3	23	109	54%	
<b>JUN</b>	391	-10%	1,444	-8%	15	158	3	31	189	-42%	
<b>JUL</b>		-	1,604	7%	17	205	2	24	229	-66%	
<b>AUG</b>		-									
<b>SEP</b>		-									
<b>OCT</b>		-									
<b>NOV</b>		-									
<b>DEC</b>		-									
<b>TOTAL</b>	2,358		10,678	0	78	1,197	20	203	1,400	-7%	

**Brown Deer Public Library  
Director's Monthly Usage Report**

**CIRCULATION**

	2016				2015			
	ADULT	YOUTH	DIGITAL	TOTAL	ADULT	YOUTH	DIGITAL	TOTAL
JAN.	9,299	4,350	486	14,135	10,695	4,883	450	16,028
FEB.	9,166	4,863	502	14,531	9,314	4,841	439	14,594
MARCH	9,916	5,768	480	16,164	10,648	5,833	487	16,968
APRIL	9,801	4,564	513	14,878	10,079	5,031	513	15,623
MAY	9,244	4,708	594	14,546	9,796	4,637	503	14,936
JUNE	10,340	6,381	532	17,253	11,039	7,393	516	18,948
JULY	9,996	5,890	507	16,393	11,088	6,909	570	18,567
AUGUST	0	0	0	0	10,654	5,287	514	16,455
SEPT.	0	0	0	0	9,685	5,014	459	15,158
OCT.	0	0	0	0	9,654	5,446	559	15,659
NOV.	0	0	0	0	8,924	4,736	676	14,336
DEC.	0	0	0	0	9,237	4,131	528	13,896
<b>TOTAL</b>	<b>67,762</b>	<b>36,524</b>	<b>3,614</b>	<b>107,900</b>	<b>120,813</b>	<b>64,141</b>	<b>6,214</b>	<b>191,168</b>

**RESERVES/HOLDS**

			Paging	Paging
	2016	2015	slips '16	slips '15
Jan.	381	438	1,635	2,252
Feb.	418	414	1,715	1,531
Mar.	424	462	1,561	1,781
April	393	441	1,231	1,520
May	351	344	1,488	1,353
June	391	434	1,444	1,568
July	0	415	1,604	1,495
Aug.	0	339	0	1,355
Sept.	0	383	0	1,448
Oct.	0	397	0	1,409
Nov.	0	289	0	1,417
Dec.	0	315	0	1,396
<b>Total:</b>	<b>2,358</b>	<b>4,671</b>	<b>10,678</b>	<b>18,525</b>

**COMPUTER USE**

	2016			2015
	Hours used	% of Capacity	% hours used vs. last year	Hours used
JAN.	954	38%	-9.9%	1,059
FEB.	1,095	46%	10.6%	990
MARCH	1,070	43%	-14.1%	1,246
APRIL	1,124	45%	-1.5%	1,141
MAY	1,076	47%	-5.0%	1,133
JUNE	1,248	50%	-6.6%	1,336
JULY	1,001	43%	-26.0%	1,352
AUGUST	0	-		1,359
SEPT.	0	-		1,105
OCT.	0	-		1,227
NOV.	0	-		1,019
DEC.	0	-		948
<b>TOTAL</b>	<b>7,568</b>	<b>45%</b>	<b>-7.5%</b>	<b>13,914</b>

**PROGRAMS**

2016					2015	
Juv/YA Prog	Juv/YA Attend	Adult Prog	Adult Attend	Total	Total	
6	106	3	28	134	70	
13	274	3	35	309	351	
13	243	2	23	266	401	
9	125	4	39	164	261	
5	86	3	23	109	71	
15	158	3	31	189	327	
17	205	2	24	229	665	
0	0	0	0		373	
0	0	0	0		207	
0	0	0	0		344	
0	0	0	0		294	
0	0	0	0		203	
<b>78</b>	<b>1,197</b>	<b>20</b>	<b>203</b>	<b>1,400</b>	<b>3,567</b>	

**BUILDING USE**

2016	2015
8,114	8,300
8,820	8,221
9,065	9,762
10,666	9,802
9,014	9,722
10,455	10,788
9,230	10,948
0	10,844
0	10,060
0	9,190
0	7,811
0	7,384
<b>65,364</b>	<b>112,832</b>

