# **Policy 234: Payroll**

Category: Personnel

Covered Individuals: All CEI Employees

Approved: 12/09/2024

Formerly Approved: 02/27/2024

## 234.1 Policy

It is the policy of CEI to establish processes to ensure payroll is justified, calculated, and authorized both accurately and timely consistent with state and federal law and CEI policy. The Payroll Department, under the direction of the Vice President of Human Resources, administers salary and wage payments to employees. Salaries, wages, payroll taxes, and associated benefits constitute a significant portion of CEI’s overall expenditures. CEI has established payroll systems and processes to uphold compliance with all applicable statutes and regulations and with its own fiscal management responsibilities and objectives.

College of Eastern Idaho (CEI) maintains a 40-hour standard work week for most full-time employees. CEI employees are required to report to work at the prescribed time, pursuant to the terms set forth in this policy and as approved by their immediate supervisor. CEI’s standard workweek begins at 12:01 am on Sunday and ends at midnight on the following Saturday. The use of overtime is generally discouraged and should be avoided through proper scheduling of department workloads. However, when required due to business needs, an employee may be scheduled to work overtime. Agreeing to work overtime when requested by a supervisor is a condition of employment.

### 234.2 Definitions

**Exempt:** Salaried employees who are exempt from the overtime requirements of the Fair Labor Standards Act.

**Non-Exempt:** Hourly employees who receive time and a half pay for any hours worked over forty (40) in a work week.

**Fair Labor Standards Act (FLSA):** Federal law which establishes minimum wage, overtime pay, recordkeeping, and child labor standards affecting full-time and part-time workers in the private and public sector.

## 234.3 Procedures

College of Eastern Idaho has 24 pay periods each calendar year on a semi-monthly basis. Payroll calendars are published on College of Eastern Idaho's website. If a payday falls on a federal holiday or on a weekend, employees will receive their paycheck on the preceding workday. Please refer to the payroll calendar, on the CEI website, for specific dates.

All employees of College of Eastern Idaho are required to participate in direct deposit for payroll. Employee paychecks are electronically deposited into the employee's chosen bank account on the scheduled payment date through direct deposit. All employees must provide written direct deposit authorization via the "Direct Deposit Form."

**Pre-Note Process:**

The initial direct deposit transaction is a pre-note, which serves as a test to ensure routing and account numbers are correct. During the payroll cycle in which the direct deposit is a pre-note, usually the first pay cycle, employees may receive a physical check. The payroll cycle following the pre-note, generally the employee's second payroll cycle, will be the first one where funds are sent via direct deposit.

Please note that if the banking information provided comes back rejected for any reason during the pre-note process, the direct deposit implementation could be delayed.

### Employee Classifications:

All employees are classified as Exempt or Non-Exempt for purposes of complying with the Fair Labor Standards Act (FLSA). Certain employees are exempt from the overtime requirements of the FLSA because they perform work that qualifies for the professional, executive, or administrative exemption. As such, exempt employees are not eligible to receive overtime pay. Employees who are not exempt from the overtime requirements of the FLSA shall be paid overtime for hours worked in excess of forty (40) hours in the work week.

### Time Records:

All non-exempt employees are required to complete accurate weekly time reports showing all time actually worked. These records are required per governmental regulations and are used to calculate regular and overtime pay. At the end of each pay period, the employee and his or her supervisor must sign and approve the timesheet attesting to its correctness before forwarding it to the human resources department. Working “off the clock,” i.e. failing to record time worked, is also strictly prohibited.

Per FLSA regulations, organizations can ask exempt employees to keep time records; however, these records are not the basis for an exempt employee’s pay. Exempt employees, including faculty, are required to submit accurate timecards each pay period for accountability and benefit purposes. Exempt employees must ensure that they indicate any exception time including holiday, vacation leave, and sick leave that is taken during the pay period.

All employees are required to use CEI's timekeeping system.

These records shall be retained as required by state and federal law. Any employee with concerns about his/her compensation, rate of pay, payroll status, deductions, etc. should communicate such concerns to his/her immediate supervisor or, if appropriate, the Payroll Department.

