



Adjunct and Wage Faculty Payments (P-14 Payments)

No. 4296

Policy Effective Date:
1/23/2002

Last Revision Date:
10/8/2024

Policy Owner:
Bryan Garey

Policy Author: (*Contact Person*)
Ellen Banks

Affected Parties:
Faculty
Staff

- 1.0 Purpose
- 2.0 Policy
- 3.0 Procedures
- 4.0 Definitions
- 5.0 References
- 6.0 Approval and Revisions

1.0 Purpose

The purpose of this policy is to identify the proper use of adjunct and wage faculty payments (also called P-14 payments), stipends that are paid on a per pay period basis over the course of the performance of professional services or as one-time fee payments. This policy will describe the type of work that is appropriate for compensation through the adjunct and wage faculty payment process. This policy will also address the reporting and record keeping obligations associated with adjunct and wage faculty payments.

2.0 Policy

The Adjunct and Wage Faculty Payment Process is typically used to compensate faculty members and staff employees, when hired as wage faculty, for professional services performed in support of instruction, research, administration, extension, or outreach on a part-time, temporary basis. Adjunct and wage faculty payments are only appropriate for the types of work that would qualify as exempt executive, administrative, computer or professional duties under the [*Fair Labor Standards Act \(FLSA\)*](#) and are not duties normally performed by staff employees. The only exception to this is when the fee paid for the assignment is less than the minimum weekly threshold established by the Department of Labor; the employee will be considered non-exempt and required to report hours worked each pay period.

Employees paid on a P-14 should not average more than 29 hours per week during the course of employment and, therefore, should not be paid overtime. If the employee is expected to work overtime, another form of payment is required.

The policy which describes the process for payment of incentive bonuses for recruitment or retention of faculty and university staff is Policy 4005, Exceptional Recruitment and Retention Incentive Options Policy.

2.1 Types of Special Faculty Payments

The following faculty services are appropriate for compensation through the adjunct and wage faculty payment process:

1. Payments to faculty and staff employees participating in non-credit instructional programs through Continuing and Professional Education.
2. Payments to adjunct teaching faculty members, including retired faculty and staff, on or off-campus, for teaching credit courses or providing other credit instruction, or overload payments to full-time instructional faculty who are teaching professional continuing education classes for credit through distance learning.
3. Payments to current faculty and staff participating in university-sponsored consulting activities (Technical Assistance Program) coordinated through Continuing and Professional Education.
4. Payments to part-time, temporary faculty members, including retired faculty, for administrative, instructional support, research, extension, or outreach activities.



Virginia Polytechnic Institute and State University

5. One-time payments such as payments to current Virginia Tech employees, which would otherwise be paid as an honorarium.

2.2 Compensation Limits for Current Employees

2.2.1 Faculty Compensation

Current calendar-year faculty members may not accept adjunct and wage faculty payments with the exception of compensation for non-credit teaching or consulting as part of a Technical Assistance Agreement through Continuing and Professional Education. Academic-year faculty members may not accept wage faculty appointments during the academic year with the exception of non-credit instruction or university-sponsored consulting as noted above. For example, a full-time faculty member usually cannot receive P-14 payments for taking on special assignments such as writing or editing a grant proposal within their area of expertise, or attending a special development program during the academic year. These tasks fall within a faculty member's regular job responsibilities and are not appropriate for additional payments.

Exceptions to these general rules are rare and must be approved by the Office of the Executive Vice President and Provost and entered in Banner by the Division of Human Resources. For example, an instructional faculty member who takes on duties clearly outside the usual expectations of the faculty role, such as coaching an athletic team or performing in an orchestra, may be paid for those extra duties through an adjunct and wage faculty payment.

There is a limitation on the aggregate amount of all direct payments, including compensation for continuing education participation and university-sponsored consulting through the Technical Assistance Program that may be earned in a faculty member's appointment year. Faculty members on calendar-year appointments may earn no more than 33 1/3 percent of their annual salary during the July 1 – June 30 appointment year. Faculty members on academic-year appointments may earn no more than 33 1/3 percent of their annual salary during the academic year. Summer payments to academic-year faculty from all university sources combined are capped at a maximum of 33 1/3 percent of the previous year's academic-year salary by state policy; no exceptions can be granted. ([Faculty Handbook](#)). It is the responsibility of the employing department(s) and the faculty member to assure that compensation limits are not exceeded.

