

## Non-Recurring Compensation FAQ

To assist you in utilizing Non-Recurring Compensation (NRC) consistent with USF policy, we have provided this list of frequently asked questions. Please contact Central Human Resources (CHR) with any additional questions.

- **What are some examples of allowable uses of Non-Recurring Compensation?**

1. Art performance (One time, less than \$500)
2. Short term mentoring or training of teachers or students in a local school (limited to less than 14 days for each project).
3. Short-term photographic or videotaping assignments in which the worker has a degree of artistic control and independent production. (Purely technical assignments should be compensated at an hourly rate for time worked.)
4. Evaluation of a scholastic writing sample
5. Participation as an expert speaker in community event
6. Editing a journal article (The editing **process** must take place within 14 days).
7. Giving a one-time lecture.
8. Serving as a short-term peer mentor.

- **Why are we required to submit the actual hours worked for professional employees?**

Under the Patient Protection and Affordable Care Act, employees working more than thirty hours per week are considered full time and benefit-eligible regardless of employment status. Since employees of the University of South Florida receive benefits through the State of Florida, the weekly hours worked calculation includes all hours worked for any state agency. Therefore, USF is required to report all actual hours worked to the State for all temporary employees.

- **How can I determine if a non-recurring payment meets the salary test of \$684 weekly (\$17.10 per hour) if the employee is paid only once and work hours are not recorded?**

Total work hours should be estimated at the time of the original offer. Since payment will be made only once, this \$684 rate is prorated over estimated work hours. This weekly rate is based on 40 hours of work, which prorates to \$17.10 per hour. A job which is estimated to take 20 hours to complete will require a non-recurring payment of at least \$342 (\$17.10 per hour \*20 hours).

- **Why does the minimum payment for non-recurring prorate to more than the minimum wage of \$8.56 per hour? I thought that there was no legal requirement to pay more than minimum wage.**

The minimum wage of \$8.56 per hour applies to hourly work, in which employees precisely track time worked and receive pay in direct proportion to these hours. On the other hand, non-recurring employees receive “fee basis pay” upon project completion rather than variable hourly pay. The standard for fee basis pay is similar to the standard applied to salaried appointments of \$684 per week, which prorates to \$17.10 per hour. If this standard is met, the employee may be paid in one lump sum rather than an hourly rate.

- **I will be hiring an employee who has an hourly appointment at USF (typically Student Assistant or Staff) for a short-term project. The short-term job is completely unrelated to the employee’s**

**regular job. Is a non-recurring payment allowed?**

If the job will be completed in less than 14 days and will pay less than \$500, and involves administrative or professional duties, a non-recurring payment is allowed. However, an hourly employee is entitled to receive at least time-and-a-half compensation for combined work over 40 hours in a work week. Please consult Classification and Compensation in CHR about allowable payment rates for hourly employees who will perform extra short-term assignments.

- **I intend to pay \$50 for a one-time service performed on one day. Is this payment rate allowed as non-recurring?**

Since the non-recurring payment must prorate to \$17.10 per hour, a service which will be reimbursed as non-recurring with \$50 should be estimated to take no longer than 3 hours. If the service will take longer, then a \$50 payment is too small for non-recurring. Payment for one full day (8 hours) as non-recurring must be compensated at \$136.80 or more. If the employee will have a projected salary less than \$17.10 per hour, then an hourly appointment will be necessary for at least minimum wage - \$8.56 per hour.

- **What are the common work assignments for which non-recurring payment is not permitted?**

1. **A current USF employee performs work on an additional project of the same general job type**, such as course development in a faculty member's area of expertise or accounting duties by an accountant for a second department. Such work may be reimbursed with a temporary special pay increase (stipend) or extra compensation appointment depending on the degree of similarity and location (department) of the additional project.
2. A **test proctor** should be paid as an hourly employee for the actual test duration.
3. A **sworn law enforcement** officer who has a regular job at another agency may work a specific event at USF. Police should be paid an hourly rate based on the time served at the event. This rate is unrelated to their payment rate at the primary employer.
4. Sporting events require **timekeepers, scorekeepers** and others who are performing non-professional tasks. They should be paid at least minimum wage for hours worked during the event.

