

Lump Sum Payments

I. Introduction

- a. **What is a Lump Sum Payment (LSP)?** A one-time payment to an employee. University employees may be paid for activities outside of the scope of their full-time employment through a lump sum payment depending on the reason for the activity and the source of funds. A lump sum payment has a beginning and ending date.
- b. **Lump Sum Payment Types** (Common types are listed below)
 - i. **Award Amount** – payment in the form of a paper check for special recognition or merit
 - I. Award must be listed in the Award Registry
 - ii. **SPA (SHRA) Additional Employment** – payment for work within the University beyond the permanent full-time employee’s regularly scheduled 40 hours and outside his or her home department or organizational unit, regular work schedule, **and** regularly assigned responsibilities
 - iii. **EPA (EHRA) Additional Duties** – payment to a faculty member or EHRA-NF employee, with an FTE of less than 1.0, for work done outside of their primary job responsibilities on a short-term basis
 - I. Once they have been compensated equivalent to 1.0 FTE, they must follow the University’s overload policy for any additional LSP associated with additional work
 - iv. **EPA (EHRA) Overload Pay** – payment for additional work by a faculty member or EHRA-NF employee who is 1.0 FTE, or who has been compensated fiscal year-to-date at the equivalent of 1.0 FTE, in accordance with the University’s Overload Policy
 - v. **Summer Salary** – compensation for research or instructional activities unrelated to the University’s Summer School
 - vi. **Summer School Pay** – compensation for instruction in the Summer School, paid from the University’s Summer School account, and processed through the Summer School payroll.

II. SHRA Additional Employment

Occurs when a permanent full-time SHRA employee additionally is needed temporarily, on a part-time basis in a University operating department other than the employees’ home department or organizational unit. Used only for emergency or one-time, fixed term assignments with specified beginning and ending dates.

a. **Additional Employment Requests**

- i. Requests are submitted in advance on the [Additional Employment Request Form](#) with signature approvals by the employee’s department head, the requesting department’s department head, and the Senior Director of Employment & Staffing or Assistant Director, Employment in OHR.
- ii. Provides any Wage-Hour Non-Exempt employee overtime pay at time-and-one-half the employee’s regular rate for all hours worked over 40 in a work week. Pay for the additional employment is based on the employee’s salary for the permanent full-time appointment.
 - I. The requesting department is responsible for the cost of the additional employment salary (agreed upon in advance) and the additional Social Security and State retirement contributions.

b. **Temporary Teaching Assignment**

- i. A Wage-Hour Non-Exempt employee may **not** be appointed to a temporary teaching assignment; employee must have Wage-Hour Exempt status
- ii. A temporary academic title appropriate for the teaching duties is assigned
- iii. Compensation is to be paid as a one-time payment and cannot exceed 20% of the employee’s current annual salary during any fiscal year

III. Supplemental Pay for EHRA Employees

Used only to address duties that are clearly exceptional to the employee’s regular position, or in the case of teaching duties, exceed what is classified as assigned teaching load by the relevant School/College academic authority. All requests must be submitted and approved by all of the required parties, including the applicable central office, **in advance** of any supplemental pay being communicated to the employee or any added work being performed.

a. **Overloads**

A one-time lump sum payment in a *fixed* amount to compensate added duties that are typically of a more limited duration

- i. Compensation to teach classes for EHRA-NF employees shall be accomplished using overload and is not delivered as part of the employee's base salary
- ii. Generally awarded for work performed external to an employee's base unit
 1. For work within the base unit: three questions memo and approval by the relevant Senior Associate Dean is required
- iii. The total of a full-time employee's overload pay in any fiscal year may not exceed 25% of base salary in a 9-month appointment OR 20% of base salary in a 12-month appointment
 1. Exceptions are granted by the applicable Central Office
 2. The overload limits above do not apply to a part-time employee until the combination of his/her part-time base salary and overload in any fiscal year equals his/her full-time equivalent (1.0 FTE) salary on an annualized basis. Once this threshold is reached, the normal overload limits noted above shall apply.
- iv. Overloads shall be requested only using the [EHRA Overload Pay Request Form/Overload Activity Approval Form](#)
- v. Individuals who are in a paid or unpaid leave of absence status are **not** eligible for payment of overload.

b. **Salary Supplements**

An attachment to base pay, granted in a recurring monthly amount for the timeframe of the work performed, and is generally associated with added duties through a specific secondary administrative job or appointment.

- i. Salary supplements shall be requested only using the Salary Increase Request Form ("rainbow form")
- ii. Keep in mind that APO is now asking for an explanation to be provided in the justification section of the rainbow form regarding how the faculty member was selected for the secondary appointment and also how the proposed salary supplement amount was determined

c. **Summer Compensation for Faculty**

- i. Limits: Nine-month faculty are limited to one third (1/3) of their nine-month base salary (excluding administrative supplements) for any combination of Summer School or other Summer Pay. Twelve-month faculty are compensated for any summer work under the overload policy to 20% of their base salary
- ii. Summer School: Faculty (and graduate students) are given a non-compensation Summer School appointment and are paid via lump sum payment at the end of the session. HR Specialists must adhere to specific deadlines and instructions provided by the Summer School Office each year.
- iii. Summer Salary: Nine-month faculty may receive pay for work during the summer months. There are specific dates designated each year for summer pay: the day after commencement and the day before Fall Semester classes begin. Use of dates outside of this timeframe will result in the summer payment being disapproved.
 1. Summer salary is the only LSP processed **by the department**; the HR Business Center is not involved
 2. [Summer Salary Calculation Template](#) and [Example](#)

IV. Submitting a Lump Sum Payment

a. **Things to Remember**

- i. The effective date of the LSP should be the first day of the pay period in which payment is to be disbursed (exception: Summer School payments and negative LSPs)
- ii. For negative LSPs, use today's date as the effective date. The negative LSP will run in the current payroll cycle and are deducted from the employee's paycheck
- iii. Pro-rata longevity lump sum payments must execute prior to the termination action
- iv. For all LSP's (except Summer Salary) submit to your HR Specialist in Infoporte the [CAS Lump Sum Payment Request Form](#) and any additional documents such as the fully signed Overload form.