



Guidelines for Distribution of \$1,200 One-time Salary Payments

I. Eligibility Guidelines:

- a. Faculty and staff with regular continuing or regular term appointments at .80 FTE or greater.
- b. Employees must have continuous service from January 4, 2010 (1st workday of calendar year) through July 1, 2010 (1st workday of fiscal year).

Note: Continuous service includes both active pay status and periods of approved leave without pay (including FMLA, Temporary Medical Disability, and leave without pay for employees reduced in force, but subsequently re-hired within 12 months).

- c. Performance Threshold for Staff. Pursuant to Section III.A of PER 3.05, General Increases, "An employee whose performance is considered unsatisfactory is not eligible for a general increase."
- d. Performance Threshold for Faculty. Pursuant to Section III.B.2, Minimum Guidelines, "Based on the approved criteria of the unit, only the faculty whose overall performance is judged to be satisfactory or above will receive a salary increase."
- e. Excludes faculty and staff with temporary appointments, or part-time appointments less than .80 FTE.
- f. Excludes visiting faculty.
- g. Excludes the president, vice presidents, and deans.
- h. Excludes contractual employees, such as athletics coaches and others with individual employment contracts, whose compensation is specified by contract.
- i. "Term Faculty" with contracts that continue on through the FY 2010-11 fiscal year shall receive the \$1,200 one-time award payment. Term Faculty whose contracts expire June 30, 2010, and which are not renewed, will not receive the \$1,200 one-time award payment.

II. Payment Process:

- a. The \$1,200 shall be paid as a one-time, lump sum in the form of a separate pay check or separate automatic payroll deposit on the **July 23 biweekly payroll** for classified staff and on the **July 30 monthly payroll** for faculty and professional & administrative staff.
- b. The \$1,200 payment is the amount for full-time employees. Payment will be prorated by FTE for employees less than full time. (e.g., Employees with .80 FTE appointments will receive 80% of the award, or \$960).

- c. No fringe benefits, other than statutorily-required employer-paid FICA and Medicare, shall be paid on the one-time award,
- d. Because the payments are funded with one-time funds, the \$1,200 award payment will not be added to the employee's salary and wage base,
- e. Appropriate federal, state and local taxes shall be deducted from the \$1,200 one-time payment per applicable statutes and ordinances. Aggregate tax method will ensure proportional income tax withholding.

III. Funding Considerations:

- a. The distribution of \$1,200 award among programs (speedtypes) will be based on the funding sources identified for an employee in the University's Payroll System as of July 1, 2010 and will be based on both base and supplemental pays.
- b. Central funds will be provided to cover the cost of the \$1,200 one-time payment for employees funded from University General Funds. Funds will be provided on a prorated basis for employees funded partially from General Funds.
- c. Eligible employees supported partially or entirely by restricted funds such as grants and contracts, endowments, current gift funds, clinical income or funds other than general funds shall receive the \$1,200 one-time payment. Respective departments are responsible for providing the restricted funding for the awards,
- d. Eligible employees either partially or entirely paid from Auxiliary Enterprises, University Housing, Service Centers or other "program budgets" shall receive the \$1,200 award, which shall be funded on a prorated basis from the appropriate fund source,
- e. Clinical Departments, with written approval of the Executive Vice President for Health Affairs, may opt out of the \$1,200 salary payments for clinical faculty.

IV. Questions:

Please direct questions regarding eligibility, payment process, or funding to the appropriate individual below.

Eligibility: Dennis Finnegan
Director of Employment & Compensation
502-852-7752 or djfinn03@louisville.edu

Payroll: Bob Cochran
Director of Payroll
502-852-2643 or rlcoch01@louisville.edu

Funding: Susan Ingram Howarth
Director of Budget and Financial Planning
502-852-6166 or swingr01@louisville.edu