2.2.2 Staff Compensation

Classified and university staff employees may not engage in any additional employment in other agencies, outside of state service, in any private businesses, or in the conduct of professions, either during the hours for which they are employed to work, or outside their work hours if such employment is deemed by the university to affect the employees' work performance or to be in violation of the Virginia Conflict of Interests Act ([DHRM Policy 1.60, Standards of Conduct](#)). Staff employees hired as wage faculty must use appropriate accrued leave for work performed during their normal work schedule or make up the time with supervisory approval. They will continue to be responsible for completing all duties associated with their primary employment. Approval by the employee's department head is required. The Division of Human Resources must review the request and approve the rate of pay in advance. Other Virginia Tech policies -- [4070, Additional/Outside Employment](#)), [4071, Policy for Staff Employed to Teach For-Credit Courses](#)), and [4320, Guidelines for the Fair Labor Standards Act](#), -- provide guidance on additional compensation for staff.

2.3 Compliance with the Fair Labor Standards Act (FLSA)

Employees are either *exempt* from the minimum wage and overtime provisions of the FLSA, or *non-exempt* where minimum wage rules apply, and employees must be paid overtime. *Exempt* employees' duties are executive,



administrative, computer or professional, as those terms are defined by the FLSA. Wage faculty appointments should be reserved for job responsibilities that fall into one of the categories, as described generally below. For more detailed information about these exemptions, please consult [Policy 4320, Guidelines for the Fair Labor Standards Act](#).

2.3.1 FLSA Definitions of Duties

In compliance with the FLSA definition of an exempt administrative or professional employee, which also includes teaching, the duties must fit one of the following categories to be appropriate for an adjunct and wage faculty payment:

1. Performs work directly related to management policy, business operations, or academic instruction AND regularly makes decisions and judgment calls on matters of importance independently;
2. Consistently exercises discretion and independent judgment, AND applies advanced knowledge of the type customarily acquired through a prolonged course of study;
3. Creates original works in a recognized field of artistic endeavor; or
4. Teaches.

2.3.2 Wage Payment Requirements for Employees Who Are Only Employed in a Wage Faculty Status

In addition to performing duties that fall into one of the categories described in Sections 2.1 and 2.3.1 of this policy, any faculty member whose only employment relationship with the university is through an adjunct and wage faculty payment must also be paid on a salary or fee basis as defined by the FLSA. The current minimum annual salary required to ensure that the faculty member would be considered exempt is \$844 per week.

An exempt professional or administrative employee may also be paid on a fee basis, if the fee is an agreed-upon sum for a single and unique job regardless of the time required for its completion. However, the total fee must be equivalent to at least the minimum threshold established by the Department of Labor for 40 hours of time spent completing the job.

Questions about the exempt status of a wage faculty member should be directed to the Division of Human Resources.

2.4 Ineligible or Excluded Payments

The adjunct and wage faculty payment process is not intended to compensate individuals for work that is comparable to work performed by staff employees. Work of this nature is considered to be wage employment, and the individuals who perform it are subject to the 1500-hour limit on hours worked in a 365-day time period, defined as the fiscal year, and the minimum wage and overtime provisions of the *Fair Labor Standards Act*.

The adjunct and wage faculty payment process must not be used to bypass the university's established pay rates for the type of work performed by staff employees.

It is not appropriate to include reimbursements for the costs of materials or travel in faculty payment amounts. These payments are only for compensation related to wage faculty appointments. Payments for expense reimbursements should be handled by invoice.



2.5 Documentation of Credentials for Adjunct or Wage Faculty Appointments

The Southern Association of Colleges and Schools Commission on Colleges accreditation process requires that adjuncts employed for teaching have at least the minimal academic credentials required of all teaching faculty for the level they are teaching. Generally, the earned doctorate or terminal degree in the field is required. Instructors teaching lower division courses must hold at least a master's degree in the field. Under exceptional circumstances, professional experience may substitute for academic credentials but must be documented. Credentials for teaching adjuncts are to be reviewed, certified, and retained by the department. Wage faculty appointments to positions viewed as administrative and professional would similarly require an advanced degree or training and work experience at a level that equates to an advanced degree. See the [Faculty Handbook](#) for more detail.

Wage faculty appointments for research faculty should follow the guidelines for academic credentials included in the definitions of those various titles as stated in the [Faculty Handbook](#).

