SALARY OR WAGE ADVANCES

PURPOSE: To provide guidelines for emergency requests for employee salary or wage advances.

POLICY: The University may, in proven cases of emergency, advance earned but unpaid salary or wages whenever possible.

DATE APPROVED: August 18, 2003

REVIEWED: September 1, 2007

PRACTICES & PROCEDURES:

I. As a non-profit institution of higher education, the University is unable to provide payroll advances that constitute a loan.

II. Cash advances may be considered when the employee presents a financial emergency.
   A. A Pay Advance form may be obtained from the Human Resources Office.
   B. Employees may only request an advance, or early salary/wage payment, on current earnings or accrued earnings not yet paid.
   C. The employee shall indicate on the Pay Advance form the requested amount of the advance, the authorized amount(s) to be repaid, and provide payroll date(s) stating when repayment will commence being deducted.
      1. Employees are encouraged to repay the advance on the next payroll date. However, repayment deductions may be extended if necessary.
      2. Because withholding taxes cannot be withheld on a payroll advance, the corresponding amount of tax must be deducted on the next payroll period. It should be noted that although the pay-advice-notice will indicate a full amount of taxes having been withheld, the net amount of the salary or wage payment will be short the full or partial repayment of the advance.

III. Employees needing more financial assistance than earned salary can provide are encouraged to use the Service Federal Credit Union or another outside banking source.