



08.135 SUPPLEMENTAL PAYMENTS FOR UNCW EMPLOYEES

Authority: Chancellor

History: Effective April 16, 1988; Reformatted and Updated – June 2006; supersedes policy HR 1.35 “Additional Employment of Permanent EPA Employees”; Revised August 1, 2010; April 26, 2010; May 8, 2012; Revised August 2017

Source of Authority: [UNC Policy 300.2.13](#), Supplemental Pay Policy for Employees Exempt from the State Human Resources Act (EHRA)

Related Links: [03.210 Faculty Reassignment Awards](#); [05.133 Dual Employment](#); [08.120 Secondary Employment](#); [External Activities for Pay](#); [08.190 Employment of Related Persons \(Anti-Nepotism\)](#); [08.212 Vacation Leave](#); [08.230 Flexible Work Schedules](#); [Faculty Handbook](#); [UNCW Supplemental Compensation Application \(mySeaport\)](#)

Responsible Offices: Human Resources, Provost

I. Purpose

The purpose of this policy is to provide uniform and consistent standards for granting and approving supplemental assignments and pay to UNCW employees.

II. Scope

This policy applies to all EHRA and SHRA employees. EHRA employees are those positions that are not subject to the State Human Resources Act and are classified as either EHRA Professional, Faculty, Senior Academic and Administrative Officer (SAAO) Tier-I or Senior Academic and Administrative Officer (SAAO) Tier-II. SHRA employees are those positions that are subject to the State Human Resources Act. SHRA FLSA-exempt personnel may also receive supplemental pay for instructional and/or research related activities beyond the scope of their assigned duties. Employees classified as FLSA non-exempt are covered under UNCW [Policy 08.211 Compensatory Time \(Overtime\)](#) for extra hours worked in their home department.

III. Definitions

- A. **Supplemental Assignments:** Temporary increases in responsibility during the employee’s normal work hours or contract period or extra duties performed beyond the scope of the employee’s job description and outside of normal work hours or

that add extra work hours in addition to those spent on normal job duties. State policy prohibits the use of accrued leave for supplemental assignments.

B. Types of Supplemental Assignments:

1. Faculty
 - a. Teaching/Advising overloads
 - b. Summer School Instruction
 - c. Research, sponsored or other
 - d. Special or Temporary Assignments – duties assigned beyond the scope of academic appointments such as course development or presenting courses for public service. A faculty member on Reassigned Time, as defined in the Faculty Handbook, may not receive supplemental salary funds through the university.
2. Non-Faculty EHRA and SHRA Assignments – duties on campus only when such duties are occasional, sporadic, unrelated to primary job duties, and performed outside of regular working hours. Typically, such duties are instructional or research related.

C. Duration of Assignments

Supplemental assignments and corresponding payments shall be for a period of twelve months or less except for advising supplemental assignments which may last up to one academic year.

D. Supplemental Pay: Payment to an employee by the university from university resources in excess of the employee's regular annual base salary for the performance of duties beyond the scope of the employee's contract/appointment. Supplemental Pay may be provided within or outside of the employee's contract/appointment period.

E. Supplemental Pay Within the Employee's Contract/Appointment Period: Payment received by an eligible employee from university resources that is received within the stated contract/appointment period and in addition to the employee's regular base salary as stated in the employee's terms and conditions/letter of appointment.

F. Supplemental Pay Outside of an Employee's Contract/Appointment Period: Payment received by an eligible employee from university resources that is received outside of the stated contract/appointment period and in addition to the employee's regular annual salary as stated in the employee's terms and conditions/letter of appointment.

G. Awards. Prizes or gifts for some competitive process, in recognition of achievements, with no expectation of service. An example is the Distinguished Teaching Professorship awards where there is no expectation of service or effort and compensation is provided based on a competitive process in consideration for achievement. Awards, as defined herein, may not be paid from general funds. Backup documentation such as award notification and other supporting

documentation should be attached to the payroll submission form.

- H. Release Time. EHRA personnel time spent on certain contract and grant projects during the academic year, thereby releasing personnel expenditures on general funds, *is not supplemental compensation*.
- I. Course Reduction. A reduction of a Faculty employee's regular teaching load, on a temporary basis as approved by the Department Chair, *is not supplemental compensation*.

IV. Limits on Supplemental Pay (Maximum Amounts Allowable)

Limits on supplemental pay represent the maximum amount an employee may be paid from university resources and are based on annual base salary and contract/appointment.

- A. Employees Within Contract Period.
Generally, the maximum amount of supplemental pay cannot exceed 20% of an employee's annual base salary. If operational needs or other compelling circumstances arise, supplemental compensation may exceed the 20% threshold and must be approved by the appropriate Vice Chancellor. Supplemental compensation from federally sponsored contracts and grants administered through UNCW Office of Sponsored Programs & Research Compliance is not allowable within the employment contract period unless specifically allowed by the sponsoring agency.
- B. Employees Outside of Contract Period
 - 1. Academic Year Appointments (9-month). The maximum total supplemental pay that may be received during summer months is equal to the annual base salary divided by the number of contract/appointment months multiplied by the number of non-contract months. For example, a 9-month EHRA employee with a full-time annual salary of \$45,000 would have a summer salary cap of \$15,000 ($\$45,000/9 = \$5,000 \times 3 = \$15,000$).
 - 2. The same calculation method is used for appointments/contracts other than academic year appointments/contracts (i.e., < 9, 10 or 11), using base salary, on a prorated basis.
 - 3. There is no outside of contract period for 12-month employees.
- C. Under this policy, EHRA employees and SHRA employees with appointments at less than 1.0 FTE (full time equivalent) are eligible for supplemental pay at the part time rate until they reach the equivalent of 1.0 FTE rate. Once 1.0 FTE rate is reached, supplemental pay limits apply as described in this section.
- D. Supplemental payments will not be adjusted if an employee receives a salary increase applied retroactively to the period of the supplemental assignment.