2.6 Full-Time Equivalency (FTE) Reporting Requirements for Faculty Wage Equivalents

The Commonwealth has established an authorized position level, generally known as the Maximum Employment Level (MEL), for the university that establishes a ceiling for the number of positions that may be filled (Policy 3850, Management of Internal Position Allocations). Most wage faculty appointments, which are considered to be part-time wage faculty appointments, are counted against this limit. Therefore, P-14 positions must be monitored so that filled positions are counted and reported to ensure that the university remains in compliance with its Maximum Employment Level. Refer to [Policy 3850, Management of Internal Position Allocations](#) and Banner HRIS documentation for processing wage faculty appointments for information about procedures and methods for calculating FTE.

Due to Affordable Care Act (ACA) guidelines, P-14 appointments should not exceed 0.725 FTE. All non-benefited hours worked, including wage hours and multiple P-14 appointments, count toward the annual limit of 1500 wage hours or the equivalent.

3.0 Procedures

The [Part-Time Temporary Faculty Appointment Authorization for Payment \(P-14A\)](#) form must be completed, with appropriate signatures indicating approval of the wage faculty appointment. The signature of the department head or designee is required; for research-funded positions, the Principal Investigator's signature is also required.

Wage faculty should also be provided a letter of offer, including the effective date of employment, a brief description of the duties to be performed, the rate of pay per pay period, and a statement such as 'Continuation of this temporary appointment is subject to the availability of funds, the need for services, and satisfactory performance.' The *Terms of Faculty Offer* is **not** appropriate for wage faculty and must not be used. The wage offer letter should also include the following statements:

Either prior to or within the first three days of employment at Virginia Tech, you must present acceptable documentation of your identity and that you are a U.S. citizen or an alien who is authorized to work in the United States. Continued employment will be contingent upon your meeting this requirement.

For all males: An amendment to the Code of Virginia requires selective service compliance as a condition for employment. Newly hired faculty, staff and students must complete the *Selective Service Registration Questionnaire* before they can start work, which can be accessed through this link through the Division of



Virginia Polytechnic Institute and State University

Human Resources website (<https://www.hr.vt.edu/hiring-employee-transactions/hire/resources/selective-service.html>). After you accept our offer of employment, you will be asked to complete this form. Prospective employees who indicate on the form, that they were required to register but did not register, must present verification from the Selective Service System to the Division of Human Resources indicating the requirement is terminated or inactive before they can be hired. If you are unaware of your status, you are strongly encouraged to contact Selective Service System at <https://www.sss.gov/> or 1-888-655-1825 for a determination as soon as possible so that you may obtain the appropriate paperwork in advance of your effective hire date.

Due to guidelines provided in the Affordable Care Act (ACA), non-benefited hours should not exceed an average of 29 hours per week during the course of employment.

All wage faculty paid with funding used to support projects in the university's missions of instruction, research, public service or agriculture experiment station research that require effort certification will receive a *Personnel Activity Report* (PAR). These reports will be disseminated each semester to the department responsible for the wage faculty member. This after-the-fact certification is a requirement subject to 2 CFR Part 200 (commonly referred to as Uniform Guidance—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards). Failure to properly certify effort will place at risk significant revenue received from the federal government agencies and other project sponsors.

The hiring department is responsible for the establishment and maintenance of wage faculty records in accordance with [Policy 4085, Retention of Employee Personnel Records](#). The department must retain wage personnel records for five (5) years after separation or until closure of unresolved personnel issues. A Certificate of Records Destruction must be obtained from [Records Management Services](#) before final destruction.

3.1 Payments to Faculty Members Participating in Non-credit Instructional Programs through Continuing and Professional Education

Faculty members are encouraged to develop and teach in professional continuing education and outreach programs.

The adjunct and wage (P-14) payment process is initiated by Continuing and Professional Education (not the department) to compensate faculty for non-credit instruction provided through continuing education.

3.1.1 Restrictions/Eligibility for Payment

The policy on “*Continuing and Professional Education Activities*” detailed in the [Faculty Handbook](#) specifies the limitations on earnings and the amount of time that full-time faculty members may be involved in continuing education programs.

Full-time staff employees must use appropriate accrued leave or make up the time missed if non-credit course instruction is offered during the normal work schedule; they will continue to be responsible for completing all duties associated with their primary employment. Approval by the employee's department head is required. The Division of Human Resources must review the rate of pay for non-exempt employees to assure compliance with the *Fair Labor Standards Act*.

