

Why is PLU changing the way in which it compensates/awards Student Staff (Resident Assistants [RAs] and RAs with Additional Duties [RAADs])?

- **Federal compliance:** In the past several years, due to changing federal tax and labor laws, PLU has had to move away from compensating Student Leadership positions via stipend. PLU will not be in compliance with federal tax and labor laws if these leadership positions continue to be compensated with stipends (i.e., this is not a choice PLU is making; this is to be in compliance with federal law).
- **Hourly compensation v. non-hourly award models:** Given the nature of the RA/RAAD positions, they present challenges in translating fully to hourly student employment roles. Some aspects of the positions (e.g. desk shifts, staff meetings, 1:1 with Community Director) are consistent week to week and can be tracked and compensated through PLU's Banner timesheet process (i.e., will be hourly compensation). Other aspects of the positions (e.g. community building, hall walk-throughs, resident care) are more variable from week to week but have estimated time commitments that maintain a consistent weekly average over the semester; these aspects of the position will still be tracked, but are more challenging to compensate through PLU's Banner timesheet process (i.e., will be compensated through a non-hourly award model).

Hybrid Model for Student Staff (Resident Assistants [RAs] and RAs with Additional Duties [RAADs])

RA/RAADs will be compensated/awarded in a hybrid model using a combination of hourly pay and a housing credit to cover the hours they work. The roles will be split into two distinct jobs representing the community leadership work and the administrative work in separate positions. The payment will take into account that RA/RAADs are subject to the Fair Labor Standards Act (FLSA), including minimum wage and overtime, in both positions that make up their role in the residence halls.

- **Hourly Payment:** RA/RAADs will log hours in banner for the administrative portion of their roles. Residential Life will assign an hourly wage for this position. Hours will be tracked and approved by Community Directors and paid through student payroll. RA/RAADs will have consistent hours each week, except when there are extenuating circumstances such as during training at the beginning of the academic year and closing at the end of each semester.
- **Housing Credit:** [Per IRS Publication 15-B](#) regarding "Fringe Benefits," it is legal under US tax code for PLU to compensate RA/RAADs in the form of a housing credit. PLU RA/RAADs meet the standard laid out in Publication 15-B for the housing credit to be a non-taxed benefit.
 - Per [FLSA Section 3\(m\)](#) it is also legal under US labor laws for PLU to compensate RA/RAADs in the form of a housing benefit as long as the benefit in terms of the "reasonable cost" and "fair value" of the housing are calculated as they are defined in [29 CFR 531 B](#). PLU will establish written records to show that the assessed value of the housing provided to RA/RAADs meets both of these standards.
 - Section 3(m) does not, however, exempt employees paid via a housing credit from minimum wage or overtime laws. According to [29 CFR 785.23](#), when determining work hours for employees who reside on the employer's premises "any reasonable agreement of the parties which takes into consideration all of the pertinent facts will be accepted." As determined by the courts in [Garofolo v Donald B Helsep Assocs \(4th Cir. 2005\)](#), it is acceptable for an employer and employee to agree upon an approximate number of work hours each week based on the known requirements of the position. The case law suggests that the employer should provide guidance regarding time necessary to complete tasks and that employees should inform the employer if the agreed upon number of hours is insufficient. Using the guidance from 29 CFR 785.23 and *Garfalo*, PLU will assess a standard number of hours for the community leadership job and compensate RA/RAADs for these hours with the housing credit.
 - 29 CFR and the *Garfalo* decision do not exempt employers from tracking time for hours worked by live-in employees. Therefore, Residential Life will keep records of actual hours worked by the employee in accordance with [29 CFR 552.110](#).

Potential impacts to PLU students in switching to this hybrid model

Continuing student staff members will feel only a small difference in how compensation/award is received from the existing model as the hybrid model is implemented.

- **Value received for these positions is not changing:** This is a shift in *HOW* we are compensating Student Leaders, *NOT HOW MUCH* they are being compensated. The value of the housing credit will be equivalent to the housing credit RA/RAADs had been previously awarded and the value received through hourly pay will remain connected to board costs, as it has in the previous model.
 - **Resident Assistants** will receive an hourly pay amount equivalent to Meal Plan D.
 - **Resident Assistants with Additional Duties (RAADs)** will receive an hourly pay amount equivalent to Meal Plan B.
- **Financial Aid awards will be the same under this model as the previous model:** In order to learn more about the impact of receiving this position, we encourage everyone to:
 - **submit their FAFSA for 2022-23** as soon as they are able and then
 - **meet with their Student Financial Services person** to discuss how this award will impact their specific financial aid package for next year.
- **Housing credit placed on student accounts at the beginning of each semester:** This will offset the housing charge which is also placed on student accounts at the beginning of each semester.
- **Bi-weekly paychecks will be received over the course of employment:** Student staff members will continue to receive bi-weekly paychecks; however, these will now be directly connected to hourly timesheets completed for an identified set of quantifiable tasks. A consistent amount of hours will be worked and reported at all other times.
- **Hours worked will be tracked:** Two different approaches will be taken. Work compensated by housing credit will be tracked in a process managed by Community Directors (CDs) and work compensated through bi-weekly pay will be tracked using PLU's Banner Web Student Payroll process.
 - **Bi-Weekly Pay Hours:** Some aspects of the position are clearly and consistently trackable. This includes assigned desk shifts, staff meetings, and 1:1 meetings with CDs. In order to maintain a consistent paycheck, alternative tasks may be assigned if, for example, a staff meeting time is missed or altered. Residential Life Institute (RLI) in August, and residence hall closing in December and May, require additional hours worked and will result in greater compensation for those time periods.
 - **Housing Credit Hours:** Some aspects of the position are less consistent in the amount of time required from week to week. This includes community development work, planning for programs, performing residence hall walk-throughs and attending to resident of concern issues. While these tasks are less consistent in the time required from week to week, it is important to ensure that student staff are not working excessive hours over the course of a semester. Toward this end, RA/RAADs will keep track of time devoted to such tasks and partner with their CD regarding a balanced approach to maintaining a consistent average of weekly hours worked.
- **Ability to work other student employment jobs:** PLU limits students to a maximum of 20 hours of student employment per week during the academic year. For the purpose of determining hours for the full RA/RAAD position, both the standard hours compensated in bi-weekly pay and the estimated hours compensated by housing credit, will be used.
 - **Resident Assistants** will complete an average of 13 hours per week. 6.5 of these hours will be tracked via Banner and compensated via hourly pay. 6.5 of these hours will be tracked with Community Directors and compensated via housing stipend. An additional 7 hours per week may be worked elsewhere on-campus.
 - **Resident Assistants with Additional Duties (RAADs)** will complete an average of 15 hours per week. 8.5 of these hours will be tracked via Banner and compensated via hourly pay. 6.5 of these hours will be tracked with Community Directors and compensated via housing stipend. An additional 5 hours per week may be worked elsewhere on-campus.