

## LINCOLN UNIVERSITY

<b>Policy:</b>	<b>Supplemental Compensation</b>
<b>Policy Number:</b>	<b>HRM – 131</b>
<b>Effective Date:</b>	<b>November 2022</b>
<b>Revisions:</b>	<b>New Policy</b>
<b>Next Review Date:</b>	<b>November 2023</b>
<b>Responsible Officer:</b>	<b>Vice President for Human Resources</b>
<b>Status:</b>	<b>Approved by the President and Board of Trustees and Active</b>

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### **I. Introduction and Purpose**

This policy establishes the fair and consistent administration of supplemental payment requests for employees. This policy generally applies to exempt (non-faculty) staff. Non-exempt staff as required by the Fair Labor Standards Act (FLSA) should only receive supplemental compensation in the form of overtime for additional work performed. This policy does not apply to faculty, students, or temporary staff.

Supplemental compensation is designed to enable the University to successfully develop, retain, and reward employees for their knowledge, contributions, and significant accomplishments.

Terms and conditions of supplemental compensation for those employees who are members of bargaining units are set forth in those employees' applicable collective bargaining agreements and any related documents.

### **II. Policy**

Supplemental compensation payments are utilized as a way to provide short-term additional taxable compensation to regular full-time employees for work performed:

- Specifically and distinctly out of the employee's regularly assigned job responsibilities;
- OR**
- For a department other than the employee's regularly assigned department.

Temporary supplemental compensation is typically for assuming duties for longer than one (1) month but not to exceed six (6) months. When additional

duties are not temporary, the University will review the position to ensure accurate classification.

Supplemental compensation ends when the vacant position is filled or when the staff member is no longer performing the additional responsibilities, whichever is first. The supplemental compensation period should be no longer than six months, and may not extend beyond the end of the current fiscal year.

Reasons that qualify for supplemental payment include: interim position assignment, additional duties and special project work.

Supplemental compensation payment requests must be approved prior to work being performed by the employee, and will not be granted retroactively for work already completed.

The supplemental compensation offered shall be contingent upon available resources. The University considers the competitive marketplace, the relative value of each position to the University, individual performance, skill sets, expertise, qualifications, and experience when compensating employees.

### **III. Requirements**

Prior approval and written justification is required for all staff supplemental payment requests. Justification must include: rationale for requested payment a detailed description of work involved, an explanation of the relationship between the additional work and the employee's normal job responsibilities, and the estimated time period during which work is to be performed.

Approval for all staff supplemental requests must be submitted through the department's appropriate approval channels before it is submitted to the Office of Human Resources for final review and processing. Supplemental requests without the required signatures and approvals will be returned to the department initiating the request.

### **IV. Payment**

Payment of Supplemental Compensation to regular full-time employees is contingent upon a position being properly funded and approved in advance for supplemental work and having the required administrative approvals on the Supplemental Compensation form placing the employee in the position.

The granting of Supplemental Compensation to a regular full-time Staff employee is subject to prior approval of the cognizant Director/Dean, Division Vice President, Vice President for Finance & Administration, and the Vice President for Human Resources.

## **V. Rate of Pay**

The Office of Human Resources is responsible for the administration of supplemental payment guidelines to maintain fair and equitable pay for all University classified employees.

Compensation for supplemental work that is separate and distinct from the duties and responsibilities of the employee's regular job description shall be within the hiring range of the assigned pay grade of the job classification which encompasses the supplemental work, or at a rate approved by the Vice President for Human Resources in consultation with the Vice President of Finance of Administration.

However, it may not exceed 80% of the salary for the vacant position. Exceptions require review and approval by the Vice President & Chief Operating Officer and the President.

Supplemental compensation pay may not be used to compensate non-exempt staff members who are paid bi-weekly on hourly compensation plans (i.e., staff members in non-exempt non-unions positions) in lieu of overtime pay for all time worked over 40 hours in a workweek. Staff members in non-exempt positions are covered by the collective bargaining agreement and pay provisions of the federal Fair Labor Standards Act (FLSA), which require that all non-discretionary pay be included in the computation of overtime.

The University compensates all employees without regard to race, color, gender, national origin, age, disability or veteran status. The University's compensation programs shall be administered in accordance with Federal Wage and Hour Laws, and other applicable governmental guidelines.

The University reserves the right to change, amend, add to or delete in whole or in part the Supplemental Compensation Policy.

***Questions regarding this policy may be addressed to:***

***The Office of Human Resources  
Lincoln University  
1570 Baltimore Pike  
International Culture Center – 1<sup>st</sup> Floor  
Lincoln University, PA 19352  
484-365-8059***