PERIOD ENDING 07/31/2016

GL NUMBER	DESCRIPTION	ACTIVITY FOR		YTD BALANCE 07/31/2016	2016 AMENDED BUDGET	AVAILABLE		% BDGT USED
		MONTH 07/31/2016	INCREASE (DECREASE)			NORMAL	(ABNORMAL)	
Fund 151 - Library Fund								
Revenues								
Dept 000-11-TAXES								
151-000-11-4-00-10	General Property Taxes	0.00	342,980.08	385,346.00	42,365.92	89.01		
Total Dept 000-11-TAXES		0.00	342,980.08	385,346.00	42,365.92	89.01		
Dept 000-67-PARKS & CULTURE/RECREATION								
151-000-67-4-10-10	Photocopies	511.28	5,352.22	6,500.00	1,147.78	82.34		
151-000-67-4-10-20	Library-Fines	1,804.25	10,808.55	16,000.00	5,191.45	67.55		
151-000-67-4-10-30	Sale of Materials	116.50	926.67	900.00	(26.67)	102.96		
151-000-67-4-10-40	Lost Material Charges	107.30	1,407.51	1,500.00	92.49	93.83		
151-000-67-4-10-90	Miscellaneous Charges	301.00	2,822.11	4,000.00	1,177.89	70.55		
Total Dept 000-67-PARKS & CULTURE/RECREATION		2,840.33	21,317.06	28,900.00	7,582.94	73.76		
Dept 000-73-INTERGOVERNMENTAL CHARGES								
151-000-73-4-60-10	MCFLS-Reciprocal Borrowing	0.00	87,166.00	86,734.00	(432.00)	100.50		
Total Dept 000-73-INTERGOVERNMENTAL CHARGES		0.00	87,166.00	86,734.00	(432.00)	100.50		
Dept 000-81-INTEREST INCOME								
151-000-81-4-00-10	Investment Interest	0.00	0.00	0.00	0.00	0.00		
Total Dept 000-81-INTEREST INCOME		0.00	0.00	0.00	0.00	0.00		
Dept 000-82-MISCELLANEOUS REVENUE								
151-000-82-4-00-10	Rent Income	0.00	16,995.00	33,000.00	16,005.00	51.50		
Total Dept 000-82-MISCELLANEOUS REVENUE		0.00	16,995.00	33,000.00	16,005.00	51.50		
Dept 000-84-INSURANCE RECOVERIES								
151-000-84-4-00-50	Insurance Recovery-Prop Damage	0.00	0.00	0.00	0.00	0.00		
Total Dept 000-84-INSURANCE RECOVERIES		0.00	0.00	0.00	0.00	0.00		
Dept 000-85-DONATIONS								
151-000-85-4-50-10	Donations - Library	313.50	4,700.22	8,000.00	3,299.78	58.75		
Total Dept 000-85-DONATIONS		313.50	4,700.22	8,000.00	3,299.78	58.75		
TOTAL Revenues		3,153.83	473,158.36	541,980.00	68,821.64	87.30		
Expenditures								
Dept 510-51-92400								
151-510-51-5-10-10	Salaries/Wages	23,359.66	164,144.39	313,035.00	148,890.61	52.44		
151-510-51-5-11-10	Part-time/Temporary	0.00	0.00	0.00	0.00	0.00		
151-510-51-5-15-10	WI Retirement	1,246.01	9,251.95	18,072.00	8,820.05	51.19		
151-510-51-5-15-15	FICA	1,738.26	12,204.45	23,947.00	11,742.55	50.96		
151-510-51-5-15-20	Group Insurance	4,344.72	30,410.91	52,715.00	22,304.09	57.69		

PERIOD ENDING 07/31/2016

GL NUMBER	DESCRIPTION	ACTIVITY FOR		YTD BALANCE 07/31/2016	2016 AMENDED BUDGET	AVAILABLE		% BDGT USED
		MONTH 07/31/2016	INCREASE (DECREASE)			NORMAL	(ABNORMAL)	
Fund 151 - Library Fund								
Expenditures								
151-510-51-5-15-25	Workers Comp Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00
151-510-51-5-20-35	Technical Services	0.00	2,352.95	3,100.00	3,100.00	747.05	75.90	
151-510-51-5-20-40	Printing Services	0.00	3,267.35	4,500.00	4,500.00	1,232.65	72.61	
151-510-51-5-24-10	Equipment Maintenance Services	0.00	15,279.25	16,500.00	16,500.00	1,220.75	92.60	
151-510-51-5-30-10	Office Supplies, Equip & Exp	0.00	2,942.80	3,700.00	3,700.00	757.20	79.54	
151-510-51-5-30-15	Postage & Mailing	0.00	64.87	380.00	380.00	315.13	17.07	
151-510-51-5-30-20	Communications	21.76	2,261.05	700.00	700.00	(1,561.05)	323.01	
151-510-51-5-45-10	Professional Memberships	0.00	174.00	500.00	500.00	326.00	34.80	
151-510-51-5-45-20	Professional Publications	0.00	0.00	0.00	0.00	0.00	0.00	
151-510-51-5-45-30	Professional Training	0.00	0.00	700.00	700.00	700.00	0.00	
151-510-51-5-45-40	Mileage Reimbursement	0.00	85.86	400.00	400.00	314.14	21.47	
Total Dept 510-51-92400			30,710.41	242,439.83	438,249.00	195,809.17	55.32	
Dept 511-51								
151-511-51-5-35-40	Collect Repair/Maint/Suppl	335.00	2,871.41	4,100.00	4,100.00	1,228.59	70.03	
151-511-51-5-38-10	Periodicals	0.00	2,498.03	3,000.00	3,000.00	501.97	83.27	
151-511-51-5-38-15	Books	2,194.12	20,349.49	38,000.00	38,000.00	17,650.51	53.55	
151-511-51-5-38-20	Audio/Visual	453.13	6,257.54	11,600.00	11,600.00	5,342.46	53.94	
151-511-51-5-38-25	Library Grant Materials	0.00	0.00	0.00	0.00	0.00	0.00	
151-511-51-5-38-30	Donation Expenditures	0.00	2,432.35	8,000.00	8,000.00	5,567.65	30.40	
151-511-51-5-38-40	Library Programming	16.50	119.25	1,000.00	1,000.00	880.75	11.93	
Total Dept 511-51			2,998.75	34,528.07	65,700.00	31,171.93	52.55	
Dept 512-51								
151-512-51-5-22-10	Natural Gas/Electric Service	1,497.98	10,391.95	17,000.00	17,000.00	6,608.05	61.13	
151-512-51-5-22-20	Sewer/Water Services	0.00	0.00	600.00	600.00	600.00	0.00	
151-512-51-5-23-10	Cleaning Services	1,200.00	8,400.00	14,800.00	14,800.00	6,400.00	56.76	
151-512-51-5-23-15	Building Maint/Repair Services	328.00	11,132.22	4,431.00	4,431.00	(6,701.22)	251.23	
151-512-51-5-35-10	Building Supplies	245.16	1,138.39	1,200.00	1,200.00	61.61	94.87	
Total Dept 512-51			3,271.14	31,062.56	38,031.00	6,968.44	81.68	
Dept 512-92								
151-512-92-5-40-10	Transfer to Capital Imprvmt	0.00	0.00	0.00	0.00	0.00	0.00	
Total Dept 512-92			0.00	0.00	0.00	0.00	0.00	
TOTAL Expenditures			36,980.30	308,030.46	541,980.00	233,949.54	56.83	
Fund 151 - Library Fund:								
TOTAL REVENUES			3,153.83	473,158.36	541,980.00	68,821.64	87.30	
TOTAL EXPENDITURES			36,980.30	308,030.46	541,980.00	233,949.54	56.83	
NET OF REVENUES & EXPENDITURES			(33,826.47)	165,127.90	0.00	(165,127.90)	100.00	

