

OWN OF BIG FLATS

Guidelines for Use of Stipends -for Employees

The following guidelines describe the appropriate use of stipends for Town of Big Flats (Town) employees. Stipends may be appropriate for supervisors, administrative employees, and staff employees. Any recommendations for stipends etc. must be made in writing on the designated form by the Town Supervisor or Department Supervisors.

A stipend may be paid to an employee who is or was temporarily assigned responsibilities of a higher level position or other significant duties not part of the employee's regular position.

A stipend is a payment in addition to the base pay for an employee. It is to be used as temporary compensation to be paid to an in employee for the meritorious efforts and responsibility related to a special assignment. When the special assignment ends, the stipend is discontinued.

When compensation is for additional effort, outside the work year or beyond the assigned percent full time, additional compensation (not in the form of a stipend) may be appropriate.

Definition of Stipends

One-time (Short-term) Stipends are used for single assignments/projects, which will or did last less than one full work year. Short-term stipends are paid over the period of the assignment rather than being spread over twelve monthly installments. Short-term stipends are not included in the salary base which is used for benefits calculations. Consequently, benefits which are based on salary, such as retirement, insurance, and long-term disability, are not based on the stipend amount.

On-Going Stipends are usually for an assignment which will or did last one full work year or longer. The stipend is spread over twelve monthly installments. On-going Stipends are not included in the salary base which is used for benefit calculations as set forth above for one-time stipends.

Approval of Stipends All requests for payment of stipends require a completed Stipend Request Form and corresponding signature approvals of the Supervisor of the Department and the Town Supervisor and then must be submitted via a resolution to the Town Board for its approval, modification or denial. Completed forms will be processed by Payroll once all paperwork is completed and the Town Board has issued its decision. The Town Supervisor may approve an increase in the amount of a stipend during the term of appointment or upon appointment to a subsequent term, subject to approval by the Town Board and must be accompanied with the reasons for the change. A new Stipend Form must also be completed subject to the approval process set forth above. Stipends are not affected by across-the-board salary increases for employees

EXAMPLES of situations in which payment of a stipend is appropriate:

Appointment as Department Head An administrative employee who formally serves as a Department Head when the position is vacant may be paid a stipend in addition to their base salary. The stipend is compensation for the meritoriously performed additional administrative duties.

Acting or Interim Appointment An employee may be appointed to a position in an acting or interim capacity. The acting appointment may carry a salary appropriate to the position being held. Typically the salary adjustment is up to 10% of the incumbent's salary or up to 10% or more of the salary of the employee serving in the interim/temporary role. All adjustments require approval by the Town Board. The compensation is either paid as a one-time stipend or an on-going stipend depending upon the length of time of the appointment. At the end of the appointment, either the stipend is discontinued or the salary reverts to the previous salary, adjusted by generally applied increases which have occurred in the interim.

Additional Duties for a Fixed Period of Time Occasionally an employee is assigned additional duties for a fixed period of time. For example, an employee might be given some responsibilities of a vacant position without being appointed to the full position in an acting capacity. A stipend is appropriate in this situation. The amount of the stipend is typically up to 10% of the incumbent's salary or 10% of the salary of the employee taking on additional responsibilities, whichever is more appropriate. The amount is pro-rated for the length of time an employee is assigned these duties. When the vacant position is filled, the stipend is discontinued. If the vacant position is not filled but the duties are assigned to the employee receiving the stipend, a salary adjustment should be considered to replace the stipend on an on-going basis. Upper level administrators, in titles such as Town Supervisor or Department Supervisors, should not ordinarily be given stipends for a circumstance that involves coverage for their regular and expected duties. The base salary for these positions is compensation for the position, including changes in assignment resulting from short-term needs or reorganization. If a major change in the level of responsibility occurs, a salary adjustment or stipend for a specified term may be considered subject to Board approval.

Additional Compensation An employee who performs work related to the business of the Town, which is not related in any way to their regular job description, compensation in the form of a stipend may apply subject to Board approval. The amount paid for these functions will be determined by the Town Supervisor, in consultation with the appropriate Department Head. Compensation will not exceed a fair market amount determined by the Town Supervisor. A staff employee who conducts work related to the business of the Town, outside of his/her regularly work schedule is compensated for overtime depending on hours worked. In the instance when an employee is asked to work for another department, approval from the employee's primary department is required to ensure that there is no conflict between the employee's primary responsibilities and the additional workload.

Monitoring stipends . The Town will periodically review all payments of stipends to ensure consistent application of these guidelines. Stipends and/or additional compensation that continue from one fiscal year into another fiscal year, will be reviewed annually at the beginning of the new fiscal year.

If the Town finds that a stipend is continuing over a long period (unless the timeframe was determined up front), the situation should be reviewed to determine whether it is appropriate or whether an adjustment to the base salary should be considered.