

SUPPLEMENTAL PAY-STAFF

POLICY NUMBER: ADM-SUPPPAYSTAFF

POLICY TYPE: ADMINISTRATIVE

RESPONSIBLE OFFICIAL TITLE: CHIEF HUMAN RESOURCES OFFICER

RESPONSIBLE OFFICE: HUMAN RESOURCES

EFFECTIVE DATE: UPON PRESIDENTIAL APPROVAL – 7/23/2019

NEXT REVIEW DATE: PRESIDENTIAL APPROVAL PLUS FOUR YEARS – 7/23/2023

SUPERSEDES POLICY:

BOARD OF REGENTS REPORTING (CHECK ONE):

PRESIDENTIAL RECOMMENDATION (CONSENT AGENDA/VOTING ITEM)

PRESIDENTIAL REPORT (INFORMATION ONLY)

I. POLICY STATEMENT

The purpose of this policy is to define the criteria and the conditions under which an employee may receive additional compensation and the process that must be followed.

There may be occasions where a current Northern Kentucky University (NKU) employee may be the most appropriate person to undertake a specialized assignment on a temporary basis and supplemental payment is appropriate. Supplemental payment is appropriate only when the content of the special assignment is in addition to the employee's current, normal job duties. Supplemental pay is defined as additional compensation paid by the university to an NKU employee. This compensation is considered extra pay for a limited time and is NOT included in the calculation of base salary.

Employees holding executive or administrative positions are limited in supplemental pay activities due to their high level of responsibilities to the university. Supplemental pay does not encompass "pay for acting capacity" (see definition below), interim, or assigned overload, and is not warranted for every change in job situation or added duties.

Requests for supplemental pay assignments should be submitted by completing a Supplemental Approval Request Form (SARF), which must be reviewed and approved prior to the commencement of the work. The request must be approved by the division head and Human Resources.

Supervisors/managers are not authorized to promise supplemental pay to an employee or discuss a supplemental pay rate with an employee prior to obtaining approval of the division head and Human Resources. Human Resources will review the assignment and recommend a pay rate.

After the approval of supplemental pay, the supervisor/manager of the employee must submit a Personnel Action Request (PAR) for the additional pay to be entered into Human Resources' Information/Payroll System.

II. ENTITIES AFFECTED

All staff employees, supervisors/managers, department heads, division heads, Human Resources, and Budget Office.

Faculty have a separate policy – [Faculty Extra Compensation](#) (see Section IX below).

III. DEFINITIONS

Base Salary: The compensation as stated in employee's offer letter or subsequent letters. This is usually the annual salary without additional supplemental payments.

Pay for Acting Capacity: When an employee temporarily assumes the responsibilities of a higher-level position requiring greater professional responsibility and competence and performs those duties for four (4) weeks or more, the employee has assumed an *acting* appointment.

Supplemental Pay: Additional compensation for special assignments and duties that are performed in addition to an employee's current, normal job duties, either during normal or outside of normal work hours.

IV. RESPONSIBILITIES

Supervisors/managers are responsible for certifying the need for additional work to be performed, the statement of work to be performed, and the availability of funds for supplemental compensation.

Division heads are responsible for approving the requests made by the supervisor/manager.

Human Resources is responsible for reviewing the requests, overseeing the processing, and managing the supplemental pay.

V. PROCEDURES

Criteria

In an instance where supplemental pay is requested and is to be performed by an exempt employee, the assignment must meet the following criteria:

1. The assignment must clearly serve the best interest of the university.
2. The assignment is in addition to the specific duties of the employee's regular position as outlined in the employee's job description.
3. The assignment will not interfere with the performance of regularly assigned teaching, research, service, administrative, or other duties.
4. The assignment is of a special and infrequent nature, making it unfeasible to hire a temporary employee.
5. The assignment must not pose any "conflict of interest" among the employee, the university, and any third party such as grant funds. If a university employee desires to act as a project director on a grant, then an allocation of the existing university salary will be reduced, and the percentage of the project charged to the grant. Grant funds are university funds and are allocated according to the university's policies and procedures.
6. The assignment involves performing a significant part of the duties of a position in a higher pay grade for longer than four (4) weeks. In this instance, the employee does not qualify for "pay in acting capacity" because the employee is not performing all of the duties of the position. Significant duties may include decision-making responsibilities,

relocation to another office, supervision of additional non-student employees, and significant additions to an employee's regular responsibilities.

