



Memorandum

To: Institutional Policy Team (IPC)
Senate Advisory Committee on Academic Policy (SACAP)
Academic Senate Executive Committee
Academic Senate
Board of Trustees

From: Wendy Peterson, Deputy Chief HR Officer
Sarah Projansky, Associate Vice President for Faculty

Date: November 2022

Re: Revision of Policy 5-403, related rules, and guidelines

As a result of an Internal Audit, Campus Human Resources analyzed *Policy 5-403: Additional Compensation and Overload Policies* and identified the need for a complete revision of the policy and the corresponding rules and guidelines. These updates are designed to address audit recommendations, to address current issues experienced, and to update policy to reflect current practice.

As part of the review process, Campus Human Resources has collaborated with the Office for Faculty to address additional compensation and faculty-related needs. Campus HR has also collaborated with Hospitals & Clinics (UUHC) Human Resources to address UUHC employee needs.

The current policy has been broken up into a main policy that covers all university employees and two corresponding rules addressing staff and faculty respectively. In addition to the policy and the two rules, each type of approved additional compensation has a corresponding procedure that addresses the specific requirements and processes. A redlined document with the changes would not capture the extent of the proposed edits and thus is not included in the review materials.

The proposed revisions are addressed in the following categories: 1) all employees, 2) staff, and 3) faculty. In addition to the proposed changes listed below, the following documents are attached for review:

1. Current Policy 5-403 Revision 8 and Current Rule 5-403A
2. Revision 9 Policy 5-403 Proposal
3. Revision 1 Rule 5-403A Proposal
4. Rule 5-403B Proposal
5. 5-403 Procedures A-K Proposal

Employee		
<u>Policy Area</u>	<u>Proposed Change</u>	<u>Reason for Change</u>
Definitions	<ol style="list-style-type: none"> 1. Removed Duplication and referenced definitions original policy (5-001) 2. Updated definitions for Additional Compensation, Base Salary, Funds Administered by the University, Overload, 	<ul style="list-style-type: none"> • Clarification of policy (clean-up) • Avoid duplication and inconsistent definitions between policies
Scope	Added scope to include all employees of the university.	<ul style="list-style-type: none"> • Updated information and capture missing employees
Removed Compensation Rates	<ol style="list-style-type: none"> 1. Allows for an employee to be paid the agreed upon rate instead of proportional rate. 2. Summer pay limits remain at up to 3 months of salary. 	<ul style="list-style-type: none"> • Updating outdated information and match with current practice.
Reasons for Additional Compensation	<ol style="list-style-type: none"> 1. Added additional reasons including <ol style="list-style-type: none"> a. occasional services, b. occasional teaching, c. discretionary and non-discretionary bonuses, d. Exempt Clinical shift, Prizes and Awards, e. Clinical Income Payment (CIP), f. Moving Allowances, g. Summer Pay, and h. Administrative Increments for Faculty Administrators 2. Added procedures with specific information on requirements and 	<ul style="list-style-type: none"> • Upon recommendation from university auditors, reasons for additional compensation were specifically listed. Each reason is accompanied by either a rule or a procedure. • Collaborated on reasons with UUHC administration and Office for Faculty

	<p>processes for each additional compensation reason.</p> <p>3. Rules address specifics for each employee type (staff or faculty)</p>	
Owners and Officers	Updated to include faculty offices and Senior Vice Presidents to address faculty-related additional compensation	<ul style="list-style-type: none"> • Provide contacts for staff- and faculty-related additional compensation questions
Procedures	<p>Created procedures for all employees that include eligibility, requirements, and procedures for:</p> <ol style="list-style-type: none"> 1. Teaching 2. Discretionary Bonus 3. Non-Discretionary Bonus 4. Exempt Clinical Shift 5. Prizes and Awards 6. Clinical Income Payment 7. Moving Expenses 	<ul style="list-style-type: none"> • Implement auditor recommendation of creating separate procedures for each additional compensation type that details reason for payment, eligibility, and the payment process. • Clarification of payment submission procedures

