

Policy Title	Additional Compensation	Effective Date:	1/24/2012
Policy #	1.2		
Functional Area	Compensation	Revised Date(s)	
Policy	Additional Compensation Guidelines		
Statement	<p>Additional compensation is supplemental pay for additional work outside of the employee’s regular job duties or based on an established agreement.</p> <p style="text-align: center;">Policy Requirements</p> <p>Additional compensation cannot be awarded because an employee works “more hours” based on the Fair Labor Standards Act (FLSA). One FLSA requirement is to determine exemption status for each position. The two types of exemptions are non-exempt and exempt.</p> <ul style="list-style-type: none"> • Non-exempt employees, who perform additional work related to their University responsibilities in addition to the 40-hour workweek, are to be paid overtime. These positions generally perform operational functions such as routine clerical, maintenance work, and checking and inspecting equipment. • Exempt employees do not receive additional compensation for work related to their University responsibilities or for additional duties as assigned within the scope of their position. Exempt employees are also not eligible for overtime, even though it may cause them to work more than 40 hours a week. FLSA exemption categories are administrative, executive, professional, highly skilled computer professionals, and outside sales positions that pass the exemption test and require discretion and independent judgment in job performance. <p>Additional compensation must be in accordance with applicable law, IRS regulations, collective bargaining agreements, and university policies.</p>		
Philosophy	The University is committed to providing a competitive total compensation package that attracts, retains, and motivates a high quality and diverse workforce. This policy allows for the flexibility to request and process additional compensation for employees.		
Procedures	<p>Supplemental pay is warranted for employees who successfully complete additional work or for duties or activities governed by contract as defined below. Prior approval from the home department supervisor is required for additional work requested for another department.</p> <p style="text-align: center;">Supplemental Pay for Additional Work</p> <ul style="list-style-type: none"> • Additional assignments are compensated when employees perform a function or service to another department or account on their own time. Additional work includes staff teaching assignments, working at camps, providing IT support, working at events, or providing administrative grant support. 		

- Honorariums will be used for compensating employees who facilitate workshops, conduct presentations, or speak at events.
- Bargained-for employees, working out of classification, are compensated for work performed outside of the scope of their regular job function based on the appropriate collective bargaining agreement.

Supplemental Pay based on an Established Contract

- Non-Bargained-for employee contract/agreement provisions: These provisions include performance bonuses, recruitment and retention bonuses, lump sum payments, commission, and employee consultant base compensation.
- Collective bargaining agreement activities: These activities include royalties, attending meetings, or coursework.

The Additional Compensation Request Form must be completed and approved prior to notifying the employee of the impact. After-the-fact requests will not be processed/permitted/allowed.

	Supplemental Pay	
Type	Additional Work	Contractual Agreement
Purpose	Request and process compensation for additional work	Process additional pay based on an contractual agreement
Eligible	Regular staff employees, faculty, and students	
Budget account	Department/Division	
IRS Tax Rate	Flat rate of 25%	
Form	Additional Compensation Request for Payment	
Form Certification	Supplemental Pay Request	Contractual Payment Request
Approval Process	1. Director/Department Head 2. Dean (if applicable) 3. Divisional Executive 4. Grants Accounting (if applicable) 5. Appropriate HR	1. Director/Department Head 2. Dean (if applicable) 3. Grants Accounting (if applicable) 4. Appropriate HR

Responsibility	Contact the Director, Compensation & Employment if you have questions about this policy or if you need more information.
Resources	Compensation Philosophy Additional Compensation Form

**EASTERN MICHIGAN UNIVERSITY
ADDITIONAL COMPENSATION APPROVAL REQUEST FORM**

CURRENT EMPLOYMENT STATUS

Last Name _____	First Name _____	Email _____	Employee ID # _____	Appt % _____								
Job Title _____ Department _____		FLSA Exempt FLSA Non-exempt (Refer to Class Spec for FLSA)										
AP/AH	AC				CC	CS	Fac/Lec	FM	CP	PS	PT	EC/ES

ACCOUNT INFORMATION

This Expense: Fund _____ Org # _____ Account _____ Program _____ Activity _____ Location _____

Home Dept: Fund _____ Org # _____ Account _____ Program _____ Activity _____ Location _____

TERMS OF EMPLOYMENT (be specific about nature and amount of work performed) Documentation attached _____

Dates of Employment From _____ To _____

Base Hourly Rate of Pay \$ _____ x Hours _____ x 1.5 OT (if applicable) = Total Payment \$ _____

If based on hourly rate, complete hours record spreadsheet. Contact the Director, Compensation & Employment 7-2275.

Lump Sum Fee (only if exempt employee) \$ _____ OR

Multi Pay Fee (only if exempt employee) \$ _____ Divided by: _____ # Pays Amount Per Pay \$ _____

ADDITIONAL COMPENSATION TYPE:

Supplemental Pay. Current employee performing a function or service **outside of current position scope** to another department or account on own time, (e.g. staff teaching assignments, working at events, facilitating workshops.) The requested payment includes an appropriate amount for overtime resulting from combined regular and supplemental work on each day or week.

Home Supervisor Approval Signature _____

Student Supplemental Pay

Collective Bargaining Agreement Contractual Payment. Activities or duties outlined in a collective bargaining agreement (e.g. royalties, attending meetings, or coursework).

Employee Contract. Work outlined in an individual employee contract (e.g. commission, bonus), condition of employment, or employee consultant agreement. Date of birth for new employee consultant: _____

APPROVALS PRIOR TO WORK BEING COMPLETED

- Account Manager for Expense _____
Signature _____ Date _____
- Director/Department Head _____
Signature _____ Date _____
- Dean (if applicable) _____
Signature _____ Date _____
- Divisional Executive (if applicable) _____
Signature _____ Date _____
- Grants Accounting (if applicable) _____
Signature _____ Date _____
- HR/AHR/Grad School/UACDC _____
Signature _____ Date _____