

	Responsible Executive: Vice President for Human Resources (CHRO)	
	Responsible Office: Human Resources	
	Effective Date: 10/01/1993	Last Revised: TBD
	Policy Title: 2.04 Supplemental Compensation	

Definitions

Staff Employees: Classified Staff, Service Professionals, Postdoctoral Scholars, and Non-Executive Administrators.

Policy

~~An Staff e~~Employees in good-standing may be eligible to receive supplemental compensation as outlined in this policy ~~for work paid by the University, in addition to the employee's normal full-time salary, when the employee performs work during hours outside their normal full-time work schedule and such work is approved in advance by their department head and other appropriate approvals as required by the department's provost/associate provost or vice president.~~

Section I: Supplemental Work

A. Supplemental work must be:

1. Performed for a department other than the employee's regularly assigned department;

OR

2. Specifically, and distinctly outside of the scope of the employee's regularly assigned job classification and work hours, and as confirmed by the supervisor, work that cannot be reasonably added to the current workload displacing other lower priority work.

B. Supplemental ~~employment compensation~~ requests should only be submitted for supplemental ~~employment of~~ work for full-time employees during the periods of regular employment. All other requests should be submitted on an ePAR.

~~C. For example, a supplemental employment request must be submitted for a full-time fiscal year exempt classified staff employee, who has been requested to teach a one-semester class. A supplemental employment request must be submitted for an academic year faculty member presenting a seminar for another department during the academic year.~~

Section II: Prior Approval Requirement

Approval of supplemental ~~employment~~compensation must be obtained prior to making final arrangements to begin any ~~additional remunerative employment~~supplemental work. Payment in support of a supplemental ~~employment~~compensation request is subject to approval of the employee's ~~department head~~chain of command, the ~~area/organization manager~~chain of command for the funding ~~source~~ department, and other appropriate approval(s) as required by the ~~department's provost/associate provost or president~~ appropriate Vice President/Provost.

Section III: Federal Fund Limitations

Federal sponsored agency regulations prohibit routine payment of supplemental pay for full-time employees. Exceptions to permit supplemental pay must be approved by the sponsoring agency according to the sponsor's policies and authorized by the required University official. Any contact with sponsoring agencies should be coordinated through the NAU Office of Sponsored Projects.

Section IV: Rate of Pay

- A. When the supplemental work to be performed by an employee is within their assigned job classification in a department other than the employee's assigned department, the supplemental compensation payment will be at the employee's regular rate of pay.
- B. ~~Compensation for~~ When the supplemental work ~~which to be performed~~ is separate and distinct from the duties and responsibilities of the employee's regularly assigned ~~pay grade of the~~ job classification ~~which encompasses the supplemental work~~ compensation payment shall be within the assigned pay grade range of the job classification which reflects the supplemental work or at a rate approved by the appropriate ~~provost/associate provost or~~ Vice President/Provost and the Chief Human Resources Officer or designee. ~~Supplemental pay rates for teaching off campus and evening courses will be determined by the Provost. Concurrence of Human Resources Department is required for classified staff and service professional compensation rates.~~

Section V: Maximum Hours

Employees may not perform more than 10 hours of supplemental work per week.¹~~The number of hours of supplemental work completed during the fiscal/academic year will be accumulated over that period. The maximum number of~~

¹ A 3 or 4 credit course is equivalent to 10 hours per week.

~~hours of supplemental compensation that may be earned is 384 hours for those employed on a fiscal year basis or 312 hours for academic year employees. The total supplemental compensation received during any single academic or fiscal year may not exceed these amounts without the prior approval of the President or designee.~~

Section VI: FLSA Considerations

A. Exempt Employees: An employee exempt from over-time compensation is eligible for supplemental compensation provided that the following applies to the supplemental work:

1. The supplemental work is approved by all appropriate individuals as required by the appropriate Vice President/Provost ~~department's provost/associate provost or vice president~~ prior to making final arrangements for any additional ~~remunerative employment~~ supplemental work by the employee's department head to ensure that ~~employment~~ the supplemental work does not in any way interfere with the regular work of the employee, ~~and that maximum accumulated hours are not exceeded;~~
2. The supplemental work shall be performed ~~during the hours~~ outside the employee's normal work schedule, or the employee shall take vacation time if work is performed during normal work hours; ~~and~~
3. ~~performed for a department other than the employee's assigned department or the specific type of work to be performed is separate and distinct from the duties and responsibilities involved in the employee's existing job classification.~~

B. Non-Exempt Employees: Under the Fair Labor Standards Act (FLSA), if the primary job of an employee is non-exempt in their regular role, all supplemental work is subject to overtime requirements. ~~For example, if~~

~~B.1.~~ If a non-exempt employee performs supplemental work in a capacity classification that would otherwise be exempt (such as teaching a class), the payment for all supplemental work ~~exceeding 40 hours in a seven-day workweek~~ must be verified to be paid at least at time and one-half the employee's normal hourly rate of pay. This payment may be processed on a supplemental payment form.

~~1-2.~~ However, if a non-exempt employee who is at less than 1.0FTE performs supplemental work in a classification that is non-exempt ~~position~~, the pay should be processed on an ePAR, including any ~~required~~

overtime, as outlined in the ~~overtime policy, Policy 2.03~~ Overtime/Fair Labor Standards Act [policy](#).

Related Information*

[Supplemental Compensation Request - Classified Staff/Service Professional](#)

[Supplemental Compensation Request – Faculty/Academic Professionals](#)

[Supplemental Pay for faculty – Policy Summary – Office of the Provost](#)

Policy History*

Origination Date: 10/1/1993

Revised: 12/22/1999, 1/1/2000

* Related Information and Policy History are solely for the user's convenience and are not part of the official university policy.