Staff

Policy Area	Proposed Change	Reason for Change
Rule:	<ol style="list-style-type: none"> 1. Added purpose and scope 2. Specified need for University Approvals over \$2500 for main campus and University of Utah Health Administration (UUHA), \$5000 for University of Utah Hospitals and Clinics (UUHC) 3. Updated Owners/Officers to be shared with UUHC 	<ul style="list-style-type: none"> • Created to address auditor recommendations for Exempt and Hourly staff • Address need regarding required approvals for payments over a certain amount • Include appropriate areas and address of Main Campus, UUHA, and UUHC
Procedures	<p>Created staff specific procedures that include eligibility, requirements, and procedures for:</p> <ol style="list-style-type: none"> 1. Exempt Employees 2. Hourly/Non-exempt 	<ul style="list-style-type: none"> • Implement auditor recommendation of creating separate procedures for each additional compensation type that detail reason for payment,

		<p>eligibility, and the payment process.</p> <ul style="list-style-type: none"> • Clarification of payment submission procedures
Faculty		
Policy Area	Proposed Change	Reason for Change
Special Teaching Assignments	<ol style="list-style-type: none"> 1. Updated definitions 2. Moved applicable section to faculty rule and teaching procedure 	<ul style="list-style-type: none"> • Update outdated information and move to applicable area
Separate assignments during non-working intervals	<ol style="list-style-type: none"> 1. Removed outdated information 2. Redefined in faculty rule and procedure as summer pay 	<ul style="list-style-type: none"> • Update outdated information • Use common terminology for clarity
Authorized Overload for Academic Outreach and Continuing Education and Extended day Courses	<ol style="list-style-type: none"> 1. Removed outdated information and terminology 2. Redefined in Special Teaching Assignments 	<ul style="list-style-type: none"> • Update outdated information • Document current practice
Faculty Rule	<ol style="list-style-type: none"> 1. Created rule to address faculty specific additional compensation and procedures 2. Moved and updated definitions for: Contract Period, Payment Methods (contract pay, summer pay, and annual pay) 3. Added a Preapproval requirement 4. Documented University level approval for \$2500+ 5. Added Intra-Institution of Higher Education (IHE) 	<ul style="list-style-type: none"> • Implement audit recommendation of separate faculty rule • Definitions added and updated for clarification • Document approval level for faculty additional compensation above \$2500 • Office of Research Management requested addition of (IHE) information
Procedures	<p>Created specific procedures that include eligibility, requirements, and procedures for:</p> <ol style="list-style-type: none"> 1. Occasional teaching 	<ul style="list-style-type: none"> • Implement audit recommendation of separate procedures for each type of additional compensation • Clarification of payment submission procedures

	<ul style="list-style-type: none">2. Administrative Increment for Faculty Administrators<ul style="list-style-type: none">a. Defined administrative increment and how used3. Summer Pay for faculty<ul style="list-style-type: none">a. Defined and articulated how and when used on annual and contract	
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Policy, Rule, and Procedure Coverage

Policy, Rule, or Procedure	Faculty	Staff – Exempt	Staff Non-Exempt	Staff Administrators	Academic Non-Faculty
Policy 5-403: Additional Compensation Policy	X	X	X	X	X
Rule R5-403A: Additional Compensation Staff (Hourly/Exempt)		X	X	X	X
Rule R5-403B: Additional Compensation for Faculty	X				
Procedure P5-403A: Additional Compensation for Exempt Staff, Academic Non-Faculty, and Staff Administrators		X		X	X
Procedure P5-403B: Additional Compensation for Teaching	X	X		X	X
Procedure P5-403C: Additional Compensation Hourly/Non-Exempt			X		
Procedure P5-403D: Discretionary Bonus	X	X	X	X	X
Procedure P5-403E: Non-Discretionary Bonus	X	X			X
Procedure P5-403F: Exempt Clinical Shift		X			
Procedure P5-403G: Prizes and Awards	X	X	X	X	
Procedure P5-403H: Clinical Income Payment	X	X	X		
Procedure P5-403I: Moving Allowance	X	X	X	X	X
Procedure P5-403J: Summer Pay	X				
Procedure P5-403K: Administrative Increment for Faculty Administrators	X				

