

O. Late Payment Penalty

1. Eligibility

- a. Late payment penalties shall not apply to underpayments resulting from improper initial salary placements for the first two (2) pay cycles after first rendering service as a new full- or part-time faculty.
- b. This agreement shall not apply to underpayments equal to less than 5% of wages owed on the scheduled payday.

2. Underpayment Restitution

- a. Any unit member who is paid less than the wages owed to them in a regularly scheduled pay cycle shall receive, as restitution, a sum equal to fifty dollars (\$50) per business day that wages are late.
- b. Restitution shall begin accruing as soon as the impacted unit member or their PFT designee informs the appropriate Vice-President (or designee) and/or Vice Chancellor of Human Resources (or designee), in writing, of the error or on the day payment is due, whichever is later. Restitution shall cease to accrue and be due upon payment of wages.

This provision shall not be considered a waiver of any rights a unit member has to pursue a wage claim under federal or state law.