Additional Compensation Workshop

April 9 & 11, 2019
Agenda

- One-time Additional Pay
- Additional Compensation during the AY
- Integration with UC Path
- Additional Compensation during the Summer
One-Time Additional Pay Scenarios

▪ Faculty consultant services
  – Consulting or participation in projects that do not fall within the normal duties of the individual
  – Rate negotiated, based on daily rate + 30%

▪ Honorarium
  – Work related to University-sponsored conferences, or creative work unrelated to primary job responsibilities
  – Observe limits prescribed by RB VI-17

▪ Housing allowance
  – Can be done off-cycle. If time-sensitive, CALL US after submitting form

▪ Intercampus Payments
# Intercampus Payment—payroll considerations

<table>
<thead>
<tr>
<th>Both Home and Host campuses on UC Path</th>
<th>Process one-time payment form to ensure there are no conflicts. Host campus: create position/job, job code 1650, with zero comp rate and one-time additional pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home campus on UC Path; Host campus on PPS</td>
<td>Process one-time payment form to ensure there are no conflicts. Home campus: create position/job, job code 1650, with zero comp rate, one-time additional pay, Accounting as the home department, suspense account used as funding source.</td>
</tr>
<tr>
<td>Home campus on PPS; Host campus on UC Path</td>
<td>Process one-time payment form to ensure there are no conflicts. Home campus issues one-time pay. Accounting journals the expense to the host campus</td>
</tr>
</tbody>
</table>
One-Time Additional Pay – UC Path Request

- UC Path Certification & Input Request form on AP Folio

- Begin & End Dates:
  - Honorarium: reflect when work was actually performed
  - Faculty Consultant: in accordance with # of days as computed by daily rate

- Comments:
  - Justification/explanation of work done
  - Fund source
  - Any additional/background information pertinent to the request

- Observe AP’s payroll submission deadline
Example

Action

- One-Time Additional Pay
- Recruitment Allowance
- Faculty Consultant
- Honoraria
- Extension or Executive Program Compensation
- Other

Dollar Amount: 1000.00

Start Date: 05/12/2019

End Date: 05/14/2019

Comments:

Please use fund source 8-660120-19900-0

Professor Francois of FRIT will work with the History department to translate some historical documents from French to English
Other Additional Compensation during AY

- **University Extension Teaching**
  - During AY: counts toward 39-day limit
  - During summer: counts toward 3/9 maximum
  - Payroll entry is done by Extension

- **Administrative Stipends**
  - Department Chairs/Unit Directors
  - Approved annually by EVC or VCR
  - Payroll input done centrally by AP
Extramurally Funded Research during AY

- RB VI-14
- Professors only
- **Release to grant:** grant funds used in place of a portion, or all, of the regular state funded salary for a limited amount of time
- **Course buy-out:** same, but the portion (% time) corresponds to the faculty member’s teaching load reduced, and pay period corresponds to quarter being bought out
- NOT additional compensation!
- Contact Dean’s office for approval/proper procedure
Extramurally Funded Research– payroll matters

- Grant-funded portion must be under corresponding Researcher title (NOT professorial title) below
- Professorial title % time must be reduced accordingly
- Pay basis remains at 9/12

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Engineering</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant Researcher</td>
<td>3223</td>
<td>1985</td>
</tr>
<tr>
<td>Associate Researcher</td>
<td>3213</td>
<td>1983</td>
</tr>
<tr>
<td>Researcher</td>
<td>3203</td>
<td>1981</td>
</tr>
</tbody>
</table>
Release to Grant/Course Buyout (UC Path request)

- First obtain approval from your Dean’s office
- UC Path Certification & Input Request form on AP Folio
- “Release to Grant” section
- Job Code: corresponding Researcher title code (previous slide)
- Start/End dates: correspond to 9/12 pay period if course buyout
- Be aware that this process takes longer to fulfill (earlier deadlines may apply)
Release to Grant/Course Buyout example

- Professor Romanoff is a Full Professor in Mechanical Engineering and wants release to extramural grant funds, as course buyout for Fall 2019
- Dept teaching load is 4 courses/year → 1 quarter = 37.5% of her salary
- For Fall quarter:
  - Reduce Professorial appointment to 62.5%
  - Add 9/12 Researcher appointment at 37.5%
- Return Professorial appointment to 100% for Winter quarter and beyond
Form Example