JOURNALIZED  
BOTH OPEN AND PAID

GL Number	GL Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
Fund 151 Library Fund							
Dept 510-51 92400							
151-510-51-5-30-20	Communications	AT & T	SERVICE	07142016	07/15/16	21.76	83114
						<u>21.76</u>	
Total For Dept 510-51 92400						21.76	
Dept 511-51							
151-511-51-5-35-40	Collect Repair/Maint/Suppl	DEMCO	DVD SECURITY CASES	5901412	07/15/16	335.00	83124
151-511-51-5-38-15	Books	BAKER & TAYLOR	2 BOOKS	2032088712	07/15/16	28.11	83115
151-511-51-5-38-15	Books	BAKER & TAYLOR	4 BOOKS	2032088713	07/15/16	48.61	83115
151-511-51-5-38-15	Books	BAKER & TAYLOR	3 BOOKS	2032088714	07/15/16	37.42	83115
151-511-51-5-38-15	Books	BAKER & TAYLOR	2 BOOKS	2032096074	07/15/16	27.09	83115
151-511-51-5-38-15	Books	BAKER & TAYLOR	10 BOOKS	2032096075	07/15/16	144.37	83115
151-511-51-5-38-15	Books	BAKER & TAYLOR	9 BOOKS	2032088797	07/15/16	75.69	83115
151-511-51-5-38-15	Books	BAKER & TAYLOR	1 BOOK	5014164733	07/22/16	21.24	83195
151-511-51-5-38-15	Books	BAKER & TAYLOR	2 BOOKS	2032112242	07/22/16	24.12	83195
151-511-51-5-38-15	Books	BAKER & TAYLOR	BOOK	2032112243	07/22/16	14.87	83195
151-511-51-5-38-15	Books	BAKER & TAYLOR	4 BOOKS	2032112245	07/22/16	83.86	83195
151-511-51-5-38-15	Books	BAKER & TAYLOR	10 BOOKS	2032112244	07/22/16	143.86	83195
151-511-51-5-38-15	Books	BAKER & TAYLOR	13 BOOKS	2032117283	07/22/16	119.48	83195
151-511-51-5-38-15	Books	BAKER & TAYLOR	BOOK	2032124391	07/29/16	14.31	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	2 BOOKS	2032124392	07/29/16	27.58	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	BOOK	2032124393	07/29/16	13.25	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	2 BOOKS	2032146900	07/29/16	29.18	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	BOOKS	2032146901	07/29/16	36.82	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	BOOK	2032146902	07/29/16	35.00	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	BOOK	2032146904	07/29/16	14.34	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	BOOK	2032146905	07/29/16	10.99	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	2 BOOKS	2032146906	07/29/16	23.61	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	BOOKS	2032142725	07/29/16	16.98	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	20 BOOKS	2032124394	07/29/16	296.05	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	31 BOOKS	2032124395	07/29/16	392.09	83256
151-511-51-5-38-15	Books	BAKER & TAYLOR	TS360 REVIEWS, SUBSCRIPTION FEE	NS16070109	07/29/16	395.00	83256
151-511-51-5-38-15	Books	WILLIAMS-VAN KLOOSTER,	REIMBURSEMENT-BOOKS, SUPPLIES	07012016	07/29/16	120.20	83283
151-511-51-5-38-20	Audio/Visual	BAKER & TAYLOR	AUDIOBOOK	2032064718	07/15/16	31.85	83115
151-511-51-5-38-20	Audio/Visual	BAKER & TAYLOR	AUDIOBOOK	2032146903	07/29/16	10.87	83256
151-511-51-5-38-20	Audio/Visual	SYNCB/AMAZON	CD'S, DVD'S, SUPPLIES	179392505069	07/29/16	410.41	83277
151-511-51-5-38-40	Library Programming	FIS	2 POND POSTERS	06222016B	07/15/16	16.50	83128
Total For Dept 511-51						<u>2,998.75</u>	
Dept 512-51							
151-512-51-5-22-10	Natural Gas/Electric Servi	WE ENERGIES	SERVICE	07142016	07/15/16	1,487.20	83187
151-512-51-5-22-10	Natural Gas/Electric Servi	WE ENERGIES	SERVICE	07142016A	07/15/16	10.78	83187
151-512-51-5-23-10	Cleaning Services	GIBB BUILDING MAINTENA	MONTHLY CLEANING SERVICE	12441	07/22/16	1,200.00	83206
151-512-51-5-23-15	Building Maint/Repair Ser	NABCO ENTRANCES INC	AUTOMATIC DOOR MAINTENANCE AGREEMEN	W12785	07/15/16	328.00	83158
151-512-51-5-35-10	Building Supplies	NASSCO INC	TOILET PAPER, TISSUES, TRASH CAN LI	S2063746.001	07/22/16	245.16	83222
Total For Dept 512-51						<u>3,271.14</u>	
Total For Fund 151 Library Fund						<u><u>6,291.65</u></u>	