V. Review/Approval Request Process

All requests for supplemental pay must be approved in writing before the actual activity is scheduled to begin.

Awards, as defined in this policy, are not supplemental compensation as a result of a supplemental assignment and therefore do not require a completed Supplemental Pay Approval Form. For award payments, attach the award notification communication and other supporting documentation to the payroll request form.

Summer School and Distance Education Summer sections supplemental assignments will be processed at the divisional level.

The Supplemental Pay Approval Form includes signature spaces for review/approvals as indicated below. Furthermore, in instances where the assignment is to be performed for other than the home department or unit, the borrowing department or unit is responsible for obtaining approvals from all units (as noted below) prior to the date the work is scheduled to begin. All supporting backup documentation should be attached and filed with the Supplemental Pay Approval Form.

A. Request/Approval Process

1. The unit where the duties are to be performed (hiring department) initiates the request, justifying the need for the work to be performed, the relationship of the activities for which the employee is receiving supplemental pay to the employee's regular duties, the time period of the assignment, the basis for determining the payment, flex schedule if required, and whether the payment is one-time or periodic.
2. Employee's signature agreeing to perform the identified services at the amount specified and confirming understanding of the maximum Supplemental Pay amounts allowed per this policy.
3. The employee's supervisor where the employee's regular appointment resides reviews and approves the supplemental work before the employee may accept or begin the assignment. The unit chair/director reviews the overall work load of the employee to ensure the supplemental assignment does not interfere with or impact the effective performance of the employee's primary job. In addition, a flexed work schedule must be attached to the Supplemental Pay Approval Form for leave-earning employees.
4. Final Approval:
 - a. Provost and Vice Chancellor: Board of Trustees
 - b. SAAO Tier I (Deans and Other SAAO I Positions): Chancellor
 - c. SAAO Tier II (Associate or Assistant Vice Chancellor/Provost and Associate or Assistant Dean, etc.): Chancellor on recommendation of the Provost or Vice Chancellor.
 - d. Faculty: The Provost delegates authority to approve temporary and supplemental assignments to the dean or SAAO I director where

the faculty's regular appointment resides.

- e. EHRA Non-Faculty (non-SAAO) and SHRA (Including EHRA Instructional and EHRA Research):
 - 1. Academic Affairs: The Provost delegates authority to approve temporary and supplemental assignments to the dean or SAAO I director where the EHRA employee's regular appointment resides.
 - 2. All Other Divisions: Vice Chancellors have final approval authority for temporary and supplemental assignments for EHRA Non-Faculty employees in their respective division.

B. Compliance Review Process. Forward request to the appropriate office (AARM or HR) as applicable:

- 1. Supplemental Payments for Academic Affairs EHRA Employees: Academic Affairs Resource Management (AARM) for divisional EHRA Faculty and EHRA Non-Faculty supplemental assignments, other than SHRA FLSA-exempt employees. SHRA employee supplemental assignments are reviewed by Human Resources.
- 2. Supplemental Payments for University-wide FLSA-exempt SHRA and EHRA employees assigned to Divisions other than Academic Affairs: Human Resources for all EHRA employees assigned to other than Academic Affairs Division and all University-wide SHRA supplemental pay assignments.
- 3. Supplemental payments on Contracts & Grants: AARM and HR will then forward any supplemental payment requests from contracts and grants funds for UNCW employees to the Office of Sponsored Programs and Research Compliance (OSPRC) for further processing.

C. Payment Processing. Respective office returns the approved form to the hiring department for subsequent payment processing. Payments must be processed in a timely manner, upon completion of the supplemental assignment. If assignment is over a period of payroll periods, incremental payments must be processed for each respective payroll period.

VI. Special Provisions

- A. Records Retention. A copy of the Supplemental Pay Approval Form and supporting documentation must be filed in the employee's personnel file and the original form and supporting documentation for the supplemental pay must be retained in the hiring department's file for a period of one year after payment date.
- B. Equal Employment Opportunity. To ensure alignment with the University's EEO policy, the decisions on the granting of significant supplemental assignments should be made only after a competitive selection process wherever practical. Such a competitive selection could be made within respective units on campus such as an academic department. Contact Human Resources for guidance or with questions.

- C. Employment of Related Persons. The department or office responsible for the supplemental assignment where supplemental pay will be conferred must document any known relationship (as defined in [Policy 08.190 Employment of Related Persons](#)) between the UNCW employee and the department or office. The department or office must certify that neither individual will have responsibility for the direct supervisory charge of the other related person and will not be in a position to influence or control the terms and conditions of the other related person's assignment(s) and/or rate(s) of compensation. In cases where such a situation may occur, a written management plan must be developed, reviewed, and approved as noted in the Employment of Related Persons policy prior to supplemental pay process.