Release To Grant

Start Date: 07/01/2019
End Date: 10/31/2019
Percent Time / FTE of Release: 37.5%

Comments:
Course buyout during Fall 2019.
Timeline Considerations– flow of events

1) AP sets up appropriate Researcher position
2) Department funds position
3) Department performs concurrent hire into this new position
4) AP approves the concurrent hire, sends to UCPC for fulfillment
5) Once the hire is fulfilled by UCPC, AP then reduces Professorial appointment
Additional Compensation During the Summer

- UC Path Procedure
- Summer Salary Scenarios
- Strategies, Hints, and Reminders
UC Path Procedure

- Watch for email to the listserv with instructions for requesting summer research salary positions

**AP**
- Receive requests
- Create positions
- Send position numbers to depts

**Dept Funds**
- REG line
- ACR line
- Each totals 100%

**Concurrent hire**
- Effective Date
- End date
- Pay Freq: 9/9
- Check “End job automatically” box
- Paypath action needed to change FTE
UC Path Procedure – cont’d

- AP approves concurrent hire template
- UCPC fulfills concurrent hire and issues additional employee record
- Dept confirms all info is correct—especially check the FTE!
  - If FTE correction is needed, dept processes PayPath action
- AP approves PayPath action
  - we assume dept calculations are correct
- Dept can now process a PayPath action for future months’ payments
  - Action: JED
  - Action Reason: JED
  - Include “summer salary” in the comments
Funding

- Can be done either before or after hire (unless it is capped)
  - Recommended: do this before the hire
- Funding entry requires a REG line- fill this with account string as normal
- Add ACR line(s) with account string
- Since summer salary is all paid out under ACR earn code, this will be the payment source
Funding

<table>
<thead>
<tr>
<th>Earnings Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ern Cd</td>
</tr>
<tr>
<td>--------</td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
</tbody>
</table>

Funding Effective Date: 08/01/2018
Efl Seq: 0
Status: Active
## Available Dates for 2019 Summer Salary

<table>
<thead>
<tr>
<th>Pay Dates</th>
<th>Service Dates</th>
<th>Max Days</th>
<th>Max % time</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 1 - 30</td>
<td>June 15-30</td>
<td>10</td>
<td>0.5263</td>
</tr>
<tr>
<td>July 1 - 31</td>
<td>July 1-31</td>
<td>23</td>
<td>1.2105</td>
</tr>
<tr>
<td>Aug 1-31</td>
<td>Aug 1-31</td>
<td>22</td>
<td>1.1579</td>
</tr>
<tr>
<td>Sep 1 - 30</td>
<td>Sep 1-21</td>
<td>15</td>
<td>0.7895</td>
</tr>
</tbody>
</table>

*(See RB VI-10)*
## Job Codes for Summer 1/9ths

<table>
<thead>
<tr>
<th>Underlying Faculty Title</th>
<th>Summer Salary Title</th>
<th>General Job Code</th>
<th>B/E/E Job Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant Professor / LPSOE</td>
<td>Assistant Researcher (1/9)</td>
<td>3225</td>
<td>1986</td>
</tr>
<tr>
<td>Associate Professor / LSOE</td>
<td>Associate Researcher (1/9)</td>
<td>3215</td>
<td>1984</td>
</tr>
<tr>
<td>(Full) Professor / Sr. LSOE</td>
<td>Researcher (1/9)</td>
<td>3205</td>
<td>1982</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unit 18 doing research</td>
<td>Appropriate 1/9 Researcher title as above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unit 18 doing teaching-related work</td>
<td>Corresponding 1/9 Lecturer, Sr. Lecturer, or Continuing Lecturer title</td>
<td>1632/1642/1633</td>
<td></td>
</tr>
</tbody>
</table>
Summer Salary Scenarios

- 19 days (full 1/9th)
- Less than 19 days in a given month
- More than 19 days in a given month
- Flat rate dollar amount
- NIH cap and supplement
Meet Professor Coulson

