Financial Policy Manual



2403 EARNED COMPENSATION – NON-EXEMPT WEEKLY-PAID

Effective: July 2019 Revised: Last Reviewed: 4/7/2020 Responsible Office: Human Resources Approval: Comptroller/Human Resources

PURPOSE

To establish the period over which staff in non-exempt weekly-paid positions/on Hourly Compensation Plans, including those covered by collective bargaining agreements, earn compensation (i.e., hourly wage paid by the University).

NOTE: Staff in non-exempt weekly-paid positions/on Hourly Compensation Plans, including those covered by collective bargaining agreements, occupy positions that are determined to not be exempt from (i.e., are subject to) the provisions of the Fair Labor Standards Act (FLSA).

POLICY

- 1. Wages are earned by staff in non-exempt weekly-paid positions/on Hourly Compensation Plans, as follows:
 - a. Wages are earned and paid on a weekly basis at a calculated hourly rate over the staff member's standard work week (i.e., 35, 37.5, or 40 hours).
 - b. Promotions, reclassifications, compensation changes, or merit increases are considered incremental adjustments to the staff member's hourly rate, are calculated as such, and are paid each subsequent week.
- 2. Non-exempt staff whose employee type is "Temp" are not assigned to a Compensation Plan; however:
 - a. Such temporary staff will earn pay at an hourly rate and will be paid weekly based on the number of hours worked in that workweek.
 - b. Increases to the hourly rate are considered incremental adjustments, are calculated as such, and are paid each subsequent week.
- 3. For staff members covered by collective bargaining agreements, wages are paid at the hourly rate(s) established by the applicable collective bargaining agreements.
- 4. Hours worked must be paid in accordance with the provisions of the FLSA. <u>https://www.hr.upenn.edu/policies-and-procedures/policy-manual/compensation/overtime-compensation-and-or-compensatory-time</u>

Page 1

- 5. The Division of Human Resources/Compensation is responsible for determining whether a position is exempt (monthly-paid) or non-exempt (weekly-paid).
- 6. Exceptions to any of the above points must be approved, in advance and in writing, by the Executive Director, Division of Human Resources/Compensation