Falsification of a time record may be subject to disciplinary action, up to and including termination. Time card falsification for a non-exempt employee, would be recording any hours, including leaves, that were not actually worked. Time card falsification for exempt employees would be not recording appropriate leaves when necessary.

### Overtime:

Time spent by an employee engaged in any part of his or her job duties is considered hours worked. This includes work that occurs outside regular working hours or during lunch breaks. This applies regardless of where the activity occurs. Time spent in preparatory work, cleanup, or any other required preliminary and postliminary activity also counts as hours worked.

Hours worked by all non-benefited/hourly and non-exempt employees must be recorded by the employee, approved by the supervisor, and reported weekly using the college’s timekeeping system. The FLSA requires that complete and accurate time records be kept for all hourly employees.

All work over 40 hours within a week is compensated at one and one-half times the regular rate. Time away from work for which the employee is paid (e.g, sick leave, vacation, and holiday) does not count toward the 40 hours per work week test.

Exempt employees do not receive overtime pay.

### Deductions from Pay/Safe Harbor Exempt Employees:

College of Eastern Idaho does not make improper deductions from the salaries of exempt employees and complies with the salary basis requirements of the FLSA. Employees classified as exempt from the overtime pay requirements of the FLSA will be notified of this classification at the time of hire or change in position or per changes to exempt requirements as set by the FLSA.

The FLSA limits the types of deductions that may be made from the pay of an exempt employee. Deductions that are permitted include:

* deductions that are required by law, e.g., income taxes;
* deductions for employee benefits when authorized by the employee;
* offset for amounts received as witness or jury fees, or for military pay;
* unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions; or
* deductions for time taken for personal leave, vacation or sick.

During the week an exempt employee begins work for CEI or during the last week of employment, the employee will only be paid for actual hours worked. In addition, an employee may be paid only for hours worked during a period when the employee is using unpaid leave under the Family and Medical Leave Act (FMLA). Employees are required to use all their accrued vacation and sick leave before taking an unpaid leave of absence.

If an employee believes that an improper deduction has been taken from his or her pay, the employee must immediately report the deduction to the Human Resources Department. The report will be promptly investigated and if it is found that an improper deduction has been made, CEI will reimburse the employee for the improper deduction.

### Compensation:

The college’s pay program must be sensitive to the wider labor market because we compete with other employers, both private and public, for the best talent. Human resources set salary ranges for positions based on benchmark data acquired from market surveys. Full-time employees’ salaries will be paid according to this salary and wage structure.

Salaries and wages are reviewed periodically, generally once each year, and increases are recommended based on merit and availability of funds. Full-time and part-time employees who receive a ranking of “Meets Expectations” or higher on their performance evaluation will be eligible for a merit increase. Ultimately, job performance plays the biggest role in determining individual compensation beyond market factors and available funding. As an exception, adjunct instructors receive pay increases based primarily on longevity.

Initial Placement on Compensation Schedule:

* Initial placement on the compensation schedule occurs at the point of hire into a benefit eligible position.
* Before an employee is offered benefit eligible employment, human resources will determine what salary should be offered by considering the employee’s education and experience, budgetary constraints, and internal equity.
* The wage identified by human resources is the wage that will be offered to the employee.
* Initial placement will not exceed the midpoint level of the position’s identified grade on the compensation schedule, except as identified and approved by the President. This maximum placement level ensures pay compression issues are minimized.
* All employees shall be hired at least at the minimum rate established for the position’s assigned grade.

CEI reserves the right to change general compensation for any reason deemed appropriate. Compensation may also be adjusted based upon job performance and the availability of funds to maintain a solvent CEI budget.

For additional information please see [Policy 223: Compensation](https://cei.edu/hr/policies-procedures/personnel?p=223)

**Pay Discrepancies:**

It is the obligation of each employee to monitor the accuracy of each paycheck received. Information shown on the employee's paycheck stub is provided for information only. Employees are obligated to call to CEI’s attention any discrepancies in payroll practices, whether to the advantage or disadvantage of the employee. If the employee has been underpaid, CEI will pay the employee the difference as soon as possible. If the employee has been paid in excess of what he or she has earned, the employee will need to return the overpayment to CEI as soon as possible. No employee is entitled to retain any pay in excess of the amount he or she has earned according to the agreed-upon rate of pay.