Process

1. A Supplemental Approval Request Form (SARF) must be completed by the requesting supervisor/manager.
2. The department head will review and approve the assignment and refer the SARF to the division head over the employee (if different from the requesting department).
3. After the above approvals are completed, the SARF will be submitted to Human Resources to ensure that policy and procedures have been followed and that the assignment is best filled by a current NKU employee.
4. After the approval of supplemental pay, the supervisor/manager of the employee must submit a PAR to process the approved pay rate in the payroll system.

Pay Limitations and Duration

The total supplemental pay an employee may receive during a fiscal year shall not exceed (25%) percent of the employee's base annual salary for the fiscal year. Human Resources will audit supplemental payments to ensure compliance with policy.

The supplemental pay assignment may not exceed 180 days with the possibility of one extension which will require approval of the appropriate division head and Human Resources. Any extensions beyond this will require approval of the President.

Supplemental payments for staff will be payable by a single/quarterly check in the amount approved on the written SARF.

If any portion of the supplemental pay is grant funded, the additional compensation must be approved by the Office of the Comptroller. Supplemental pay received in one fiscal year will not affect eligibility for similar payments in future years.

Vacation Time

A university employee with appropriate supervisor/manager approval may elect to take accrued vacation time for working on a supplemental compensated assignment.

Non-Exempt Employees

Non-exempt employees are paid on an hourly basis for hours worked. Hours worked in excess of 40 hours per week must be compensated at time and a half. Supplemental pay is generally not warranted for hourly staff.

VI. REPORTING REQUIREMENTS

Human Resources runs quarterly reports on supplemental pay, indicating the recipients of supplemental pay and the supplemental compensation being paid.

VII. EXCEPTIONS

Any exceptions to this policy must be approved by the Chief Human Resources Officer.

VIII. TRAINING

Training is provided by Human Resources on an as needed basis to managers/supervisors either individually or as a group.

IX. REFERENCES AND RELATED MATERIALS

REFERENCES & FORMS

Supplemental Approval Request Form (SARF)

RELATED POLICIES

Faculty Extra Compensation:

<https://inside.nku.edu/content/dam/policy/docs/Policies/FacultyExtraCompensation.pdf>

REVISION HISTORY

REVISION TYPE	MONTH/YEAR APPROVED
Revision	July 23, 2019
Policy	

SUPPLEMENTAL PAY-STAFF

PRESIDENTIAL APPROVAL

PRESIDENT

Signature

Ashish Vaidya

Date

7/23/16

Ashish Vaidya

BOARD OF REGENTS APPROVAL

BOARD OF REGENTS (IF FORWARDED BY PRESIDENT)

- This policy was forwarded to the Board of Regents on the **Presidential Report (information only)**.
Date of Board of Regents meeting at which this policy was reported: 9 / 11 / 19.
- This policy was forwarded to the Board of Regents as a **Presidential Recommendation (consent agenda/voting item)**.
- The Board of Regents approved this policy on ____/____/____.
(Attach a copy of Board of Regents meeting minutes showing approval of policy.)
- The Board of Regents rejected this policy on ____/____/____.
(Attach a copy of Board of Regents meeting minutes showing rejection of policy.)

EXECUTIVE ASSISTANT TO THE PRESIDENT/SECRETARY TO THE BOARD OF REGENTS

Signature

Bonita Brown

Date

9/18/19

Print Name

Bonita Brown