Policy 4.52
Range Maximum Lump Sum Payments

*This policy version was not current at the time of printing. Please see http://policies.emory.edu/4.52 for the current version.*

**Responsible Official:** VP for Human Resources  
**Administering Division/Department:** Compensation  
**Effective Date:** March 30, 2007  
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**Policy Details**

Employees whose salaries reach the maximum of their salary ranges and whose performance is satisfactory or better may be eligible to receive range maximum lump sum payments in lieu of increases to their base salaries.

These payments are not part of the employee's base salary. However, employee and employer retirement contributions are calculated on both the employee's salary and range maximum payments; this is the only employee benefit impacted by range maximum payments.

Lump sum payments are not to be compounded from year to year.

The first payment is processed on or around the employee's review date and the second payment is processed 6 months later.

An example of how to calculate a range maximum lump sum payment is shown below:

**Example:**

- Employee's Pay Rate: $10.25 per hour  
- Maximum of Range: $10.50 per hour  
- Salary Increase %: 4.0%

$10.25 (employee's current pay rate) x 1.04 (salary increase percentage) = $10.66

$10.66 - $10.50 (range maximum) = $.16

$.16 x 2080 hours (for a full-time employee) = $332.80

$332.80 / 2 = $116.40 (amount of each lump sum payment to be processed)

In the example above, the employee's pay rate should be brought to the range maximum of $10.50 and the employee should receive a payment in the amount of $116.40. Six months later, the employee should receive a second lump sum payment in the amount of $116.40.

**Related Links**

- Current Version of This Policy: [http://policies.emory.edu/4.52](http://policies.emory.edu/4.52)
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