08/02/2016 01:58 PM  
User: BRIAN  
DB: Brown Deer

INVOICE GL DISTRIBUTION REPORT FOR VILLAGE OF BROWN DEER  
POST DATES 07/01/2016 - 07/31/2016  
JOURNALIZED  
BOTH OPEN AND PAID

GL Number	GL Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	check #
			Fund Totals:				
			Fund 151 Library Fund			6,291.65	
			Total For All Funds:			<u>6,291.65</u>	

## Contents

- I Library Board**
  - 1) Establishment
  - 2) Terms, continued
  - 3) Member Duties and Responsibilities
  - 4) Officers
  - 5) Meetings
  - 6) Committees
  - 7) *Trustee Essentials*
- II Personnel Manual**
  - 1) Adoption
  - 2) Exceptions
- III Financial Policy**
  - 1) Adoption
  - 2) Exceptions

DRAFT

## I. Library Board

### 1) ESTABLISHMENT

The Library Board is established by Village of Brown Deer Municipal Code Sec. 2-547 through 2-549. The Board is occasionally referred to as a 'committee' by Village Administration, in keeping with other department advisory committees.

### 2) TERMS, continued

Board members are eligible to serve any number of consecutive terms in the same office.

### 3) MEMBER DUTIES AND RESPONSIBILITIES

Board members are expected to be prompt and regular attendees at meetings and provide ample notification to the Library Director if a meeting cannot be attended. Members are expected to have a basic understanding of local government structure and finance. Members are expected to be enthusiastic and vocal advocates for public libraries both within and outside their spheres of individual influence. Members are expected to be regular library users.

### 4) OFFICERS

Library Board officer titles shall only include President, who is elected by the Board annually (when?). The Library Director acts as Treasurer and Secretary to the Board. The Board has no Vice President.

### 5) MEETINGS

Board meetings are monthly, on the second Monday, at 5PM in the Library's Community Room. Meeting agendas and packets of supporting material are submitted to the Board and Village Administration a minimum of 2 working days before the meeting, in digital format by email.

The agenda and packet are drafted by the Board Secretary. Meeting proceedings are conducted by the Board President or any volunteer Officer in the President's absence.

### 6) COMMITTEES

Ad Hoc Committees may be formed for the study of special problems, by appointment of the President. Committees may include staff and public representatives and outside experts. Committees will dissolve when the final report of the work for which they were appointed has been filed.

## Brown Deer Public Library - Administrative Manual

---

7) *Trustee Essentials: A Handbook for Wisconsin Public Library Trustees* is a primary source for comprehensive discussion of public Library Board member duties and responsibilities. It was developed and is maintained by Wisconsin's DPI Division for Libraries and Technology.

Existing practices at the Brown Deer Library that require clarification to *Trustee Essentials*:

- a. Village Manager schedules and conducts annual Director performance evaluation after soliciting Board input.
- b. Most facility grounds maintenance is funded and managed by Village DPW with input from Library Director (eg snow clearing, lawn care, landscaping, seasonal cleanup, etc).
- c. Most facility building maintenance is funded and managed by the Library Board with some assistance or advisement from Village DPW when appropriate (Eg light bulb changes, mechanical repairs and maintenance, cleaning, renovation, etc).

DRAFT

## II. Personnel Manual

### 1) ADOPTION

The Brown Deer Public Library Board of Directors adopts the *Village of Brown Deer Personnel Manual (2011)*.

### 2) EXCEPTIONS

The Brown Deer Library Board of Directors exercises the following clarifications, additions and/or exceptions to the adopted *Personnel Manual*:

#### A. Job Descriptions (2.04)

Library employee job descriptions are reviewed and approved by the Library Board.