**Pay Deductions:**

In accordance with Idaho Code § 45-609 or its successor, no payroll deductions will be made from an employee’s paycheck unless authorized in writing by the employee or as required by law.

### Work Hours/Schedules:

The standard work schedule for most employees is a 40-hour week consisting of five consecutive workdays: normally Monday through Friday. The standard workday is eight hours per day, generally 8:00 a.m. to 5:00 p.m. with one hour for lunch. The college observes specific holidays each year consistent with most state approved holidays. Deviations from the normal schedule may occur with prior administrative approval as certain assignments may necessitate work outside standard hours or days. CEI classes and related activities are scheduled from 7:00 a.m. to 10:00 p.m. and may include weekend responsibilities.

Faculty, division and department managers, and deans establish work schedules based on teaching assignments and assigned responsibilities prior to each semester.

CEI does not tolerate unexcused absenteeism. Employees who will be late or absent from work should notify their immediate supervisor by phone call at least one hour in advance, or as soon as feasible in the event of an emergency. If the immediate supervisor does not answer the phone call, the employee should attempt to leave a voicemail before using other methods of communication such as texting or email. Failure to follow the aforementioned notification procedure and/or chronic absenteeism may result in disciplinary action.

Employees may take up to a 15-minute break within each 4-hour work period. Breaks should be taken at a time when it is convenient to both the supervisor and to the employee and should not disrupt the regular business of the day. Breaks not taken are lost, and may not be accumulated for a prolonged time-off period. Employees who believe they are not being allowed to take meal and/or break periods should contact the Human Resources office.

### Holiday, Vacations, and Leaves:

Generally, the college observes the following holidays each calendar year:

* New Year's Day
* Martin Luther King, Jr. Day
* President's Day
* Memorial Day
* Independence Day
* Labor Day
* Thanksgiving Day
* Christmas Day

On these holidays campus is closed to students and staff. Campus will also be closed the day after Thanksgiving and either the day before or the day after Christmas. Staff will be required to use vacation leave, floating holiday or leave without pay on these days. If one of these holidays falls on a Sunday, it will be observed on the following Monday. If the holiday falls on a Saturday, the preceding Friday will be the substitute holiday.

Additionally, the college recognizes Juneteenth, Columbus Day and Veteran's Day as holidays, but campus remains open. Full time staff, excluding faculty, who work a full day on these holidays will earn one full day of floating holiday for each holiday worked.

Full-time, benefit eligible staff, excluding faculty, are eligible for holiday pay. Employees are eligible for holiday pay immediately upon employment. Part-time and temporary employees, including summer employees, are not eligible for holiday pay.

Holiday pay shall be at the employee's regular straight-time rate, inclusive of shift premiums, times the regularly scheduled hours. To receive holiday pay, an eligible employee must be at work or taking an approved absence on the work days immediately preceding and immediately following the day on which the holiday is observed. An approved absence is a day of paid vacation or paid sick leave. If an employee is absent on one or both of these days because of an illness or injury, CEI may require verification of the reason for the absence before approving holiday pay. Holiday pay is not granted if an employee is on special leave or if the employee works no hours/has no wages during the pay period in which the holiday falls.

Religious observances: Employees who need time off to observe religious practices or holidays not already scheduled by CEI should speak with their supervisor. Depending upon business needs, the employee may be able to work on a day that is normally observed as a holiday and then take time off for another religious day. CEI will strive to reasonably accommodate individuals' religious observances.

**Vacation**

College of Eastern Idaho recognizes the importance of time off from work to relax, spend time with family, and enjoy leisure activities. CEI provides paid vacation time to all full-time benefit eligible employees, excluding faculty. For new employees, vacation leave begins to accrue on day one (1) of employment, however, vacation leave may not be used until after successful completion of the 3-month probationary period. Employees who do not successfully complete their probationary period will not be eligible for vacation leave payout. For the vacation accrual schedule please see [Policy 203: Employee Benefits](https://cei.edu/hr/policies-procedures/personnel?p=policy-203-employee-benefits).

