

2403 EARNED COMPENSATION - SUPPORT STAFF AND BARGAINING UNIT EMPLOYEES

Effective: September 1990
Revised: May 2014
Last Reviewed: April, 2016
Responsible Office: Comptroller
Approval: Comptroller/Human Resources

PURPOSE

To establish the period over which nonexempt staff employees and employees that are covered by collective bargaining agreements (weekly paid) earn compensation, i.e., annual base salary or hourly wage paid by the University.

NOTE: Nonexempt staff employees or employees, who are covered by collective bargaining agreements, occupy positions which are subject to the provisions of the Fair Labor Standards Act.

POLICY

1. Compensation is earned by regular salaried nonexempt staff as follows:
 - a. Compensation is earned and paid on a weekly basis at a calculated hourly wage rate over the employee's standard work week, e.g., 35, 37.5 or 40 hours.
 - b. Promotions, reclassifications, salary adjustments, and merit increases are considered incremental adjustments to the employee's annual base salary, calculated as an incremental amount to the employee's hourly wage rate, and are paid each subsequent week.
2. Compensation is earned by temporary hourly support staff as follows:
 - a. Compensation is earned on an hourly basis and paid weekly at the employee's hourly wage rate.
 - b. Salary increases are considered incremental adjustments to the hourly wage rate, and are paid each subsequent week as part of the hourly wage rate, as adjusted.
3. For employees who are covered by collective bargaining agreements, wages are paid at the hourly rates established by the applicable labor contract.
4. Hours worked must be paid in accordance with the provisions of the Fair Labor Standards Act. <https://www.hr.upenn.edu/myhr/resources/policy/compensation/overtime> (HR Policy 302.1)

5. Human Resources/Compensation is responsible for the determination of whether a position is exempt or non-exempt.
6. Any exceptions to the above policies must be approved, in advance and in writing, by the Director, Human Resources Compensation.