Date: 8/2/2023

Re: Minimum pay rates under Executive Order 14026

To Sponsored Programs Pls, Co-Pls, staff, and departmental staff:

Beginning January 1 2023, Executive Order 14026 (EO 14026) applies to federal and federal flow-through contracts and contract-like mechanisms as outlined in the EO, and requires that employees paid on or in relation to the services provided under those agreement mechanisms be paid at least \$16.20 per hour. There are some exceptions to the applicable agreement types as well as employee type paid under the agreement, but generally speaking all FLSA eligible employees paid for performance of or in connection with services provided under a federal contract or contract-like mechanism are subject to the minimum wage requirement of \$16.20/hr.

Note that USDA Agricultural Research Services has indicated their 'Research Services Agreement' funding mechanism **is** subject to this Executive Order. Contracts and cooperative agreements that are federally funded for construction are also subject to this Executive Order unless they fall outside of the categories listed here.

If you are applying for a federal services contract or contract-like mechanism, or a construction project, please include the minimum required pay amount for each employee type in your budget, including temporary help. Note that to ensure consistency among the same or similar positions, any employee paid on a sponsored project that this EO covers should also be paid the same rate for the same or similar work on other funding sources. Separate positions with separate duties (for temporary help) do not have to be compensated at the same rate.

FAQS on applicability can be found <u>here</u>. A flow chart on process and applicability are included with this notice, and will soon be posted on the OSP website.

Questions can be directed to OSP at osp@uidaho.edu.

Thank you, Sarah Martonick

Director, OSP

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