- **I intend to pay \$500 or less for a professional service which will be performed intermittently over an entire semester. How should this payment be made?**

When a project extends beyond the 14 day limit for non-recurring, it must be reimbursed on an hourly basis. The prospective employee must be hired on an hourly appointment and report work hours for each biweekly period for payroll certification. An hourly rate for the employee's work may be based on a projection of the total hours to complete the project. For example, if the employee is to receive \$500 and the project is projected to take 50 hours to complete, then the hourly rate of the appointment should be \$10 ( $\$500/50 \text{ hours} = \$10 \text{ per hour}$ ). If, for example, the employee works for only 2 hours in one of the biweekly pay periods, the employee should be certified and paid \$20 ( $\$10 \text{ per hour} * 2 \text{ hours}$ ) in the regular biweekly certification for that period. Even if there is no intermediate work product to examine, the employee should submit a brief summary of project activities along with a number of work hours every two weeks.

Common examples of intermittent jobs for less than \$500:

1. Short-term evaluation or training performed at a remote site for a sponsored contract or grant
2. Sign language interpreter duties performed for miscellaneous short events in a semester

- **I intend to pay \$1,400 for a professional service which will be performed within 14 days. How should this payment be made?**

The proposed payment exceeds USF's \$500 limit for non-recurring payments and so must be paid through regular biweekly payroll processes. Since the \$1,400 payment for two weeks of work exceeds the Fair Labor Standard Act minimum for a salaried appointment of \$684 weekly, and the duties are professional in nature, this employee may be given a salaried professional appointment (job code 0013) for the 14 days. The appointment will appear on either one or two pay certifications, depending on appointment dates. It will be terminated automatically at the end of the 14 days but may be extended with a new appointment status form if the project continues.

Common examples of short-term jobs for more than \$500:

1. One or two day non-credit course delivery
2. Continuing Education course development and/or delivery
3. Distance Learning Course development

- **I intend to pay \$2,000 upon completion of an intermittent (or part time) job which will extend over 2 months. Since non-recurring compensation is no longer allowed for this type of job, how should the employee be appointed and paid?**

**For non-teaching assignments**, the payment of \$2,000 over two months prorates to \$233 per week, which is too low for a salaried appointment (minimum of \$455 per week). The prospective employee must be hired on an hourly basis and report work hours for each biweekly period for payroll certification and biweekly payment. An hourly rate for the employee's work may be based on a projection of the total hours to complete the project. For example, if the employee is to receive \$2,000 and the project is projected to take 50 hours to complete, then the hourly rate of the appointment should be \$40 ( $\$2000/50 \text{ hours} = \$40 \text{ per hour}$ ). If, for example, this employee works for 10 hours in one of the biweekly pay periods, the employee should be certified and paid \$400 ( $\$40 \text{ per hour} * 10 \text{ hours}$ ) in the regular biweekly certification for that period. Even if there is no intermediate work product to examine, the employee should submit a brief summary of project activities along with a number of work hours every two weeks.

Common examples of long-term intermittent jobs for more than \$500:

1. Long term (over weeks or months) evaluation or training performed at a remote site for a sponsored contract or grant. No work product will be submitted until the completion of the assignment.
2. Development of an information systems program or process or a website which will take over 14 days or involve more than a \$500 payment for the project as a whole

**For professional teaching assignments**, there is no requirement to pay \$684 per week. Those teaching for-credit academic courses are compensated as salaried adjunct faculty at rates determined by the hiring departments. Those teaching non-credit courses should be appointed as temporary salaried professional (job code 1103) for the duration of the course delivery.

1. Development and delivery of a for-credit course for a semester (adjunct faculty appointment)
2. Development and delivery of a non-credit or certificate course for a semester (salaried temporary appointment)