



UNIVERSITY POLICIES

Title: Employee Supplemental Pay Policy
Effective Date: July 1, 2025
Issuing Authority: Provost and Senior Vice President for Finance and Administration
Policy Contact: Faculty: Vice Provost, provost@mercer.edu, 478-301-2110
Staff: Associate Vice President for Human Resources, hr@mercer.edu, 478-301-2786

Purpose

To maintain judicious stewardship and appropriately compensate employees, Mercer University defines eligibility requirements and specific guidelines to request, process, and disburse supplemental pay.

Scope

This policy applies to all employees at Mercer University.

Exclusions

Employee awards, contractual obligations, sponsored-program pay as described in the Mercer University Facilities and Administrative (F&A) cost policy, and overtime for non-exempt employees.

In recognition of collegial expectations usual in a community of scholars, University units may not pay honoraria to faculty members, academic staff, executive managers, or academic administrators for talks, seminars, etc., provided in usual classroom/seminar settings.

Definitions

As used in this policy, the following term(s) have the meaning specified below:

Base Salary: annualized compensation that excludes payment outside of the employee's regular duties

Classified Non-Exempt Staff: an hourly employee who is eligible for overtime pay as determined by the institution as defined by the Fair Labor Standards Act (FLSA)

Faculty: a salaried employee who is not eligible for overtime pay as determined by the institution as defined by the Fair Labor Standards Act (FLSA) and carries an academic faculty appointment

Grant-Funded: a position funded in whole or part by external sponsored programs

Professional/Administrative Exempt Employee: a salaried employee who is not eligible for overtime pay as determined by the institution as defined by the Fair Labor Standards Act (FLS) and does not carry an academic faculty appointment

Stipend/Allowance: a fixed sum of money provided for work performed in addition to the base salary and paid on a monthly basis, as stated in the contract/offer letter

Supplemental Pay: compensation to an employee that is in excess of the employee's annual base salary and is appropriate only in limited situations. Supplemental Pay is paid as a one-time payment. Types of supplemental pay include, but are not limited to:

- Tasks performed in a temporary capacity outside of the eligible employee's regular job duties and regular work schedule. Tasks are clearly differentiated from the duties normally performed by the employee, are performed outside of the individual's regular work schedule and do not impair the employee's ability to carry out regular responsibilities.
- Sponsored programs summer work for 9-month faculty members (summer salary for grants)
- Teaching a course as an overload assignment during the contractual appointment period
- Teaching in credit-free instructional activities as an overload assignment. Credit-free activities may have a resemblance to credit courses in structure, program, and time sequence and usually incorporate techniques for evaluating student progress and may include the giving of a certificate of accomplishment on completion.
- Completing non-instructional activities outside the normal workload assignment
- Summer teaching appointments for 9-month faculty

Policy Statement

A. General Information

1. Individuals performing supplemental pay assignments pursuant to this policy remain subject to the same University policies and procedures as are in effect during the performance of their regularly assigned duties.
2. Employees receiving supplemental pay shall be paid said supplemental compensation via the institution's payroll system. Supplemental compensation paid to employees who are on the institution's payroll **shall not be** paid as per diem and fees or as stipends.
3. Supplemental pay is subject to withholding in accordance with Internal Revenue

Service and appropriate state taxing agency regulations.

4. Supplemental pay is not guaranteed and is granted at the discretion of the University.

B. Non-Exempt and Exempt Staff Employees

1. Non-exempt employees performing duties outside of the employee's normal job responsibilities qualify for overtime pay. Therefore, non-exempt employees must record all hours worked and be paid the appropriate overtime rate if the employee physically works over 40 hours in the workweek.
2. A professional/administrative exempt employee cannot receive supplemental pay for a task while receiving regular compensation for the same time period unless the staff member has received supervisor approval or utilizes uncompensated meal periods and/or PTO leave accruals for the portion of time during which the additional task is performed.
3. The exempt employee's current position description should be reviewed by the department to confirm that the supplemental responsibilities are not part of the employee's normal work effort or a service that would otherwise be provided by the employee's department. Departments should consult and seek prior approval from Human Resources before offering supplemental pay. Rate is based on work performed and effort.
4. In no case should the supplemental pay being paid in total for a fiscal year exceed two months of the exempt employee's annualized base salary.

