

Policy 5-403: Additional Compensation Policy.

Revision 9. Effective date: February 14, 2023

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I. Purpose and Scope**A. Purpose.**

To establish the University's policy on payment of Additional Compensation above pay for normal working activities from Funds Paid by the University, to an Employee.

B. Scope.

This Policy applies to all administrative and academic units of the University of Utah and for all categories of Employees. This Policy is not intended to govern consultation agreements between University Employees and parties outside the University of Utah, which are governed by Policy 5-204.

II. Definitions

The following definitions apply for the limited purposes of this policy and any associated regulations.

- A. The definitions of the Employee categories and Employee-related terms as provided in Policy 5-001 apply for purposes of this policy and any associated regulations.
- B. "Additional Compensation" means a non-standard payment made by the University to an Employee.
- C. "Base Salary" means total compensation approved in advance as the amount payable to an Employee from funds administered by the University for normal and expected working time and effort, not in excess of 100% of full time.
- D. "Funds Administered by the University" means funds under the control of the University that are available for payment of compensation.
- E. "Overload Status" means an employment status in which the total percent of concurrent assignments if recorded on an Employee's payment records (ePAF) would exceed 100%.
- F. "Sponsored Research Contract or Grant" means an arrangement with a federal, state, private, or other non-university agency under which funds are made available and are administered by the University for a Specified Research or training project or program.

III. Policy

- A. General Limitations on Payment of Additional Compensation
 - 1. Additional compensation payable from Funds Administered by the University is permitted only for approved reasons and only under conditions specified in this policy and associated regulations. Any such payments made, for any

reason, in violation of this Policy and associated Regulations constitute an indebtedness from the recipient to the University.

2. Additional Compensation must be used only in those non-base salary cases in which it is not appropriate to process the payment through initiation of, or change to the employee personnel action form (ePAF).

B. Reasons for Additional Compensation.

1. Occasional Services. Additional compensation may be paid to an Employee for short-term, occasional, intermittent, or rare services performed as an Employee, if the following limitations and conditions are satisfied:
 - a. the agreed services are not within the scope of a normal working activity of the Employee; and
 - b. if any portion of the funds to be used for additional compensation paid by the University is from federal grants or contracts, the additional compensation must be approved by the Federal awarding agency.
 - c. See Rule R5-403A and Procedures P5-403A and P5-403C for requirements and procedures for additional compensation payments to staff, academic non-faculty, and staff administrators for occasional services not in a category below.
 - d. See Rule R5-403B for requirements and procedures for additional compensation payments to faculty for occasional services not in a category below.
2. Teaching. An Employee may not teach a course that is not included in their regular teaching load or salaried position expectations, without advance approval in writing from the employee's home department supervisor, the

supervisor in the department offering the course, and the cognizant vice president. See Rule R5-403B and Procedure P5-403B for requirements.

3. Discretionary and Non-Discretionary Bonuses. A discretionary bonus that may be given to an Employee for special and immediate recognition and reward for exceptional performance, significant contribution or substantial accomplishment well beyond normal or regular work responsibilities. A discretionary bonus does not increase the base salary nor serve as a means to give a larger annual increase. A non-discretionary bonus that may be given to an Employee based on specific criteria set forth in the Employee's contract or agreement. A non-discretionary bonus does not increase the base salary nor serve as a means to give a larger annual increase. See Procedure P5-403D and P5-403E for requirements.
4. Exempt Clinical Shifts. See Procedure P5-403F for requirements.
5. Prizes and Awards. Prize and Award compensation should be based on a clear competition among an eligible pool of employees with clear and consistent guidelines. Prize and Award compensation may not be used to provide bonuses for performance of ordinary duties. See Procedure P5-403G for requirements.
6. Clinical Income Payments (CIP). Clinical Income Payments should be processed online and are pursuant to departmental or divisional guidelines, discretionary, not guaranteed, and not linked to tenure. See Procedure P5-403H for requirements.
7. Moving Allowances. See Procedure P5-403I for requirements.
8. Summer Pay for Faculty. See Rule R5-403B and Procedure P5-403J for requirements.
9. Administrative Increment for Faculty Administrators. See Rule R5-403B and Procedure P5-403K for requirements and procedures.

C. Documentation Requirements

1. Additional Compensation Requests shall include the following information as applicable for each type of Additional Compensation Payment:
 - a. Preparer's Information
 - b. Department Information
 - c. Employee Name and ID#
 - d. Timeframe of Payment
 - e. Amount for Payment
 - f. Proper Chartfield Information
 - g. Required approvals
 - h. Record #
 - i. Teaching Information (as applicable)
 - i. Teaching semester
 - ii. Title of Course
 - iii. Teaching Load Confirmation
 - j. Discretionary Bonus Information (as applicable)
 - i. Brief and specific description of the accomplishment or contribution
 - k. Clinical Shift Compensation Information (as applicable)
 - i. List of actual dates and amounts for shift(s) worked
 - l. Prize and Award Information (as applicable)
 - i. Name of Prize or Award
 - ii. Selection Process
 - iii. Number of eligible employees in the pool

m. Administrative Increment Information

- i. Brief and specific description of reason for payment including offer letter/agreement

Sections IV- VII are for user information and are not subject to the approval of the Academic Senate or the Board of Trustees. The Institutional Policy Committee, the Policy Owner, or the Policy Officer may update these sections at any time.

IV. Rules, Procedures, Guidelines, Forms, and other Related Resources

A. Rules

1. Rule 5-403A: Additional Compensation Staff (Hourly/Exempt)
2. Rule 5-403B: Additional Compensation for Faculty

B. Procedures, Guidelines, and Forms.

1. P5-403A: Additional Compensation for Exempt Staff, Academic Non-Faculty, and Staff Administrators
2. P5-403B: Additional Compensation for Teaching
3. P5-403C: Additional Compensation Hourly/Non-Exempt Staff
4. P5-403D: Discretionary Bonus
5. P5-403E: Non-Discretionary Bonus
6. P5-403F: Exempt Clinical Shift Compensation
7. P5-403G: Prizes and Awards
8. P5-403H: Clinical Income Payment
9. P5-403I: Moving Allowance Procedures

10. P5-403J: Summer Payment for Faculty

11. P5-403K: Administrative Increment for Faculty Administrators

C. Other Related Resources. [*reserved*]

V. References

A. Policy 5-001: Employee Definitions

B. Policy 5-204: Remunerative Consultation and Other Employment Activities.

VI. Contacts

The designated contact officials for this Regulation are

A. Policy Owner(s) (primary contact person for questions and advice):

For Staff and Administrators: Human Resources Associate Director, Payroll

For Faculty and Faculty Administrators: Associate Vice President for Faculty or
Associate Vice President for Health Sciences

B. Policy Officer(s):

For Staff and Administrators: Chief Human Resource Officer

For Faculty and Faculty Administrators: Senior Vice President for Academic
Affairs and Senior Vice President for Health Sciences.

See Rule 1-001 for information about the roles and authority of policy owners and policy officers.

VII. History

Revision History.

A. Current version. Revision 9.

1. Approved by -- Academic Senate January 9, 2023, and Board of Trustees February 14, 2023, with effective date of February 14, 2023.

2. Legislative History

3. Editorial Revisions

B. Previous versions.

1. Revision 8. Effective Date. December 13, 2011

2. Revision 7. Effective Date. December 27, 1999

3. Revision 6. Effective Date. March 9, 1998S