▪ Associate Professor in the Department of Psychological & Brain Sciences
▪ Annual 9/12 salary of $128,000 ($10,666.67/mo)
▪ For his summer salary:
  – Job code: Associate Researcher-AY-1/9 (3215)
  – Pay basis: 9/9
  – Monthly rate: $14,222.22 (= $128,000 / 9)
Professor Coulson’s Request

<table>
<thead>
<tr>
<th>Dates</th>
<th># of days</th>
<th>Dept</th>
<th>Contract/Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>flat rate</td>
<td>PSYC</td>
<td>NSF - $5000</td>
</tr>
<tr>
<td>July</td>
<td>19</td>
<td>PSYC</td>
<td>Carter Foundation</td>
</tr>
<tr>
<td>August</td>
<td>22</td>
<td>NRI</td>
<td>Stark award</td>
</tr>
<tr>
<td>Sept</td>
<td>10</td>
<td>ICB</td>
<td>DoD grant</td>
</tr>
</tbody>
</table>

Signature  

Date  

P.J. Coulson  

05/15/2019
1/9th payment (19 days) in July

- Dates: 07/01/2019 - 07/31/2019
- % time: 100%
- Earn code: ACR
- Pay period runs entire month, but service period is 19 days (track offline)
10 days’ worth of payment in September

- 10 days ÷ 19 days = 0.5263
- Job runs 9/1 - 9/30 (pay period) @ 52.63%
- What if split funded? e.g. 6 days on Fund A + 4 days on Fund B:
  - 6 days ÷ 10 days = 60% on Fund A;  4 days = 40% on Fund B
22 days (> 1/9) in August

- 22 days ÷ 19 days = 1.1579
- Can’t have job > 100%!
- Two separate jobs (unique position # for each one):
  - One at 1.000
  - Another at 0.1579
  - Both still run 8/1 - 8/31
Flat rate in June

- Prof. Coulson requested $5000 to be paid out in June
- $5000 ÷ $14,222.22 = 0.3516
- Refer to 19-day chart (RB VI-12): closest value is 0.3684 (7 days)
- Payroll: job runs 6/1 - 6/30 @ 35.16 %
- Internal/offline records: track the 7 days of effort for future audit purposes
Caps and limits based on funding

- NIH cap
  - Rate maximum changes each January 1 and is set by NIH. Applies to existing and new awards.
  - Currently monthly max: $16,025 (as of Jan 6, 2019)
  - Affects faculty who earn more than $144,225 ($16,025 x 9 ) annually
  - More details in separate follow-on session

- NSF limit: 2/9ths per summer

- Other award or funding limitations
Merits/Promotions and Range Adjustments on July 1

- All June summer salary can be requested as soon as possible, as normal
- If 7/1/19 MP action has already been finalized (or no MP action pending):
  - July-Sep summer salary can also be requested as soon as possible
- If 7/1/19 MP action is currently still pending:
  - Try to wait until case is finalized before requesting July-Sep summer salary
- Summer salary already in UC Path prior to 7/1:
  - will automatically be RA’d (if in appropriate 1/9 Researcher job code)
  - you may need to revisit and adjust (e.g. if flat rate being paid out)
Helpful Hints/Reminders

- The job code will be set up to correspond to the type of additional compensation being paid
- For summer research salary, perform calculations using 1/9 rate
- Entry of Department Chair and Director stipends are no longer done by the department—they are processed centrally
- Housing allowance and Chair/Director stipends should not be counted against the summer 3/9ths total
- All additional compensation is paid on the MO payday
  - Only housing allowance may be paid off-cycle, remember to contact us if urgent
Strategies and Best Practices

- Consult commitment sheet for startup 1/9ths
- Advise faculty to consult with their tax advisor if they are concerned about the withholding amounts over the summer
- AP will not validate your calculations, so be sure they are correct
- Check the “End job automatically” box!
- Timeline/approval flow- factor in timing for fulfilling requests
- Main funding unit should be the one requesting position
Other Resources

▪ Academic Personnel website
  – [https://ap.ucsb.edu/](https://ap.ucsb.edu/)
  – Frequently Asked Questions (FAQs)
    ▪ Additional Compensation

▪ Red Binder
  – Sections VI 10-17

▪ APM 600
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