

Compensation and Classification

East Tennessee State University is dedicated to offering competitive salaries to both faculty and staff as well as opportunities for growth and advancement. Guidelines for faculty appointment and promotion are outlined in the Faculty Handbook and fall under the jurisdiction of the Office of the Provost. Administrative and support staff position descriptions and salaries fall under the ETSU Compensation Plan and the Salary Schedules and are managed by the Office of Human Resources.

Classification

The Fair Labor Standards Act (FLSA) establishes minimum wage and overtime pay standards for full-time and part-time employees. The Wage and Hour Division (WHD) of the U.S. Department of Labor (DOL) administers and enforces the FLSA.

Employees whose jobs are governed by the FLSA are either "exempt" or "nonexempt." Nonexempt employees are entitled to overtime pay. Exempt employees are not.

Some jobs are classified as exempt by definition. For most employees, however, whether they are exempt or nonexempt depends on (a) how much they are paid, (b) how they are paid, and (c) what kind of work they do.

With few exceptions, to be exempt an employee must (a) be paid at least \$35,568 per year (\$684 per week), and (b) be paid on a salary basis, and also (c) perform exempt job duties. These requirements are outlined in the FLSA Regulations (promulgated by the U.S. Department of Labor). Most employees must meet all three "tests" to be exempt.

An employee who meets the salary level tests and also the salary basis tests is exempt only if they also perform exempt job duties. These FLSA exemptions are limited to employees who perform relatively high-level work. Whether the duties of a particular job qualify as exempt depends on what they are. Job titles or position descriptions are of limited usefulness in this determination. (A secretary is still a secretary even if they are called an "administrative assistant," and the chief executive officer is still the CEO even if they are called a janitor.) It is the actual job tasks that must be evaluated, along with how the particular job tasks "fit" into the employer's overall operations.

There are three typical categories of exempt job duties, called "executive," "professional," and "administrative." The Department of Labor has identified two exemption statuses specifically for Higher Education Institutions. These exemptions include a Teacher exemption and an Academic Administrator exemption.

For information and frequently asked questions related to the changes to the non-exempt employee salary threshold effective on January 1, 2020, visit our <u>FLSA New Provisions webpage</u>.

Human Resources carefully evaluates each administrative and support position to determine the correct classification.

Position Description Management

A department chair, dean or hiring manager may request minor changes to a position description, including changing the direct supervisor, through the eJobs system. Instructions are available in the eJobs User Guide. Significant changes to a position description require a position audit.

A position audit, conducted by the Office of Human Resources, is required to change the title and/or pay level of an existing position. No position will be audited more than one time per fiscal year; in the case of an exceptional circumstance, the supervisor should notify the Office of Human Resources prior to an additional change and reassignment of duties.

A change in a position's duties and responsibilities does **not** necessarily dictate a change in the position's pay level. Often the same skills, knowledge and level of responsibility exist. Extensive changes in a position's duties and responsibilities should be discussed with the Office of Human Resources prior to the assignment of the new duties and responsibilities.

See the Compensation Plan for details on requesting a position audit. Questionnaires can be found on the Human Resources Forms page.

Audit conclusions will be prepared by the Office of Human Resources, and recommended to the appropriate approving authorities; upon approval or denial, notification will be made to the department requesting action.

Final position descriptions will be developed for each position by the Office of Human Resources, with approvals obtained from the appropriate vice president.