C. Faculty

1. Supplemental pay may be granted in the following situations:
 - a. Any assignment for supplemental pay for overload shall be entered into by mutual agreement between the faculty member and the Dean. The decision on whether to accept an overload assignment is entirely up to the faculty member and refusal to do so cannot be held against the faculty member in annual reviews, renewals, or promotion and tenure decisions.
 - b. Overload teaching constitutes work done in addition to full-time faculty responsibilities. Teaching more than one overload course per semester would likely detract from a faculty member's ability to fulfill full-time responsibilities. Therefore, faculty overload teaching is limited to no more than one course per semester for a total not to exceed two courses in an academic year (excluding summer) except where approved by the Provost.
 - c. Overload teaching for supplemental pay must be approved on a case-by-case basis by the Dean. Each approval of overload teaching for supplemental pay must be in the best interests of the academic unit.
 - Faculty teaching an overload must be meeting or exceeding

expectations in the fulfillment of all work duties.

- Faculty with course releases due to grant-funded projects are eligible to teach overload courses for supplemental pay with approval from the Dean.
- Faculty teaching an overload shall be compensated per class at the standard pay for adjuncts in the academic unit.

Supplemental pay may not be provided for assignments consistent with “other duties as assigned” unless such assignment is significant, temporary, and beyond the scope of the faculty member’s regular job description.

2. Faculty on 9-month appointments also adhere to the following guidelines:

- a. Total supplemental pay for a 9-month faculty member is limited to 33.33% of the base salary during the academic year appointment.
 - b. Additionally, during the summer months, total summer compensation is limited to 33.33% of the base salary for all Mercer paid activities to include summer teaching, advising, or summer salary from sponsored programs. Commitment to a sponsored program should take priority so a 9-month faculty member who wants to take on additional advising, teaching, or other paid activities must reduce their salary from these activities to fully utilize sponsored programs summer salary and ensure the sum from all sources does not exceed the 33.33% base salary limit.
 - c. For summer salary calculations, one month salary is defined as 3/9 or 33.33% of the annual base salary.
 - d. If a faculty member has administrative or other non-sponsor-related responsibilities (including advising, teaching, or research activities outside of the defined sponsored program) during the period for which they are requesting summer salary, they are precluded from devoting the maximum allowable 100% effort to sponsored projects and cannot request the full 3 months of salary from sponsored projects.
- For sponsored programs, 9-month faculty are limited to 90% effort in the 3 months of summer or a total of 2.7 person months of funding, subject to further limitation by the sponsor or college/school.
 - Faculty may request an exception to the 90% for 3 months limit through the Senior Vice Provost for Research with prior approval of the Chair and Dean. Approval requires a detailed list of all planned activities during the summer and an agreement that only activities directly related to the sponsored program will be undertaken during the summer period. No vacation is available for faculty completing 3 months of summer research at 100%.

3. Faculty on 12-month appointments also adhere to the following guidelines:

- a. Faculty are eligible for overload pay assignments during the summer if such assignments are made pursuant to this policy.
 - b. Faculty should normally not receive supplemental pay for additional work outside of their appointment period. Adjustments to the percent effort for assignments (such as teaching or research) may need to be reallocated and should be managed by the Dean of the individual college. If an exception is requested and approved, a document must be provided to the Provost including supporting details for the nature of the work above and beyond the individual's institutional base salary, the approval from the Dean, and sponsor prior approval if applicable.
 - Any request for supplemental pay on a sponsored program should meet the requirements listed in OMB Uniform Guidance (2 CFR part 200.430). These requirements include unusual cases where consultation is across departmental lines or involves a separate or remote operation, and the work performed by the faculty member is in addition to his or her regular responsibilities.
 - The request should be included with the proposal transmittal form as part of the pre-award process and should be approved by the sponsoring agency.
4. The Provost reserves the right to adjust overload pay rates based on the available budget and the demand for additional teaching capacity. No provision of this policy shall prevent the Provost from approving interim or emergency instructional arrangements, including the approval of overload compensation, in the event of an unanticipated emergency or crisis. No provision of this policy shall prevent the Provost from approving exceptions to this policy, in writing, based on some documented institutional need, where the protection of the best interests of the University's students is a compelling priority.