Accrued vacation leave may be carried over from year to year. However, vacation leave will only accrue up to a maximum of 240 hours. When the maximum accrual is reached, no further leave will accrue until the employee uses vacation leave and falls below the maximum. Employees are encouraged to take at least five consecutive days of vacation, excluding weekends and holidays, each fiscal year. Upon separation of employment, unused accrued vacation leave will be paid in a lump-sum payment at the employee's current hourly rate of pay.

Vacation leave is to be scheduled in advance and with the consent of the employee's immediate supervisor. Efforts will be made to accommodate the employee's vacation schedule, but first priority will be the orderly functioning of affected departments.

Vacation leave may not be used in lieu of sick leave unless an employee has first exhausted all accrued sick leave. Use of vacation leave for purposes outlined under the sick leave portion of this policy may result in disciplinary action.

Employees do not accrue vacation during periods of leave without pay, Workers Compensation, unpaid FMLA, or Short-Term disability leave. In other words, the accrual rates assume the employee works his/her full work week. Vacation and sick leave are considered time off with pay and will be added to hours worked to determine vacation accruals. Overtime and time worked in addition to regular budgeted work week hours will not increase vacation accruals.

Upon separation of employment, unused accrued vacation leave will be paid in a lump-sum payment at the employee’s current hourly rate of pay. Employees may not use vacation hours after their termination date, which will be the last day worked.

**Sick Leave**

Paid sick leave is available to all benefit-eligible employees, including faculty. Eligible employees accrue sick leave at a rate of .04615 x hours worked or paid in the pay period.

Sick leave accrual begins on the first day of employment for new employees and may be used as accrued. Sick leave shall accrue without limit and while on approved leave with pay, approved vacation leave, approved military leave with pay, and on approved sick leave. Employees do not accrue sick leave during periods of leave without pay, or during Worker's Compensation, unpaid FMLA or Short-Term Disability leave. In other words, the above accrual rates assume the employee works his or her full work week.

Sick leave shall be used only in cases of actual illness or disability, other medical and/or health reasons necessitating the employee's absence from work, or in situations where the employee's personal attendance is required or desired because of the serious illness, disability, death, and/or funeral within the employee's immediate family. "Immediate family" is defined as an employee's spouse, domestic partner, parents, stepparents, siblings, children, stepchildren, grandparent, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, or grandchild.

Employees using sick leave should notify their immediate supervisor by phone call at least one hour before their scheduled shift start time, or as soon as practicable in the event of an emergency. If the immediate supervisor does not answer the phone call, the employee should first attempt to leave a voicemail before using other methods of communication such as texting or email.

Employees may be asked to provide documentation that sick leave was used for a permissible reason. Sick leave absence in excess of three days requires a physician's note in order for the employee to return to work. Additionally, sick leave that is deemed chronic in nature will require submission of a physician's note as requested by the supervisor and/or human resources. FMLA leave should be requested for sick related absences extending 10 days or more.

Negative sick leave balances are not permitted. Employees are not entitled to payment for unused sick leave upon separation of employment except in cases of retirement. Upon retirement an employee may be able to arrange for a portion of unused sick leave to be used to pay premiums on certain employer-maintained insurance, including health, dental, vision, long-term care insurance, prescription or life insurance. The ability to use unused sick leave to pay premiums is controlled by statute (Idaho Code, sections 67-5333, 33-2109A and 33-1228); retiring with unused sick leave does not automatically mean you are eligible for insurance coverage itself, including retiree health coverage.

Use of sick leave for purposes other than outlined in this policy may result in disciplinary action, up to and including termination.

If an employee submits their resignation, they will be required to provide proper verification, including a doctor's note, to use any sick leave after the resignation notice has been given. Sick leave will only be granted upon receipt of this verification.

