LUMP SUM PAYMENT PROCEDURES

- Employment of student and transient employees is covered by the Fair Labor Standards Act which requires payment on an hourly rate basis. Lump sum payments should be an infrequent occurrence.

- Lump sum payments should only be used if compensation cannot be derived from a calculation of an hourly rate of pay.

- The lump sum payment **must** represent an amount that satisfies at least the required federal minimum rate of pay.

- A job description with a job title should be established for each job that requires lump sum payments.

- The Lump Sum rate type should be selected when loading the personnel form in HRS.

- Complete the Lump Sum Request Form template located on the Attach screen in HRS and then attach to the electronic personnel form.

- The personnel form will route to the Office of Student Aid & Scholarships or HRM, as appropriate, for approval of the lump sum payment. The personnel form must be submitted PRIOR to submission of the timesheet. Please note that lump sum payments are not normally allowed on sponsored agreements.

- The lump sum timesheet must have all fields completed.

- The lump sum timesheet should be sent directly to Payroll AFTER the personnel form has been approved by the Office of Student Aid & Scholarships or HRM.

- Lump sum timesheets received in the Payroll Office without a corresponding approved personnel form will be held by Payroll until approval is obtained.