3.2 Payments for Credit Instruction

Adjunct faculty members are typically professionals whose primary employment is with another agency, organization, or business, and who are hired by Virginia Tech to provide part-time, temporary for-credit



Virginia Polytechnic Institute and State University

instructional services. Adjunct faculty may be hired repeatedly to teach a course or courses; there are no predetermined limitations on such contracts other than each must be for a part-time, temporary appointment of a person with appropriate faculty credentials. Adjunct faculty employed to teach summer school are compensated by the submission of the *Summer Session Teaching form* (SS) (<https://forms.apps.hr.vt.edu/>).

The P-14 is the appropriate method of payment for any retired faculty member who has been hired back to teach. Retired faculty employed to teach summer school are compensated by summer session payroll.

Adjunct faculty must present credentials appropriate to the level of the course they are teaching. It is the responsibility of the department to verify documentation of appropriate credentials for adjunct faculty members prior to the start of the course. Per course stipends paid to adjunct faculty are not fixed university-wide, but rather are determined on a departmental basis. Payments typically reflect the experience and credentials of the adjunct faculty member, the level of demand (market) for the necessary expertise, and general salary levels in the discipline.

3.2.1 Restrictions on Eligibility for Payment

The Office of the Executive Vice President and Provost should be contacted for current guidelines and applicability of overload compensation for credit-based professional continuing education through distance learning conducted by current full-time faculty members.

Qualified staff members may teach one course per semester. The employee must meet the criteria established for adjunct faculty as detailed in the *Faculty Handbook*. Additional non-permanent teaching employment must be approved for staff employees by the employee's department head in accordance with [Policy 4070, Additional/Outside Employment Policy for Salaried Classified and University Staff](#), and [Policy 4071, Policy for Staff Employed to Teach For-Credit Courses](#). Non-exempt staff typically will not be appointed as adjunct faculty for credit instruction. The Division of Human Resources, in consultation with the appropriate Dean of the college for which the course is being taught, will determine exceptions.

3.3 Payments to Employees Participating in University-Sponsored Consulting Activities Through Technical Assistance Program

The Technical Assistance Program (TAP) is a university-sponsored consulting activity that enables a current faculty member to respond quickly to an identified market need requiring technical expertise. Technical Assistance Agreements are intended to strengthen university and individual faculty relationships with external organizations, especially businesses, and may result in increased sponsored projects. Faculty are applying knowledge to a specific process-related or technical situation and not generating new knowledge or intellectual property. These activities are typically short in duration and normally do not exceed \$25,000.

Continuing and Professional Education serves as the administrative entity with responsibility for the Technical Assistance Program.

3.3.1 Restrictions on Eligibility for Payment

The policy on "*Consulting and Outside Employment*" detailed in the [Faculty Handbook](#) specifies the limitations on earnings and the amount of time that full-time faculty members may be involved in consulting. Consulting work provided through the Technical Assistance Program is included in the limitations on total consulting leave.

Full-time staff employees must use appropriate accrued leave if they participate in university-sponsored consulting during their normal work schedule; they will continue to be responsible for completing all duties associated with



their primary employment. Approval by the employee's department head is required. The Division of Human Resources must review the rate of pay for non-exempt employees to ensure compliance with the *Fair Labor Standards Act*.

3.4 Payments to Part-Time, Temporary Faculty Members for Administrative, Instructional Support, Research, Extension, or Outreach Activities

The university often has need for special, short-term expertise or assistance in a wide variety of roles, or to compensate academic-year faculty for non-instructional roles in the summer. This category of payment covers a variety of activities for which P-14 payments are appropriate. In some cases, they involve payments to Virginia Tech full-time faculty (particularly academic-year faculty conducting special activities in the summer). In other cases, temporary, part-time appointments are made for the duration of a specific project or activity. This category excludes credit or non-credit teaching activities, and faculty paid on the summer school payroll. Refer to the [Faculty Handbook](#) for appropriate use of the P-14 in these instances.

3.5 Payments for One-Time Faculty Activities

The adjunct and wage faculty payment process is used to make one-time nominal payments to faculty who perform non-instructional or non-research services.

These payments must be distinguished from payment by invoice to non-employee independent contractors and temporary foreign national visitors. Refer to [Controller's Office Procedure 23715, Special Payments](#)) and [23715b, Paying Short Term Foreign National Visitors](#).

