



Special Compensation

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Good morning. I'm here to talk through the puzzle of special compensation and the first puzzle is who I work for. The agenda said I work for Human Resources, which I don't. I still work for the Provost's Office and since most special compensation has something to do with faculty or Academic Affairs, I was asked to talk about this policy. It does apply, of course, to the full University. So, you probably will come across it at some point in your department.

The policy we are talking about is 4.41. It was adopted two years ago in December. You can find it, of course, in the policies online. One of the key points about it is it is applied to non-hourly paid staff and faculty. So that is administrators, P&S salary, and faculty. If they are Merit, this policy is probably not going to apply to them. The policy is the result of an internal audit. The goal is to provide a consistent framework for paying for work that exceeds normal duties and job functions. For a faculty member, that would be work that exceeds their normal load of teaching, research, creative work, and service. It is not intended to pay for work that is done for your normal job duties, but it is in excess of your scheduled working hours. It is when you add a new job function or a temporary job function on top of what they are already doing, then it might be eligible for special comp.

It is intended for short-term tasks. This isn't intended as a long-term compensation strategy. If you have something short-term and you think someone who is already an employee could do it, and it is not part of their normal job function, then you might consider it special compensation. It's limited, as most of you know, to 20% of their appointment salary. So that means at the end of the fiscal year when we add up everything someone has been paid, they would have been paid their normal job and then they can get 20% on top of that. That is how the limit works.

All of the special compensation needs to be approved before you start the work. That is part of my focus today. How do you get pre-approval? It is very important to see that they haven't exceeded the limit and you also have to figure out if they are even eligible, is this work eligible for that? There are four things to think about even before you get to the pre-approval form.

The first thing to think about is, look closely at who is doing the work or who you want to do the work and when is the work going to be done? That's who is doing the work and when is it going to be done? Start with the most basic question, does this person even work for UNI or not? Is this the only job they have at UNI? Are they hourly? Are they salary? Are they faculty? Are they P&S? Do they work all year long? Do they only work in the academic year? All of those questions will make a difference about whether they qualify in this situation. You also want to think about when they are doing the work. (I

don't know what is happening to my voice, but I think it will last.) So, when are they going to do this work? Is it in the summer or in the academic year? For example, let's say the Wellness Center wanted to offer scuba diving class. It was going to be a month-long class, held on the weekend. It's 35 hours of work. They don't have anyone on staff who could do that or that's part of their job function, but they find out there is a faculty member who can do it. If you have that class in October, when the faculty member is already busy with their full-time job, you could add that on and it might qualify as special comp. If you ask that same faculty member to do the class in June, when faculty aren't working on their normal paid job, then you could do that as a summer appointment, because you aren't adding anything on to their normal job. They are not officially working on their paid job.

So that's the second point. You don't pay special comp for faculty in the summer. There are a few cases where you can, but for now, plan that you are going to pay summer work that has to do with faculty as a summer appointment. It's just like the situation I described, if they don't work normally in the summer, you can't add anything extra to their normal job function, because they don't have a normal job function. So, if you are paying someone in June and they are faculty, probably they are not doing their normal appointment. You can ask them, you can say, "Are you teaching this month in June?" If they are already teaching and they are full-time busy on a summer appointment, you might be able to add special comp on top of that. But it's a really a rare situation. It's case-by-case. So, talk to me about it and see if that's a possibility. But for now, when you are planning your budget, it's really important if you're doing summer camps, you're doing classes, you're doing research, if you're doing grants, if you're doing workshops...anything in the summer when you think that you're going to hire faculty, or may be a P&S person who doesn't work in the summer, plan that you're going to pay them as a summer appointment. Then as we get closer we can look at that as a case-by-case basis.

The third thing is if it's a grant, and it's already been mentioned, you want to talk with Sponsored Programs. So, if this work is going to paid on a grant, the grant probably won't pay for it, because grants don't usually pay for special comp. So, if you feel that this is the only way you can do this, talk to Michelle Mullings-Shand first before you start filling out the form and see if it's a possibility. She might actually be able to figure out some other ways that you could do it.

Now, let's take a look at the form. This is the PAF help page and it has a link down here to the policy that we were just looking at. Ok, and the pre-approval form. If you get to the point where you really think it's special comp, feel free to call me and ask if it's a faculty issue, then you want to fill out this form.

So my fourth point is you want to fill out the form as soon as you can because it's got to be approved before they start the work. So, start the form, get it filled out get signatures, and then tell the person to start the work. When it comes to the form, the first part is fairly self-explanatory. You've got to know who is doing it, you've got to know if they are faculty, staff, administrator and usually it's the department that's paying for this work that's going to fill it out. Then you get to section three, this is the one that takes a little more digging, so this what I want to go over with you. I have directions on a handout if you pick that up in the back and the direction are also on the P&S help page. Let me pull up my directions, too. On section three, it asks you what their appointment salary is. If they are not in your department and you don't know the best way to find this information out, go into the PAF system and

start a special comp PAF. So you would end up in the PAF system in this Special Comp tab. Right here, you have this little link that's to the summer appointment and special compensation PAF. Again, you don't have to fill in all of the detail because you don't have approval for them to do the work yet, but go ahead and get in there start a PAF for them, and then click on that link. When you click on that link, you'll get a page that looks like this. It will have the person's name on it and it will have their appointment salary up here at the top. So, then you can fill that in on section three, their appointment salary. They can earn 20% of that in special comp. So, now you want to figure out if they have earned special comp so far this fiscal year and add that up. The way to find out is look here, this has special compensation PAF and it has summer appointment. Just look at special comp and look at the end date.

