A. General. Upon request, Employment Services in Human Resources assists administrators in establishing appropriate salaries for exempt positions by working with departments to suggest appropriate titles and create or update effective, results-oriented job descriptions and by analyzing duties of a position and comparing those duties with similar positions at comparable universities. Employment Services also assists in reviewing vacant positions to ensure that each appointment that is submitted for Board of Regents approval meets the criteria for exempt employment status and ensures that the university is in compliance with federal and state regulations. [ed. 11-06]

A-1. Evaluation Criteria. Criteria used for this review and analysis include applicable provisions of the federal Fair Labor Standards Act (FLSA), the Americans with Disabilities Act of 1990, and state of Idaho codes. [ed. 11-06]

B. Process. Administrators desiring assistance in establishing or reviewing salaries for exempt positions should contact Employment Services at (208) 885-3611. [ed. 11-06]

C. Procedure.

C-1. Procedures for Initiating Review.

i) Departmental Action. The departmental administrator provides the classification and compensation analyst with an electronic copy of a draft job description. The information should include an approximate percentage of time needed to accomplish each element, notations by each element designating whether it is essential or marginal, and minimum and desirable qualifications needed to successfully perform the position duties [See 50.55].

ii) Employment Services Response. Based on the results anticipated and the duties described in the draft job description, Employment Services will consult with peer institutions’ data and refer to salary surveys. The analyst will also perform Hay point factoring (Idaho's job evaluation system) for the position. A salary range, including a minimum, market, and maximum rate of pay is then recommended to the hiring administrator. If the position does not comply with state or federal law as an exempt position, alternative courses of action will be recommended to the hiring administrator.

iii) Exception. University initiated review. Exempt positions may be reviewed at any time upon the written request of a departmental administrator which bears the written approval of the appropriate dean, vice president, or the provost, or when Employment Services has received information that the position may not comply with federal laws or regents policies regarding exempt employment. [ed. 11-06]

C-2. Actions following Review

i) Actions Relating to FLSA Requirements.

a) Positions subject to FLSA Wage and Hour Requirements. If the Employment Services review determines that the position is subject to the wage and hour requirements of the FLSA, the administrator will be advised that the position needs to be converted to classified status. (This is necessary because the FLSA requires payment of overtime compensation at the time-and-a-half rate for hours worked over 40 hours in a workweek whereas persons in exempt positions are not eligible to earn overtime compensation.) To correct this situation and comply with FLSA requirements, the conversion to classified status must occur the following pay period and it is necessary to track hours worked each week. [ed. 11-06]

   (1) In some situations, it is possible that all overtime worked during the prior three years would be payable or banked at the time-and-a-half rate if requirements of the FLSA had applied to the duties of the position during that time.
b) Positions not subject to FLSA Wage and Hour Requirements. If the Employment Services review confirms that the position is not subject to FLSA wage and hour requirements, the position will remain exempt. [rev. 11-06]

ii) Salary Adjustments.

a) Exempt Positions Converted to Classified Positions. If the exempt position is to be converted to a classified position, the conversion and salary adjustment (if any) must occur at the beginning of the first pay period after approval in writing by the dean or vice president. The salary must be within the range of the classified pay grade to which the position is assigned. [ed. 11-06]

b) Exempt Positions Not Converted to Classified Positions. Because exempt employees work on annual contracts wherein the annual salary has been agreed to in advance by both the employer and employee, absent a written statement explaining compelling justification, salary increases are offered to exempt employees only at the beginning of the next contract period (assuming the employee is re-appointed). Compelling justification warranting a salary increase during the contract period could include, but is not limited to, reasons such as: [ed. 11-06]

(1) A finding by the affirmative action officer that the salary is inequitable on the basis of protected status;

(2) Determination by Employment Services that the salary is below the minimum salary prescribed by Idaho code for exempt employees. [ed. 11-06]

(3) Temporary assignment of additional duties on a short term basis.

(4) Verification that, because of constraints on external support salary sources, the employee's annual salary increase occurs on a date other than at the beginning of the University fiscal year.

(5) Significant additional responsibilities.

c) All Salary Adjustments for Exempt Positions Require Regents Approval. Pursuant to Idaho State Board of Education Governing Policies and Procedures Section II, D, 3, any mid-year salary adjustments for exempt employees require regents approval. [ed. 11-06]

D. Information. Any questions regarding compensation guidelines for exempt positions should be addressed to Employment Services at (208) 885-3611. [ed. 11-06]