

Memo to: All UH-Downtown/PS Holders

UH-Downtown/PS 02.A.05
Issue No. 3

From: Juan Sánchez Muñoz, President

Effective Date: 06/26/2019

Subject: Additional Compensation for Faculty and Exempt Staff

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1. PURPOSE

- 1.1 This PS explains eligibility requirements and the process for providing additional compensation to faculty and exempt staff at the University of Houston-Downtown and is in compliance with provisions of the University of Houston System Board of Regents Policy [57.02](#), the University of Houston System Administrative Memorandum [02.A.08](#), and applicable state and federal laws and regulations.
- 1.2 This document applies to all full-time, benefits-eligible faculty and exempt staff as non-exempt staff are ineligible for additional compensation. [PS 02.A.01, Policy on Working Hours](#), details additional compensation benefits for non-exempt staff.

2. DEFINITIONS

- 2.1 Additional Compensation: Pay from UHD for work performed outside the employee's normal duties and outside normal work hours in addition to the employee's regular base salary. Work performed for the university outside the employee's normal duties and outside normal work hours is considered an overload assignment. Policy provisions regarding additional compensation regarding overload assignments are set forth in this policy. (Additional compensation is not a category of Consulting and Paid Professional Service, which is covered in [PS 02.A.04](#).)
- 2.2 Consulting and Paid Professional Service: Activities undertaken for remuneration from a third party where the activity is related to the functions, or expertise, for which the individual is compensated by the university. See [PS 02.A.04](#).
- 2.3 Dual Office Holding: Any officer of any University of Houston System university holding other non-elective state or federal office or position of honor, trust, or profit, requiring prior approval by the Chancellor (or designee). See Board Policy [57.04](#). Approval must include formal findings that the dual office holding is of benefit to the state or required by state or federal law, and creates no conflict of interest. (Dual Office Holding is a category of Consulting and Paid Professional Service.)
- 2.4 Exempt Staff: Staff employees in positions not subject to the overtime provisions of the [Fair Labor Standards Act \(FLSA\)](#) are expected to work a minimum of 40 hours per week to satisfactorily accomplish their job functions. However, under special circumstances, an exempt employee may receive additional compensation for work that falls outside the scope of activities or functions performed as part of his/her regular job assignment. Exempt status is determined by Employment Services and Operations (ESO) using the

tests set forth in the FLSA.

- 2.5 Multiple Employment: Work performed for another university of the UH System within the scope of activities, functions, or expertise for which the university compensates the individual is considered consulting or outside employment. See [SAM 02.A.08](#). Consulting activities must be non-regular, part-time appointments or temporary appointments as defined in [SAM 02.A.34](#), Types of Staff Employment. Prior written approval to engage in these activities is required. Compensation for these services must be made through the university's payroll system and are subject to withholding and other payroll deductions. (Multiple Employment is a category of Consulting and Paid Professional Service.)
- 2.6 Normal Duties: Work performed within the scope of activities and functions of the employee's regular job assignment.
- 2.7 Normal Work Hours: The hours the employee normally works during a given workweek. Full-time, exempt staff employees are required to work a minimum of 40 hours per week unless on approved leave status. Employees are required to work whatever hours are necessary to satisfactorily accomplish their job. Normally, work hours for full-time staff are 8 a.m. to 5 p.m., Monday through Friday, with one (1) hour off for lunch.
- 2.8 Sponsored Funds: Fund 1 and Fund 5 sponsored projects, including Advanced Technology Program/Advanced Research Program (ATP/ARP), over which the Office of Research and Sponsored Programs has stewardship responsibility.

3. POLICY

3.1 General Statements of Policy

The primary responsibilities of faculty and exempt staff are the complete execution of all assigned duties, the fulfillment of those professional obligations not ordinarily reduced to specific and/or written assignment, and the maintenance of current professional competence. In special circumstances, faculty and exempt staff may be asked to perform additional duties that clearly exceed their primary responsibilities. With appropriate prior approval, faculty and exempt staff may be compensated beyond their base salary for performing, under special circumstances, significant duties which are not part of their contractual obligation and which do not interfere with the performance of their primary responsibilities.