So, this one is in process right now. The work is supposed to be done on December 14, they have started the PAF, and so that is obviously going to get paid in this fiscal year. So, you're going to include that amount and it will show you how much it is on the side and then you have another one, excuse me, that says it is in August. So, that one would get paid in this fiscal year, so include that.

Then you have to do a little more digging, because somethings there's some late PAFs and so you can see there's a special comp here that was from May. The end date was May 22, so it got paid sometime after May 22. You just want to double-check that it wasn't a late PAF. If you click over here and actually open the PAF, you'll get to a page that looks like this. Right at the top, it will tell you when it was finalized.

This PAF was for work in May, it was created in August, but it didn't get finalized until September. So, it's going to show up as they are being paid this in the fiscal year, so you'll want to add this to their total. We don't want to be surprised at the end of the year if we run an audit and they had this other one in there. So, add up all of the special comps that they have been paid and put their appointment salary on there. Put down how much you are going to pay them and then go ahead and get the necessary signatures. Only after you get the necessary signatures can the person start the work.

So, how do you know if you have the necessary signatures? Well, the last person who is supposed to approve it will send it back to you. When it comes back to your department, the paying department, you know it has been approved.

You can always double-check to make sure it was all covered. Then you tell the person to start the work and give them a copy of this. Then they know, "I'm really going to get paid for this if I do the work and it's been approved."

Now, on this page, with the help, the PAF help, there's this handout that's in the back and that is what I was just talking to...it tells how the employee could do it if they wanted to fill out this form. They find out the information, but it is a little different path than you would do as the department and then it has the information that I just told you about filling out section three.

There's some other resources on here that I want to point out and one of them actually tells you when you don't need the form. So there's some rare cases when you're going to use a special comp PAF to pay somebody, but it's not really special comp. So, you don't need the form. So, let me tell you when that

can happen. If you want someone to do some work and it is short-term work, it's intermittent, they aren't going to be working every day on it or regular hours. Let's say they are going to develop some curriculum, it's going to take them two months, and you think it will probably take them 60 hours to do. If they're not a UNI employee, you might pay them as an intermittent call-in. We are just calling them in when we need them, we're not giving them an active long-term assignment. In that case, they don't have a regular appointment, so you aren't adding anything addition to their regular job duties. So, that's not really special compensation. So, you don't need the form, but with special comp PAF is the only mechanism we have to pay them. So then you actually use that form. Now some of you have done this, so you know what I'm talking about, but if you click on this form (and this is on the handout, too), you can find it on the PAF help page. This describes those situations so you don't end up wasting time doing the form if you don't need to. So, the first line here is the intermittent short-term work by a non-UNI employee. It's not really special comp according to the policy. You don't need the form. It doesn't count toward their limit, because they have no limit, they have no regular appointment, so the limit is irrelevant. The only way we can pay them is on the special comp PAF. So, you're going to do that when they are done with the work.

Same thing with monetary awards. If a UNI employee gets an award, like they have a University Book and Supply Teaching Award, it's one thousand dollars. We want to pay them that money, but we don't want it to count towards their limit, because it's not really about work that they did. So, you don't need the form it doesn't count toward their limit, but you're going to pay them on a special comp. So, you can take a look at this later, it's online. Hopefully, it will help you go through really specific situations that don't necessarily fit the normal circumstance.

So, what I talked about today is how to fill out the form, but before you fill out the form remember to think about who is doing it and what are they doing it. Again, you can get different answers depending on who it is and when they are doing it. So, really think through and ask people those questions at the beginning. Someone signs-up to do something. Do you work at UNI? What's your position? Are you hourly or are you salary? Ask those questions at the beginning and then you can plan accordingly.

Again, don't pay faculty special comp in the summer for summer work. Yes, it can happen occasionally but plan on paying everything on a summer appointment to start with.

Questions?

I think that's special comp because we don't have another time period that is called, like, winter break. So, if you look in the special comp policy, actually, it says that the academic year for faculty starts two days before the semester starts in the fall and it ends on the day of commencement in the spring. So, everything within that period we consider is actively part of their regular appointment they are getting regular paychecks, so it would be special comp in December. No, it's two days before the fall. So, this year it was August 16. It goes all the way through the day of commencement in the spring. So, anything that happens in December, whether or not it is a class day, it would still be considered special comp.

Any other questions?

Ok. Yes?

Yes and so that can serve as the employee's contract for what they are choosing to do for you and how much they are getting paid. That's your documentation that was approved and this was what was agreed upon. So, take a look at these resources when you get back and if it's a faculty member, feel free to call me in the Provost's Office. If it's P&S, call HR. Again, it's an individual situation. This is not for something that we do all of the time, so each situation is a little unique.

So, it pays to take the time to think it through before you start and suggest to someone, "Hey, I'll pay you a special comp for this." It may not be. So think it through to begin with. One other thing, when you are just doing your normal PAF, it really helps if the percent of time is correct for an adjunct if they are teaching one class. That's a 25% appointment. If you get that wrong and say 40% and then they are working for another department, we try to add up how much they are working. We could get the wrong answer. We could pay them special comp when really we could pay them at the regular appointment. So, the percent of time really makes a difference when you look at the big picture.