3.6 Payment Process

The Banner HR User Manual provides instructions for processing wage faculty appointments. With the exception of the Continuing and Professional Education payments, the hiring department is responsible for entering all wage faculty appointments and maintaining the required documents.

4.0 Definitions

Staff: Defined as salaried non-faculty employees and includes Classified Staff and University Staff. Effective July 1, 2006, the university will have two groups of salaried non-faculty employees: those covered by the Virginia Personnel Act and State Human Resource policies (Classified Staff) and those covered under University Human Resource policies (University Staff). All new salaried non-faculty staff, including transfers from other state agencies, hired on or after July 1, 2006, are hired as University Staff and will be covered under University Human Resource policies.

Credit instruction: Refers to any undergraduate or graduate course offerings that carry credit for enrolled students.

Non-credit instruction: For courses or classes that do not offer credit associated with an undergraduate or graduate program; typically, this is referring to continuing education offerings.

5.0 References

Virginia Tech, Faculty Handbook
<https://faculty.vt.edu/faculty-handbook.html>



Virginia Polytechnic Institute and State University

University Policy 4070, Additional/Outside Employment Policy for Salaried Classified and University Staff
<https://www.policies.vt.edu/assets/4070.pdf>

University Policy 4071, Policy for Staff Employed to Teach For-Credit Courses
<https://www.policies.vt.edu/assets/4071.pdf>

University Policy 4085, Retention of Employee Personnel Records
<https://www.policies.vt.edu/assets/4085.pdf>

University Policy 4320, Guidelines for the Fair Labor Standards Act
<https://www.policies.vt.edu/assets/4320.pdf>

Controller's Office Procedure 23715, Special Payments
https://www.controller.vt.edu/content/dam/controller_vt_edu/procedures/payroll/23715.pdf

Controller's Office Procedure 23715b, Paying Short Term Foreign National Visitors
https://www.controller.vt.edu/content/dam/controller_vt_edu/procedures/payroll/23715b.pdf

Department of Human Resource Management, Policy 1.60, Standards of Conduct
https://www.dhrm.virginia.gov/docs/default-source/hrpolicy/pol1_60e214b7db15ca42e39319ec28bdb14c09.pdf?sfvrsn=e678c84_6

6.0 Approval and Revisions

Approved January 23, 2002 by Vice President for Budget and Financial Management, M. Dwight Shelton, Jr.

- Revision 1:
September 1, 2006: Technical revisions to include University Staff in accordance with resolution approved by the Virginia Tech Board of Visitors June 12, 2006 to cover University Staff under policies identical to the current human resources policies until the new human resources system is developed.
- Revision 2:
May 13, 2008: Updates to position titles and/or responsibilities due to university reorganization.
- Revision 3:
 - Technical updates to hyperlinks and references.
 - Replaced specific dollar amount limitations with "the minimum threshold established by the Department of Labor."
 - Added appropriate statements related to the Affordable Care Act.
 - Replaced detailed language regarding specific processes with references to appropriate procedural documents to facilitate timely updates.
 - Added definitions for "Credit Instruction" and "Non-credit Instruction."

Approved February 1, 2018 by Interim Vice President for Human Resources, Lisa J. Wilkes.

- Revision 4:
 - Technical updates to weblinks, units, references to university policies and the Faculty Handbook, and for consistency of terms.



Virginia Polytechnic Institute and State University

- Section 2.3.2, technical correction made to address change in the Fair Labor Standards Act to update the increase in the salary basis amount per the exemption tests to \$684 per week.
- Section 3.0, updated references to appropriate federal regulations.
- To be consistent with policy title and intent, appropriate references to adjunct faculty were added throughout the policy.

Approved September 19, 2022 by Vice President for Human Resources, Bryan Garey.

- Revision 5:
 - Section 2.0, added reference to Policy 4005, Exceptional Recruitment and Retention Incentive Options Policy, the policy describing the process for payment of incentive bonuses for recruitment and retention of faculty and university staff.
 - Sections 2.1 and 3.6, removed references to payment of bonuses under this policy.
 - Section 2.3.2, technical correction made to address change in the Fair Labor Standards Act to update the increase in the salary basis amount per the exemption tests to \$844 per week.
 - Technical update to the weblink for the Form P-14A.

Approved October 8, 2024 by Vice President for Human Resources, Bryan Garey.