3.2 Additional Pay for Faculty

- 3.2.1 Approval must be received in advance from the appropriate dean and the Senior Vice President for Academic and Student Affairs and Provost (SVPASA) to assign teaching responsibilities in credit courses beyond those described in [PS 10.A.04, Faculty Teaching Workload](#).

- 3.2.2 A faculty member approved to teach additional course(s), beyond their regular faculty workload, may have the option to (1) bank the course(s), (2) bank the students, or (3) receive compensation at a negotiated rate not less than that of an adjunct faculty. If the approved overload is for less than a semester, compensation will be at a negotiated rate not less than that of an adjunct faculty. Incidental substitute teaching involving fewer than four class contact hours will not be compensated. Faculty must utilize banked courses/students for release time or compensation within two years of the overload assignment. Banked assignments not utilized within that time frame expire. In the case of banked students, the two-year utilization clock begins upon the conclusion of the semester that the faculty member achieves the targets established in PS 10.A.04, Section 3.4.2.
- 3.2.3 Requests for additional compensation for overloads that do not include teaching must be reviewed for both need and compliance with institutional regulations and be approved only after explicit justification.

3.3 Additional Pay for Other Personnel

- 3.3.1 The appropriate signatories, as designated in the [Request for Additional Compensation](#) form, must approve in advance additional compensation for exempt staff assigned to teach credit courses not included in their job descriptions.
- 3.3.2 Exempt staff may only teach outside normal working hours. Exempt staff approved to teach credit courses will be compensated at the rate for adjunct faculty.
- 3.3.3 Exempt staff may not receive additional compensation for any teaching done during their normal working hours. Otherwise, teaching as an overload during the employee's normal work hours is strictly prohibited.
- 3.3.4 Exempt staff may teach a maximum of two classes, or six semester credit hours, outside normal working hours.
- 3.3.5 Other university activities, special projects, assignments, or special services, such as test proctoring, performed outside the normal workday may be compensated if these activities are clearly outside the employee's position and/or department. Exempt staff are not eligible for additional compensation for work that is part of their normal job duties and responsibilities.
- 3.3.6 Non-exempt staff are ineligible for overload assignments, but are eligible for overtime compensation, with prior supervisory approval, for work performed within the scope of activities or functions of the employee's regular job assignment.

3.4 Non-Credit Courses

Compensation to faculty and exempt staff for teaching non-credit courses in such areas as organized continuing education, institutes, short courses, seminars, and workshops may be authorized only within maximum limits specified in state appropriations acts.

3.5 Payment to Employees Working for Other State Institutions or Agencies

Work performed by UHD employees on projects conducted by another state institution or agency must be covered, insofar as possible, by formal interagency contracts. If the Vice President for Administration and Finance (VPAF) determines an interagency agreement for payment of professional services is impractical, he/she may, with the advance approval of the SVPASA, authorize the payment.

All outside consulting and outside employment must be approved as specified in [PS 02.A.04, Consulting and Paid Professional Service](#).

3.6 Cumulative payments during a fiscal year for additional compensation may not exceed \$15,000 or 20 percent of the employee's annualized salary, whichever is greater. The employee and the department chair/supervisor of the employee's primary department are responsible for monitoring the total amount of additional compensation received during the fiscal year and for ensuring that it does not exceed the maximum limit.

3.7 Requests for additional compensation must be approved and submitted to ESO on a fully executed [Request for Additional Compensation](#) form prior to commencing the additional assignment.

3.8 The employee must certify that payment, cumulative with all other additional compensation payments, will not exceed the maximum amount allowed per fiscal year, and the employee must certify that services for additional compensation will be performed on the employee's own time.

3.9 As a general rule, if an employee is working 100% FTE and paid on a sponsored project of any kind for any portion of a month, additional compensation is not allowed for that month. However, in some cases, supplemental compensation may be paid to faculty and staff for work performed that is (1) clearly outside of the employee's regular workload assignment and expected scope of work and (2) does not interfere with those regular duties. Such supplemental compensation agreements must be approved by the relevant supervisor and vice president in advance of undertaking the assignment.

3.10 H1-B employees should not be considered for additional compensation without prior consultation with ESO to determine if an amendment to their H1-B petition is required.