**Family and Medical Leave**

College of Eastern Idaho complies with the federal Family and Medical Leave Act (FMLA), which requires employers to grant unpaid leaves of absence to qualified workers for certain medical and family-related reasons. CEI also abides by any state and local leave laws. The more generous of the laws will apply to the employee if the employee is eligible under both federal and state laws.

The FMLA requires private employers with 50 or more employees and all public agencies, including state, local, and federal employers, and local education agencies (schools), to provide eligible employees up to 12 weeks of unpaid, job-protected leave in any 12-month period for certain family and medical reasons. The 12-month period is a rolling period measured backward from the date an employee uses any FMLA leave, except for leaves to care for a covered service member with a serious illness or injury. For military leaves, the leave entitlement is 26 weeks in a single 12-month period, measured forward from the date an employee first takes that type of leave.

The FMLA requires that the employee's group health benefits be maintained during the leave.

The FMLA defines eligible employees as employees who: (1) have worked for the Company for at least 12 months; (2) have worked for the Company for at least 1,250 hours in the previous 12 months; and (3) work at or report to a worksite which has 50 or more employees or is within 75 miles of Company worksites that taken together have a total of 50 or more employees.

Please note there are many requirements, qualifications, and exceptions under these laws, and each employee's situation is different. For more information on CEI's policy concerning FMLA please see Policy 203: Employee Benefits or contact the Human Resources department.

**Military Leave**

College of Eastern Idaho supports the military obligations of all employees and grants leaves for uniformed service in accordance with applicable federal and state laws. Any employee who needs time off for uniformed service should immediately notify the human resources department and his or her supervisor, who will provide details regarding the leave. If an employee is unable to provide notice before leaving for uniformed service, a family member should notify the supervisor as soon as possible.

An employee who qualifies for military leave under USERRA shall, upon his or her completion of service in the uniformed services, generally be reemployed by CEI provided that:

* the employee gave advance written or verbal notice to CEI of the service;
* the employee is still qualified to perform the duties required of the position;
* the employee reports to or applies for reemployment to CEI in accordance with the requirements of USERRA. Employees should consult with Human Resources for more specific information relating to the return to work requirements under USERRA;
* the employee was not separated from uniformed service with a disqualifying discharge or under other than honorable conditions;
* in general, the cumulative length of the absence and of all previous absences from CEI by reason of service in the uniformed services does not exceed five years; and
* CEI's circumstances have not changed so that it would make it impossible or unreasonable to rehire the employee or cause an undue hardship on CEI should it rehire the employee.

Should an employee fail to return to work upon completion of his or her military service or make application for reemployment as required by USERRA, the employee will be considered to have voluntarily resigned from CEI.

**Bereavement Leave**

Employees may take up to three (3) days of paid bereavement leave by using any accrued sick hours, upon the death of a member of their immediate family. "Immediate family" is defined as an employee's spouse, domestic partner, parents, stepparents, siblings, children, stepchildren, grandparent, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, or grandchild.

CEI may require verification of the need for the leave. The employee's supervisor and human resources will consider this time off on a case-by-case basis.

Payment for bereavement leave is computed at the regular hourly rate to a maximum number of hours equal to one regular shift. Time off granted in accordance with this policy shall not be credited as time worked for the purpose of computing overtime.

**Jury Duty/Court Appearance**

CEI supports employees in their civic duty to serve on a jury. Employees must present any summons to jury duty to their supervisor as soon as possible after receiving the notice to allow advance planning for an employee's absence.

Leave will be granted and full pay provided to employees asked to testify either in a deposition or in court on behalf of CEI or otherwise subpoenaed to testify in a deposition or in court as a witness in matters specifically related to CEI operations. Further, leave will be granted to employees called to serve on jury duty and full pay will be provided minus the amount paid by the court.

**Time Off for Voting**

College of Eastern Idaho recognizes that voting is a right and privilege of being a citizen of the United States and encourages employees to exercise their right to vote. In almost all cases, employees will have sufficient time outside working hours to vote. If for any reason you think this won't be the case, contact your supervisor to discuss scheduling accommodations.

For additional information regarding holidays, leave, and vacation please see [Policy 203: Employee Benefits](https://cei.edu/hr/policies-procedures/personnel/view?p=203).