

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.