

Purpose:

The University of South Florida acknowledges the need to periodically pay for services performed for a brief and finite period of time or under exigent circumstances. Due to the transient and limited nature of the assignment, an appointment may not be required. Non-Recurring Compensation (NRC) is established to provide a lump sum payment for exempt employees who do not qualify as an independent contractor or for a USF employee performing duties above his/her existing FTE or in a different assignment than his/her current position. For more information related to determining whether a service provider is an employee or an independent contract, please refer to <https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee> .

Payment for non-exempt services must be paid through the payroll certification process to ensure compliance with federal wage and hour law. To accommodate exigent circumstances, a one-time NRC may be provided for non-exempt services for a new employee if payment does not exceed \$50.00.

USF is committed to ensuring payments for services rendered are accurate, timely and in compliance with regulations and applicable laws. Non-recurring compensation should be used in those instances when an individual provides a non-repetitive service to the university.

Criteria for Non-Recurring Compensation

1. Services performed must qualify as exempt work as defined by the Fair Labor Standards Act (FLSA), as amended. The amount to be paid must meet the salary test under the FLSA of no less than \$17.10 per hour or \$684 per week. The duties must be administrative or professional in nature. Non-professional jobs should be compensated with hourly appointments at the current State of Florida minimum wage rate or above.
2. Non-exempt (hourly) employees must be paid through a temporary appointment. Actual hours worked must be certified through the payroll certification process. A limited one-time exclusion of \$50 or less may apply for new hires, subject to applicable FLSA law.
3. Duration of time worked is limited to a maximum of 14 consecutive days, including weekends.
4. Amount to be paid is under \$500 or has approval signature of appropriate Vice President consistent with salary delegation policy.
5. For new employees, the employee must be processed through Human Resources prior to the commencement of the assignment except in exigent circumstances. To comply with federal law, an employee must be processed as a new hire no later than forty-eight (48) hours after the start of employment.
6. Persons receiving non-recurring compensation are employees of USF, therefore, all policies related to screening, defined terms of employment and appropriate authorization from an officially designated authority must occur before work begins.
7. A separate active appointment and job record will be recreated for each NRC payment to ensure that all job information is accurate and current. Employees who have not been paid for one year will be required to update information prior to payment.
8. NRC payments funded from federal and state grants must be reviewed and approved by Research Financial Management for compliance.
9. NRC payments will be handled consistent with the payroll certification approval process.

Non-Recurring Payment Request

1. All Tampa Campus requests for non-recurring compensation will be provided to the USF Central Human Resources Employment Center for processing. Regional Campus requests will be provided to and processed by each Regional Campus Human Resources Department.
2. Non-Recurring payment requests must include the actual hours worked for all temporary employees. Hour tracking is required by the State of Florida. Hours are reported to the State for compliance with the Patient Protection and Affordable Care Act.
3. Non-recurring compensation requests will be reviewed in order to ensure the non-recurring compensation criteria have been met. Requests may also be subject to review by the Classification and Compensation Department of Central Human Resources. Departments may be required to provide additional information or in some cases be advised that the person needs to have an appointment.

NRC Payment Process

Each Non-recurring payment will require the department submit a minimum of two forms:

Form 1 - The Letter of Engagement

This form is submitted to the USF Central Human Resources or the Regional Campus Human Resources Department, if applicable, prior to the employee beginning work.

The letter of engagement shall contain description of work to be provided. Examples include:

- a. Research data assessment professional/reviewer
- b. Program Designer
- c. Artistic Performance
- d. Course Development
- e. Referees

If assignment is also extra compensation for the individual receiving the payment, the Extra Compensation Request form must be completed and attached. The Extra Compensation Request must also be submitted prior to the commencement of any work.

Additionally, departments are required to indicate any special training, experience, or licenses that are required to perform the work. Verification that the candidate meets the minimum qualifications is required.

Form 2 - Request for Non-Recurring Compensation

This form is submitted to Central Human Resources or the Regional Campus Human Resources Department, if applicable, after completion of work has been certified.

Form Guidelines

The payment amount must match the dollar amount that was indicated on the Letter of Engagement and Extra Compensation Request, if applicable.

The hours utilized to complete assignment must be indicated.

- The form must be approved by a person with salary delegation and/or authority to certify payroll.
- Any deviations to the above-mentioned provisions will require sign-off from the appropriate Vice President.

Submission of the Request for Letters of Engagement and Non-Recurring Compensation

1. Tampa Campus forms should be sent to the attention of the department's service center HR Representative. Mail Drop SVC2172.
2. Regional Campus forms should be sent to the affiliated Human Resources Department at that campus.

Processing Guidelines for the USF Central Human Resources and Regional Campus Human Resources Departments

1. Requests submitted for non-professional services or with a pay rate of less than \$17.10 per estimated work hour must be forwarded to Classification and Compensation for review and approval.
2. Receive all non-recurring compensation documentation, validate that all payment recipients are entered into GEMS for the period of payment and the department authorizing payment.
3. Set up appointments in GEMS are required. The GEMS appointments will reflect the actual department number in which the person worked and the dates worked as provided on the Request for Non-Recurring Compensation form.
4. Identify those paid as extra compensation as salary plan 01 and those not paid as extra compensation will be paid on salary plan 00.
5. Verify that the length of employment is a period of 14 days or less.
6. Provide all letters of engagement submitted for any current employees in pay groups POH or PEU (Temporary or Staff) to Classification and Compensation for review and approval.
7. Review the number of non-recurring payments made to an individual in the past twelve months. If three non-recurring payments have been paid, a review will be made by Classification and Compensation to determine if non-recurring is still the most appropriate payment type. The types of assignments completed and other factors will be considered. The department may be advised to make an appointment instead of pay by NRC.
8. Ensure the extra compensation form is attached to any NRC requests for employees active on positioned appointments.
9. Queries will be run to match NRC with payroll.

Processing Guidelines for Payroll

1. Receive the NRC payment requests after Central Human Resources or the Regional Campus Human Resources Department has approved them for payment.
2. Log and reconcile the pay requests.
3. Payroll will verify FICA status/combo code/date range/pay group and record number
4. Payroll will validate the accounting chart-field (i.e. combo code) prior to processing payment.
5. The pay request will be entered into GEMS.
6. Following the payroll calculation, a query will be run by an employee who did not enter the data into GEMS, to verify that the GEMS data matches the pay request.
7. All payment requests will be subject to payment by method of direct deposit. In the event direct deposit is not a suitable method, paper check issuance shall occur.
8. After processing Payroll will maintain a file of the pay requests.