

Memo to: All UH-Downtown/PS Holders

UH-Downtown/PS 02.A.05

Issue No. 4

From: Loren J. Blanchard, President

Effective Date: 06/29/2023

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Subject: Additional Compensation for Exempt Staff and Faculty

## 1. PURPOSE

- 1.1 This PS explains eligibility requirements and the process for providing additional compensation to exempt staff and faculty 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. 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 their regular job assignment. Exempt status is determined by Human Resources (HR) 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 assignments, 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 that are not part of their contractual obligation and 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 Affairs and Provost (SVPAA) 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 when 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.

3.2.4 The employing College and the Office of the Provost determine additional pay.

### 3.3 Additional Pay for Exempt Staff

3.3.1 Approval must be received in advance from the appropriate signatories, as designated on the Additional Compensation Form.

3.3.2 Additional pay is granted for teaching. 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. The employing College and the Office of the Provost determine additional pay for teaching. Teaching includes regularly scheduled academic classes, including off-campus and instructional television, and teaching continuing education (non-credit) courses (including short courses, seminars, workshops, and conferences) scheduled at the departmental, college, or University level. Exempt staff may teach a maximum of one class per semester or a continuing education course not to exceed 8 hours per week.

3.3.3 Additional pay is granted for other University activities, special projects, assignments, or special services.

3.3.4 All additional assignments, as outlined above, must be performed outside of the employee's normal workday and outside the employee's regular duties and responsibilities.

3.3.5 In general, a staff exempt employee may not receive more than 25% of their base annual pay through additional compensation as defined in this policy. The additional pay will depend on the services indicated on the Request for Additional Compensation form. There may be exceptions to the percentage for special services to the University, such as performances and/or teaching.

- 3.4 Non-exempt staff are ineligible for additional pay, 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.
- 3.5 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, their supervisor, and the department/college business administrator 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.
- 3.6 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.
- 3.7 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 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 their supervisor and division Vice President in advance of undertaking the assignment.
- 3.8 H1-B employees should not be considered for additional compensation without prior consultation with HR to determine if an amendment to their H1-B petition is required.
- 3.9 Prior approval is not required for participation as a human subject in an approved protocol.
- 3.10 Executive management employees, as defined by Board of Regents Policy [57.10](#), are not eligible for exemption from this policy through employment agreements.
- 3.11 Policy provisions regarding additional compensation for teaching assignments are promulgated by the Office of the Senior Vice President for Academic Affairs and Provost.
- 3.12 Exceptions to this policy will be handled case-by-case by the Senior Vice President for Academic Affairs and Provost for faculty and the Vice President for Human Resources for staff.
- 3.13 All additional compensation payments must be made through the university's payroll system and are subject to withholding and other payroll deductions.

#### **4. PROCEDURES**

- 4.1 Staff: The department requesting the additional compensation must submit a [Request for](#)

[Additional Compensation](#) form prior to the staff performing the additional assignment.

- 4.2 Requests for additional compensation for staff must be submitted to HR for approval prior to the employee commencing the additional work. The Request must be uploaded as an attachment to one of the following two ePARs:
  - 4.2.1 ‘Additional Pay’ ePAR, for additional work to be performed outside the employee’s normal duties and outside normal working hours and within their own department (i.e assisting with functions of a vacant position).
  - 4.2.2 ‘Hire ePAR’ for internal employment outside employee’s normal duties and outside normal working hours outside of their own department, such as Temporary Exempt Staff or Adjunct, and set up on a different employee record. This ePAR should not update primary job record.

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

- 4.3 Faculty: The department requesting the additional compensation must submit a Request for Additional Compensation for Faculty (RACF) prior to the faculty performing the teaching assignment. This form is also required for exempt staff that are teaching; not the form in section 4.1.
- 4.4 Requests for additional compensation for faculty must be submitted to HR for approval prior to the employee commencing the additional work. The Request must be uploaded as an attachment to one of the following two ePARs:
  - 4.4.1 ‘Hire ePAR’ for internal employment outside employee’s normal duties and outside normal working hours outside of their own department, such as Temporary Exempt Staff or Adjunct, and set up on a different employee record. This ePAR should not update primary job record.

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

- 4.5 The employee, their supervisor, and the 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.

## **5. REVIEW PROCESS**

Responsible Party (Reviewer): Vice President for Human Resources

Review: Every five years on or before May 1<sup>st</sup>.

Signed original on file in the Office of Human Resources.

## **6. POLICY HISTORY**

Issue 1: 04/01/88

Issue 2: 04/20/15

Issue 3: 06/26/19

## **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](#)

[Request for Additional Compensation Form](#)