Subject: ADDITIONAL PAYMENT COMPENSATION
Number: 350.100       Version: 1.0
Date Adopted: 05/20/2015
Applies to: UMSD Faculty and Staff
Attachments: None
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UM SPG Refs SPG 500.01: Fiscal Responsibilities; SPG 518.01: Payroll Controls; SPG 501.10, Policy on Effort Certification

Comments:

I. POLICY PURPOSE:

The purpose of this Policy is to ensure that departments make appropriate requests for various types of additional compensation that include appropriate authorization, payment type, short code, and reconciliation.

II. POLICY STATEMENT

The School of Dentistry’s policy on Additional Pay Compensation aligns with the University’s Stewardship document which is to ensure the School is practicing good stewardship over School and University financial and human capital resources. The School’s management will ensure appropriate authorization and internal procedures are followed regarding the payment of additional compensation to faculty and staff.

III. SCOPE:

This policy applies to all faculty and staff.
IV. DEFINITIONS:

Additional pay related to a regular appointment is processed using the online Additional Pay Workflow Transaction. Common types of pay include, but are not limited to:

- **Added Duties Differential (ADD)** – Duties performed by a staff employee that is outside the scope of their regular duties to include covering for staffing shortages or special projects.
- **Administrative Differential (ADM)** – Administrative duties associated with a faculty member who has an administrative appointment or role: deans, directors, dept. chairs, program directors and program coordinators.
- **Additional Services Recognition (ASD)** – Faculty or Staff who provide additional service within their current role, but to another department internal or external to the School.
- **Faculty Honors (FAH)** – Faculty who are endowed professors.
- **Incentive Pay (INC)** – Incentive pay can be department earned (also formerly called a Z payment) through clinic revenue generation, scholarly activity, and consulting through CE; it can also be used as a faculty retention or recruiting incentive.
- **Salary Supplement (SAL)** – One time lump sum payment as part of the overall annual salary increase program.
- **Unrelated Service (UNS)** – Faculty or staff that perform a service for another department internal or external to the School that is not related to their current duties or role.

V. POLICY STANDARDS

Before additional payments are made to a faculty or staff member, the department and the School’s administration will ensure the payment is appropriate, timely, has the appropriate authorization, and supporting documentation. Retroactive additional payments should be avoided.

1. For Faculty:
   a) Budget and Finance will generate an Additional Pay Spreadsheet in conjunction with the Annual Performance Review and Salary Program process.
   b) Offer letters and reappointment letters will be reviewed to ensure revisions to additional pay such as administrative differentials and incentives are updated for the annual Additional Pay Spreadsheet.
   c) The Additional Pay Spreadsheet/document requires both the Department Chair and Dean’s signature. These documents are stored on the School’s I: Drive Roster>SIP - Additional Pay.
   D) Department Managers submit a request to the HRSC to process the payments through the Footprints Case Management System. Requests cannot be processed without the following information:
      - The approved Additional Pay Spreadsheet must be attached to the request
      - Departments must also include any information requested on the Additional Pay Checklist.
e) The Human Resources Service Center (HRSC) prepares an Additional Pay Workflow using the spreadsheet as a source document and the HR Director electronically approves all Additional Pay Workflows.

f) The HRSC will validate that the transaction is accurate in the HR system, and the department manager will reconcile the amount entered in M-Pathways to the gross pay register to verify accuracy and completeness.

G) Any requests for additional payments submitted subsequent to the Annual Salary Program processing period require documented approval by the Department Chair and the Dean; the request can be in the form of an email or memo.

h) Departments requesting additional payments for faculty after the annual salary program processing period require the following:
   - A written explanation to the Dean from the Department Chair or Director requesting the Dean’s approval. The request can be in the form of an email or memo and should indicate the reason for additional payments and the timeframe for any reoccurring payment. The Dean’s approval of the request will be documented via email in the HRSC Footprints case management ticket system.
   - When a Dean, Chair, Director, or Program Director goes on a leave, e.g., (sabbatical, furlough, FMLA) the HRSC will inactivate their administrative differential:
     - The administrative differential may be attributed to whoever is designated to cover the administrative duties during the interim.
     - A request for transfer of administrative responsibilities, and associated administrative differential, must be submitted to the Dean for approval. The administrative differential for the acting individual must have an effective end date.
     - The Dean will provide written approval to the HRSC for processing additional payments in the form an email which is copied to the department and the HRSC Foot Print case management ticket system.

2. FOR STAFF
   a. Departments should consult the Additional Pay Checklist when requesting additional payments for staff which includes the following:

   - ADD Requests: The department manager will review the employee’s job description to ensure the request is appropriate and is due to a staffing shortage, for various reasons, or an assigned project that is outside the scope of the staff member’s regular duties; or, with prior consultation with the HR Director and Sr. Associate Dean an (ADD) may be established as team lead pay.

   - UNS Requests: The department manager will document that the duties being performed by the staff member are unrelated to their regular duties in the department.

   - The Department Manager will review the employee’s performance evaluation to ensure there are no documented performance issues when requesting additional pay.

   - The Department Manager determines appropriate shortcode/class code(s) and earning amount per pay period and effective dates.

   - To remain compliant with federal sponsor guidelines, departments must consider the impact additional pay may have on the appointment. SPG 501.10, Policy on Effort Certification. Additional Pay is not allowed on sponsored funds.

   - The HRSC will confirm the payments have effective end dates.
When processing transactions for employees that move to new positions, the HRSC will end any additional payment.

- Approval must be received from someone within the unit in which the individual has a primary regular appointment. This person should be able to determine the appropriateness of payment, including whether or not additional work is outside the scope of the regular appointment and if the pay rate is appropriate.
- Managers will provide a documented explanation for the Additional Pay via the HRSC Footprint Case Management system, which will be reviewed and approved by the HR Director and escalated to the Sr. Associate Dean as deemed necessary.

b) The department is responsible for ensuring additional pay is processed correctly by comparing the gross pay register with the source documentation (i.e., HRSC check list, workflow transaction, footprint ticket request, and/or email or memo).

c) Additional pay for non-appointment related items or services is processed using the online PeoplePay Decision Tool.

VI. REFERENCES / RESOURCES

SPG 501.10, Policy on Effort Certification