#### B. Employment Classifications (2.07)

Library employees carrying the title *Librarian* meet the definition of Exempt for the purposes of FLSA. All other Library employees are Non-Exempt.

#### C. Vacations (3.01.A)

Librarian, Substitute Librarian and Librarian Intern are considered the same position classification for the purposes of vacation approval. Library Assistant and Library Technical Assistant are considered the same position classification for the purposes of vacation approval.

Vacation requests are submitted for the year between January 1 and January 31 using the Vacation Request Form, with order of preference noted. Reference vacations are reviewed by the Library Director. LA vacations are reviewed by the LTA. Page vacations are reviewed by the Adult Librarian. Requests submitted after January 31 will be considered on a first-come, first-served basis.

Please note these following additional approval considerations:

- Seniority
- Previous year's approved holiday requests
- Multiple holiday requests by the same employee in one year
- Availability of remaining staff to maintain adequate public service staffing levels
- Submittal of request after the January deadline
- Concurrence of major programming in the requestor's area of responsibility

#### D. Normal Working Hours (4.02)

Standard shifts for full time employees are either 8:30AM-5:00PM, or 11:30AM-8:00PM. All staff are scheduled based on the needs of the Library rather than on personal convenience.

E. Holiday Observance and Pay (4.06)

The Library is closed on a Saturday when Village Administration observes a Friday or Monday closure for a holiday that falls on an adjoining Saturday or Sunday. The Library is also closed on the Village-observed weekday holiday.

The Library Board is provided with a proposed library holiday and closure schedule for review and approval based on the Village Manager's announced schedule, typically in November.

Employees who may be required to work on a holiday to clear the book drop or respond to an emergency alarm will be compensated at straight time.

F. Non-represented Salary Plan (4.07)

All text instances of *Board of Trustees* or *Village Board*, and *Village Manager* in this section shall be changed to mean *Library Board* and *Library Director* respectively.

G. Personal Appearance, Dress and Demeanor (5.11)

Secure, closed toe shoes are required of all staff. Due to the physical yet public nature of this workplace, clothing should display modesty when reaching, bending, sitting and kneeling.

### III. Financial Policy

1) ADOPTION

The Brown Deer Public Library Board of Directors adopts the Village of Brown Deer Financial Policy/Manual (2011).

2) EXCEPTIONS

The Brown Deer Library Board of Directors exercises the following clarifications, additions and/or exceptions to the adopted Financial Policy:

A. Budget Development

The Library Director develops the annual department budget request in consultation with the Library Board. The Library Board's formal approval of the budget request is sought before submittal to the Village Manager by the deadline.

Further revisions of the annual department budget due to differences in the Village Manager's Recommended Budget are reviewed by the Library Board and reapproved.

B. Fund Balance

The Library Board does not prescribe a policy on this matter.(?) The Library Director evaluates potential uses of this fund in discussion with the Village Manager and Library Board. From 2000-2015 fund balances have ranged between 12%-32%.

Such funds shall be in the undesignated reserves area, The Library Fund shall consist of unspent funds from the Annual Operational Funding for the Brown Deer Public Library. The funds will be retained by the Village in order to assist in paying any expenses incurred from the operational cost of the Brown Deer Public Library in the event that the Brown Deer Public Library is no longer a member of the Milwaukee County Federated Library System. The contributed amount of funds may fluctuate from year to year but will include any and all unspent funds in the operational budget lines devoted to Library expenses, such funds shall cumulate from year to year. Funding for the above purpose shall cap at \$250,000. Any amounts above this level shall be used to fund unspecified capital improvements to the Library, as would be specified and adopted by the Brown Deer Library Board and Village of Brown Deer Board of Trustees. (As of the end of the financial year 2000 this fund had \$152,549.60 in its account,)

Adopted by Brown Deer Library Board August 13, 2001.

C. Capital Improvement Plan

Capital Improvement Plan funds approved for expenditure by the Library are held by the Village Trustees who are required to review and approve the Plan and its fund disbursements.

## Brown Deer Public Library - Administrative Manual

---

The Library Director follows Village Administrative procedure in submitting approved CIPs to the Finance and Public Works Committee and the Village Trustees for funding. However, the Library's Capital Improvement Plan is developed in consultation with the Library Board. Their formal approval of the Plan is sought before submittal to Village Administration by the deadline.

DRAFT

DIVISION 5. - LIBRARY BOARD<sup>[11]</sup>

*Footnotes:*

--- (11) ---

**State Law reference**— *Municipal libraries, Wis. Stats. § 43.52.*

## Sec. 2-547. - Creating and composition.

Pursuant to Wis. Stats. § 43.52, a library board for the village is hereby established. Such board shall consist of five members, appointed by the village president, subject to the approval of the village board. Members shall be residents of the village, except that not more than two members may be residents of communities adjacent to the village.

(Prior Code, § 2-5.01)

## Sec. 2-548. - Appointment and terms.

The term of office of members of the library board shall be three years. The village president shall appoint as one of the members enumerated above, one school administrator, or his representative, to represent the public school district in which the public libraries located. No more than one village trustee shall at any time be a member of the library board.

(Prior Code, § 2-5.02)

## Sec. 2-549. - Quorum.

A majority of the library board is a quorum.