3.11 Prior approval is not required for participation as a human subject in an approved protocol.

- 3.12 Executive management employees, as defined by Board of Regents Policy [57.10](#), are not eligible for exemption from this policy through employment agreements.
- 3.13 Policy provisions regarding additional compensation for faculty are promulgated by the Office of the Senior Vice President for Academic and Student Affairs and Provost. Applications for additional compensation by faculty members must be submitted through the Office of the Senior Vice President for Academic Affairs and Provost.
- 3.14 Policy provisions regarding additional compensation for staff are promulgated herein.
- 3.15 Exceptions to this policy will be handled on a case-by-case basis by the Senior Vice President for Academic and Student Affairs and Provost for faculty and the Vice President for Employment Services and Operations for staff.
- 3.16 All additional compensation payments must be made through the university's payroll system and are subject to withholding and other payroll deductions.
- 3.17 Types of Additional Compensation

There are three categories of additional compensation: (1) interim appointments, (2) stipends, and (3) secondary assignments.

- 3.17.1 Interim Appointments: A payment that temporarily augments the employee's base salary. When the assignment ends, the salary reverts to the original base salary. The additional compensation for this appointment may not exceed 20 percent of the employee's base salary, as per PS 02.B.08.
- 3.17.2 Stipends: Payment for work performed outside the employee's normal duties, excluding teaching assignments (see section 4.4). When the assignment is completed, the stipends ends. Examples of stipends may include compensation for special projects, special services, assisting with functions of vacant position, etc.
- 3.17.3 Secondary Assignment: Internal employment outside employee's normal duties and outside normal working hours. Examples of secondary assignments may include: (1) staff teaching as adjuncts, (2) proctoring, and (3) coaching, etc. Compensation is determined by the assignment's salary rate.

4. PROCEDURES

- 4.1 The department requesting the additional compensation must submit a [Request for Additional Compensation](#) form prior to the employee performing the additional assignment.

- 4.2 Departments must calculate the percentage of time the employee will dedicate to the additional assignment and follow the chart below to determine the stipend amount.

% of Time Dedicated to Additional Duty(ies)	Monthly Stipend Value*	% of Max Stipend
50%	\$1,500	100%
40%	\$1,125	75%
30%	\$750	50%
25%	\$500	33%
20%	\$375	25%

- 4.3 The employee and department/college business administrator must certify the additional compensation within the fiscal year, cumulative with all other additional compensation payments, will not exceed \$15,000 or 20 percent of the employee’s annualized salary, whichever is greater, and the additional work will be performed on the employee’s own time.
- 4.4 Requests for additional compensation for staff must be submitted to ESO for approval prior to the employee commencing the additional work. The Request must be uploaded as an attachment to one of the following three ePARs:
- 4.4.1 ‘Job Edit’ ePAR to reclassify employee’s current position to correspond with the interim assignment.
 - 4.4.2 ‘Additional Pay’ ePAR, for additional work performed outside the employee’s normal duties, excluding teaching assignments.
 - 4.4.2 ‘Hire ePAR’ for internal employment outside employee’s normal duties and outside normal working hours, such as Temporary Exempt Staff or Adjunct, and set up on a different employee record. **This ePAR should not update primary job record.**

ESO will process and file the ePAR and Request for Additional Compensation form in the employee’s personnel file.

- 4.5 Requests for additional compensation for faculty must be submitted to the Office of the Provost for approval. The Request must be uploaded as an attachment to a ‘Hire ePAR’ and sent through the normal approval process.
- 4.6 Exceptions to this policy will be reviewed by the Vice President for Employment Services and Operations for staff and by the Senior Vice President for Academic and Student Affairs and Provost for faculty.

5. REVIEW PROCESS

Responsible Party (Reviewer): Vice President for Employment Services and Operations

Review: Every five years on or before May 1st.

Signed original on file in Employment Services and Operations.

6. POLICY HISTORY

Issue 1: 04/01/88

Issue 2: 04/20/15

7. REFERENCES

[UH System Board of Regents Policy, Section 57](#)
[UH System Administrative Memorandum 02.A.08](#)
[UH System Administrative Memorandum 02.A.09](#)
[UH System Administrative Memorandum 02.A.29](#)
[UH System Administrative Memorandum 02.A.34](#)
[UH System Administrative Memorandum 02.B.07](#)
[PS 02.A.04](#)
[PS 10.A.04](#)