PPP-83 Non-Exempt Employees Who Also Teach as Adjunct Faculty

East Tennessee State University (ETSU) supports our non-exempt professional and support staff employees who are also qualified and willing to teach as Adjunct Faculty for ETSU. The university understands that these employees provide a needed service to the university. The university is also cognizant of the need to properly pay non-exempt employees in compliance with the Fair Labor Standards Act (FLSA).

Rate of Pay

Under the FLSA where an employee in a single workweek works at two or more different types of work for which different non-overtime rates of pay have been established, the employee's regular rate for the week is the weighted average of such rates. FLSA further allows the use of a "Task" basis whereby employees are paid according to a job or task rate without regard to the number of hours required to complete the task. The IRS has provided guidance that adjunct employees should complete their work in 2.25 work hours for each credit hour taught times the number of weeks in a given semester. Upon the completion of the "task" the employee is credited with completion of the task though the employee may have worked more or less than the determined hours required. This weighted average is used to determine the Adjunct Faculty pay rate for these non-exempt employees.

Financial Impact on Home Department

There is no financial impact on the home department of the non-exempt university employee who is also teaching as an Adjunct Faculty member.

Financial Impact on the Hiring Department

Using the weighted average method of determining an Adjunct rate of pay may affect the hiring department's financial obligation. The weighted average may be higher than the established rates of Adjunct pay.

Hiring Procedures:

To employ a current non-exempt employee as an Adjunct Faculty member the following procedures must be followed:

1. A qualified non-exempt employee must seek approval from their home department's supervisor to teach as an adjunct for the university by completing the extra assignment form found at <u>http://www.etsu.edu/humanres/forms.aspx</u>

- 2. The hiring department must contact the Office of Human Resources to obtain the hourly rate of pay for the non-exempt employee. The attached calculator may then be used to estimate the weighted average and cost of employment.
- 3. The hiring department must complete the hire using the Adjunct Contract System and attach a copy of the calculator worksheet to verify the salary to be paid.

Source: Approved Executive Staff October 2016.