(Prior Code, § 2-5.03)

Secs. 2-550—2-566. - Reserved.

The Department announced a Final Rule focused primarily on updating the salary and compensation levels needed for Executive, Administrative and Professional workers to be exempt. For more information, see <http://www.dol.gov/whd/overtime/final2016/>.

## Fact Sheet #17D: Exemption for Professional Employees Under the Fair Labor Standards Act (FLSA)

This fact sheet provides general information on the exemption from [minimum wage](#) and [overtime pay](#) provided by Section 13(a)(1) of the Fair Labor Standards Act as defined by Regulations, [29 CFR Part 541](#).

The [FLSA](#) requires that most employees in the United States be paid at least the [federal minimum wage](#) for all hours worked and [overtime pay](#) at time and one-half the regular rate of pay for all hours worked over 40 hours in a workweek.

However, Section 13(a)(1) of the FLSA provides an exemption from both [minimum wage](#) and [overtime pay](#) for employees employed as bona fide executive, administrative, professional and outside sales employees. Section 13(a)(1) and Section 13(a)(17) also exempt certain computer employees. To qualify for exemption, employees generally must meet certain tests regarding their job duties and be paid on a salary basis at not less than \$455 per week. Job titles do not determine exempt status. In order for an exemption to apply, an employee's specific job duties and salary must meet all the requirements of the Department's regulations.

The specific requirements for exemption as a bona fide professional employee are summarized below. There are two general types of exempt professional employees: learned professionals and creative professionals.

See other fact sheets in this series for more information on the exemptions for [executive](#), [administrative](#), [computer](#) and [outside sales](#) employees, and for more information on the [salary basis](#) requirement.

### Learned Professional Exemption

To qualify for the learned professional employee exemption, all of the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$455 per week;
- The employee's primary duty must be the performance of work requiring advanced knowledge, defined as work which is predominantly intellectual in character and which includes work requiring the consistent exercise of discretion and judgment;
- The advanced knowledge must be in a field of science or learning; and
- The advanced knowledge must be customarily acquired by a prolonged course of specialized intellectual instruction.

### **Primary Duty**

"Primary duty" means the principal, main, major or most important duty that the employee performs. Determination of an employee's primary duty must be based on all the facts in a particular case, with the major emphasis on the character of the employee's job as a whole.

## **Work Requiring Advanced Knowledge**

“Work requiring advanced knowledge” means work which is predominantly intellectual in character, and which includes work requiring the consistent exercise of discretion and judgment. Professional work is therefore distinguished from work involving routine mental, manual, mechanical or physical work. A professional employee generally uses the advanced knowledge to analyze, interpret or make deductions from varying facts or circumstances. Advanced knowledge cannot be attained at the high school level.

## **Field of Science or Learning**

Fields of science or learning include law, medicine, theology, accounting, actuarial computation, engineering, architecture, teaching, various types of physical, chemical and biological sciences, pharmacy and other occupations that have a recognized professional status and are distinguishable from the mechanical arts or skilled trades where the knowledge could be of a fairly advanced type, but is not in a field of science or learning.

## **Customarily Acquired by a Prolonged Course of Specialized Intellectual Instruction**

The learned professional exemption is restricted to professions where specialized academic training is a standard prerequisite for entrance into the profession. The best evidence of meeting this requirement is having the appropriate academic degree. However, the word “customarily” means the exemption may be available to employees in such professions who have substantially the same knowledge level and perform substantially the same work as the degreed employees, but who attained the advanced knowledge through a combination of work experience and intellectual instruction. This exemption does not apply to occupations in which most employees acquire their skill by experience rather than by advanced specialized intellectual instruction.

## **Creative Professional Exemption**

To qualify for the **creative professional** employee exemption, all of the following tests must be met:

- The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate not less than \$455 per week;
- The employee’s primary duty must be the performance of work requiring invention, imagination, originality or talent in a recognized field of artistic or creative endeavor.

## **Invention, Imagination, Originality or Talent**

This requirement distinguishes the creative professions from work that primarily depends on intelligence, diligence and accuracy. Exemption as a creative professional depends on the extent of the invention, imagination, originality or talent exercised by the employee. Whether the exemption applies, therefore, must be determined on a case-by-case basis. The requirements are generally met by actors, musicians, composers, soloists, certain painters, writers, cartoonists, essayists, novelists, and others as set forth in the regulations. Journalists may satisfy the duties requirements for the creative professional exemption if their primary duty is work requiring invention, imagination, originality or talent. Journalists are not exempt creative professionals if they only collect, organize and record information that is routine or already public, or if they do not contribute a unique interpretation or analysis to a news product.

## **Recognized Field of Artistic or Creative Endeavor**

This includes such fields as, for example, music, writing, acting and the graphic arts.

## **Teachers**

Teachers are exempt if their primary duty is teaching, tutoring, instructing or lecturing in the activity of imparting knowledge, and if they are employed and engaged in this activity as a teacher in an educational establishment. Exempt teachers include, but are not limited to, regular academic teachers; kindergarten or nursery school teachers; teachers of gifted or disabled children; teachers of skilled and semi-skilled trades and occupations; teachers engaged in automobile driving instruction; aircraft flight instructors; home economics teachers; and vocal or instrument music teachers. The salary and salary basis requirements do not apply to bona fide teachers. Having a primary duty of teaching, tutoring, instructing or lecturing in the activity of imparting knowledge includes, by its very nature, exercising discretion and judgment.

## **Practice of Law or Medicine**

An employee holding a valid license or certificate permitting the practice of law or medicine is exempt if the employee is actually engaged in such a practice. An employee who holds the requisite academic degree for the general practice of medicine is also exempt if he or she is engaged in an internship or resident program for the profession. The salary and salary basis requirements do not apply to bona fide practitioners of law or medicine.

## **Highly Compensated Employees**

Highly compensated employees performing office or non-manual work and paid total annual compensation of \$100,000 or more (which must include at least \$455 per week paid on a salary or fee basis) are exempt from the FLSA if they customarily and regularly perform at least one of the duties of an exempt executive, administrative or professional employee identified in the standard tests for exemption.

## **Where to Obtain Additional Information**

**For additional information, visit our Wage and Hour Division Website: <http://www.wagehour.dol.gov> and/or call our toll-free information and helpline, available 8 a.m. to 5 p.m. in your time zone, 1-866-4USWAGE (1-866-487-9243).**

When the state laws differ from the federal FLSA, an employer must comply with the standard most protective to employees. Links to your state labor department can be found at [www.dol.gov/whd/contacts/state\\_of.htm](http://www.dol.gov/whd/contacts/state_of.htm).

This publication is for general information and is not to be considered in the same light as official statements of position contained in the regulations.

**U.S. Department of Labor**  
Frances Perkins Building  
200 Constitution Avenue, NW  
Washington, DC 20210

**1-866-4-USWAGE**  
TTY: 1-866-487-9243  
[Contact Us](#)

## Fact Sheet: Final Rule to Update the Regulations Defining and Delimiting the Exemption for Executive, Administrative, and Professional Employees

In 2014, President Obama directed the Department of Labor to update and modernize the regulations governing the exemption of executive, administrative, and professional (“EAP”) employees from the minimum wage and overtime pay protections of the Fair Labor Standards Act (“FLSA” or “Act”). The Department published a notice of proposed rulemaking on July 6, 2015, and received more than 270,000 comments. On May 18, 2016, the Department announced that it will publish a Final Rule to update the regulations. The full text of the Final Rule will be available at the Federal Register Site.

Although the FLSA ensures minimum wage and overtime pay protections for most employees covered by the Act, some workers, including bona fide EAP employees, are exempt from those protections. Since 1940, the Department’s regulations have generally required each of three tests to be met for the FLSA’s EAP exemption to apply: (1) the employee must be paid a predetermined and fixed salary that is not subject to reduction because of variations in the quality or quantity of work performed (“salary basis test”); (2) the amount of salary paid must meet a minimum specified amount (“salary level test”); and (3) the employee’s job duties must primarily involve executive, administrative, or professional duties as defined by the regulations (“duties test”). The Department last updated these regulations in 2004, when it set the weekly salary level at \$455 (\$23,660 annually) and made other changes to the regulations, including collapsing the short and long duties tests into a single standard duties test and introducing a new exemption for highly compensated employees.

This Final Rule updates the salary level required for exemption to ensure that the FLSA’s intended overtime protections are fully implemented, and to simplify the identification of overtime-protected employees, thus making the EAP exemption easier for employers and workers to understand and apply. Without intervening action by their employers, it extends the right to overtime pay to an estimated 4.2 million workers who are currently exempt. It also strengthens existing overtime protections for 5.7 million additional white collar salaried workers and 3.2 million salaried blue collar workers whose entitlement to overtime pay will no longer rely on the application of the duties test.

### **\* Key Provisions of the Final Rule \***

The Final Rule focuses primarily on updating the salary and compensation levels needed for EAP workers to be exempt. Specifically, the Final Rule:

1. Sets the standard salary level at the 40th percentile of earnings of full-time salaried workers in the lowest-wage Census Region, currently the South, which is \$913 per week or \$47,476 annually for a full-year worker;
2. Sets the total annual compensation requirement for highly compensated employees (HCE) subject to a minimal duties test to the annual equivalent of the 90th percentile of full-time salaried workers nationally, which is \$134,004; and

3. Establishes a mechanism for automatically updating the salary and compensation levels every three years to maintain the levels at the above percentiles and to ensure that they continue to provide useful and effective tests for exemption.

Additionally, the Final Rule amends the salary basis test to allow employers to use nondiscretionary bonuses and incentive payments (including commissions) to satisfy up to 10 percent of the new standard salary level. The Final Rule makes no changes to the duties tests.

### **Effective Date**

The effective date of the Final Rule is December 1, 2016. The initial increases to the standard salary level (from \$455 to \$913 per week) and HCE total annual compensation requirement (from \$100,000 to \$134,004 per year) will be effective on that date. Future automatic updates to those thresholds will occur every three years, beginning on January 1, 2020.

### **Standard Salary Level**

The Final Rule sets the standard salary level at the 40th percentile of weekly earnings of full-time salaried workers in the lowest-wage Census Region, currently the South (\$913 per week, equivalent to \$47,476 per year for a full-year worker).

The standard salary level set in this Final Rule addresses our conclusion that the salary level set in 2004 was too low given the Department's elimination of the more rigorous long duties test. For many decades the long duties test—which limited the amount of time an exempt employee could spend on nonexempt duties and was paired with a lower salary level—existed in tandem with a short duties test—which did not contain a specific limit on the amount of nonexempt work and was paired with a salary level that was approximately 130 to 180 percent of the long test salary level. In 2004, the long and short duties tests were eliminated and the new standard duties test was created based on the short duties test and was paired with a salary test based on the long test.

The effect of the 2004 Final Rule's pairing of a standard duties test based on the short duties test (for higher paid employees) with a salary test based on the long test (for lower paid employees) was to exempt from overtime many lower paid workers who performed few EAP duties and whose work was otherwise indistinguishable from their overtime-eligible colleagues. This has resulted in the inappropriate classification of employees as EAP exempt who pass the standard duties test but would have failed the long duties test.

The Final Rule's salary level represents the most appropriate line of demarcation between overtime-protected employees and employees who may be EAP exempt and works appropriately with the current duties test, which does not limit non-EAP work.

The Department also is updating the special salary level for employees in American Samoa (to \$767 per week) and the special "base rate" for employees in the motion picture industry (to \$1,397 per week).

### **HCE Total Annual Compensation Requirement**

The Final Rule sets the HCE total annual compensation level equal to the 90th percentile of earnings of full-time salaried workers nationally (\$134,004 annually). To be exempt as an HCE, an employee must also receive at least the new standard salary amount of \$913 per week on a salary or fee basis and pass a minimal duties test. The HCE annual compensation level set in this Final Rule brings this threshold more in line with the level established in 2004 and will avoid the unintended exemption of large numbers of employees in high-wage areas who are clearly not performing EAP duties.

## **Automatic Updating**

The Final Rule includes a mechanism to automatically update the standard salary level requirement every three years to ensure that it remains a meaningful test for distinguishing between overtime-protected white collar workers and bona fide EAP workers who may not be entitled to overtime pay and to provide predictability and more graduated salary changes for employers. Specifically, the standard salary level will be updated to maintain a threshold equal to the 40th percentile of weekly earnings of full-time salaried workers in the lowest-wage Census Region. Similarly, the Final Rule includes a mechanism for automatically updating the HCE compensation level to maintain the threshold equal to the 90th percentile of annual earnings of full-time salaried workers nationally. The Final Rule will also automatically update the special salary level test for employees in American Samoa and the base rate test for motion picture industry employees. The Department will publish all updated rates in the Federal Register at least 150 days before their effective date, and also post them on the Wage and Hour Division's website.

Regularly updating the salary and compensation levels is the best method to ensure that these tests continue to provide an effective means of distinguishing between overtime-eligible white collar employees and those who may be bona fide EAP employees. Experience has shown that these earning thresholds are only effective measures of exempt status if they are kept up to date.

## **Inclusion of Nondiscretionary Bonuses and Incentive Payments**

For the first time, employers will be able to use nondiscretionary bonuses and incentive payments (including commissions) to satisfy up to 10 percent of the standard salary level. Such payments may include, for example, nondiscretionary incentive bonuses tied to productivity and profitability. For employers to credit nondiscretionary bonuses and incentive payments toward a portion of the standard salary level test, the Final Rule requires such payments to be paid on a quarterly or more frequent basis and permits the employer to make a "catch-up" payment. The Department recognizes that some businesses pay significantly larger bonuses; where larger bonuses are paid, however, the amount attributable toward the standard salary level is capped at 10 percent of the required salary amount.

The Final Rule continues the requirement that HCEs must receive at least the full standard salary amount each pay period on a salary or fee basis without regard to the payment of nondiscretionary bonuses and incentive payments, and continues to permit nondiscretionary bonuses and incentive payments (including commissions) to count toward the total annual compensation requirement. The Department concludes that permitting employers to use nondiscretionary bonuses and incentive payments to satisfy the standard salary amount for HCEs is not appropriate because employers are already permitted to fulfill almost two-thirds of the total annual compensation requirement with commissions, nondiscretionary bonuses, and other forms of nondiscretionary deferred compensation.

## **Duties Tests**

The Final Rule is not changing any of the existing job duty requirements to qualify for exemption. The Department expects that the standard salary level set in this Final Rule and automatic updating will work effectively with the duties test to distinguish between overtime-eligible workers and those who may be exempt. As a result of the change to the salary level, the number of workers for whom employers must apply the duties test to determine exempt status is reduced, thus simplifying the exemption. Both the standard duties test and the HCE duties test remain unchanged.

**For additional information, visit our Wage and Hour Division Website: [www.wagehour.dol.gov](http://www.wagehour.dol.gov) and/or call our toll-free information and helpline, available 8 a.m. to 5 p.m. in your time zone, 1-866-4-USWAGE (1-866-487-9243).**

This publication is for general information and is not to be considered in the same light as official statements of position contained in the regulations.

**U.S. Department of Labor**  
Frances Perkins Building  
200 Constitution Avenue, NW  
Washington, DC 20210

**1-866-4-USWAGE**  
TTY: 1-866-487-9243  
[Contact Us](#)