

Recurring/Additional Payment Procedures **Wage Code Types 1401, 1404, 1419, 1420, 4605, 1010**

Purpose

- 1.1 To provide guidance regarding appropriate payments to employees outside of their base compensation and associated wage code usage.

Scope

- 2.1 These procedures are applicable to all UNMC staff and faculty.

Basis of the Procedures

- 3.1 Recurring/Additional Payment Policy

Authorities and Administration

- 4.1 Business units are responsible for the funding and approval of payments in accordance with applicable University policy and procedures. Human Resources (HR), the Financial Compliance Office, Financial Controller along with Payroll, and Academic Affairs are responsible for policy/procedure development and monitoring.
- Effective July 1, 2009 all payments for wage code types:
- 1401, 1404, 1419, 1420 and 4605 will be submitted to HR Compensation for review and entry into SAP by HR Records in accordance with the payroll schedules.
 - 4601 and 06F3 will be submitted to Payroll for review and entry into SAP, also in accordance with the payroll schedules.
- Departments must complete the [Recurring or Additional Payment Authorization Form](#) and must submit the completed form to HR Compensation or Payroll (based on the wage codes types describe above).

Procedures

- 5.1 **Summary:**
 The following sections outline the correct administration of additional payments to include the appropriate SAP coding, documentation, and approval process to be used for each type of payment. For questions regarding payments please contact HR Compensation at 402.559.5913 or HR Records at hrrecords@unmc.edu or Payroll at unmcpayroll@unmc.edu.
- Human Resources, the Financial Compliance Office, and the Financial Controller will conduct periodic monitoring of payments to ensure UNMC is in compliance with University policy and procedure as well as state and federal regulations.
- 5.2 **1401 Additional Compensation (one-time pay)**
 Compensation paid to an employee on a temporary one-time basis outside of his/her regular base wage/salary for taking on additional responsibilities. This type of payment can be done for an exempt monthly, or nonexempt biweekly, paid employee and is included as part of "institutional base salary" (per UNMC policy 6102).

5.2.1	<p>1401 Reasons:</p> <p>Following are appropriate reasons for utilizing the 1401 additional payment wage code.</p> <ul style="list-style-type: none"> • Temporary additional duties outside the scope of the current position. • Exempt monthly paid employees may be eligible for an additional payment to reward for extra effort in a situation where they are required to work an inordinate amount of extra time. It is important to note that hours of work must not be tracked and payment should not be based on hours worked in order to protect the exemption status of the position. <p>Additionally, 1401 payments should not be used for the following reasons:</p> <ul style="list-style-type: none"> • Pay in lieu of a base wage increase (see section 5.4 for correct coding) • Expense reimbursement that should be paid through accounts payable • Performance rewards that should be paid as 06F3 Outstanding Performance Stipend, 0620 Distinguished Scientist Award, or 4601 Awards • Additional teaching assignments that should be paid as a 1404 recurring payment, even if only for one month.
5.2.2	<p>1401 SAP Data Entry:</p> <p>Payments can only be entered by HR Records on Info Type 0015 with a cost object and no entry on cost distribution screen 9027.</p>
5.2.3	<p>1401 Additional Compensation Payments to Nonexempt Biweekly Paid Employees:</p> <ol style="list-style-type: none"> 1. If a nonexempt biweekly paid employee is performing additional duties that are comparable in scope of work to his/her primary position and this causes the employee to work more than 40 hours in a workweek he/she must be paid overtime, or compensatory time, of at least one and one-half his/her hourly rate. <ol style="list-style-type: none"> a. If the additional duties are within his/her primary department, the time should not be paid as an additional payment, but should be entered into SAP using the normal time entry procedure. b. If the additional duties are outside his/her primary department and the employee does not have a secondary appointment, time records must be maintained (but not entered into SAP) and a one-time payment should be processed ensuring that any overtime is accounted for accordingly. 2. If a nonexempt biweekly paid employee is performing additional duties that are not comparable in scope of work as his/her primary position on an infrequent or sporadic basis, a one-time payment may be processed. An overtime calculation does not need to be taken into account if the additional duties cause the employee to work more than 40 hours in a workweek. <p style="text-align: center;">Recurring or Additional Payment Authorization Form</p>
5.3	<p>1404 Overload (recurring payment)/Extra Service Pay:</p> <p>Overload or Extra Service Pay is additional compensation paid to an employee on a recurring basis for duties performed outside of the established full-time job and is only available to exempt monthly paid employees. In accordance with Nebraska University Executive Memorandum #19, no overload assignment for Academic-Administrative shall provide income in excess of twenty percent (20%) without prior written approval of the President (except for summer teaching and summer research appointments). Per University policy Overload/Extra Service Pay (Wage Code 1404) must have an end date. Although Overload/Extra Service Pay is not a component of the UNMC institutional base salary, this type of compensation may be charged to grants and contracts with sponsor approval.</p> <p>For additional information you may review UNMC Institutional Base Salary Policy Number 6102.</p>

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5.3.1	<p>1404 Reasons: 1404 payments are to be used for additional duties outside the scope of an employee's current position such as the following:</p> <ul style="list-style-type: none"> • Taking on additional teaching assignments in addition to the primary contract. • Serving in an interim capacity at a level above the employee's current classification. For example, a senior staff employee filling in for a vacant management position until the position is filled. • Taking on additional duties in a different department/campus while maintaining a regular full-time appointment. <p>Additionally, 1404 payments should not be used for the following reasons:</p> <ul style="list-style-type: none"> • On-going additional appointments that should be paid as 1010 Administrative Stipend • One-time payments that should be paid as 1401 Additional Compensation • Pay in lieu of a base wage increase (see section 5.4 for correct coding)
5.3.2	<p>1404 SAP Data Entry: Payments can only be entered by HR Records on Info Type 0014 without a cost object and must be entered on cost distribution screen 9027.</p>
5.3.3	<p>1404 Uniform Guidance. Applies to award received on or after to December 26, 2014:</p> <p>Per 200.430 (h)(1)(i), Extra Service Pay may be charged to federally sponsored projects if all of the following conditions are met:</p> <p>Extra Service Pay normally represents overload compensation, subject to institutional compensation policies for services above and beyond IBS. Where extra service pay is a result of Intra-IHE consulting, it must be reasonable as defined in 200.430 (b) <u>[see below note *]</u>. It is allowable if all of the following conditions are met:</p> <ul style="list-style-type: none"> (i) The non-Federal entity establishes consistent written policies which apply uniformly to all faculty members, not just those working on Federal awards. (ii) The non-Federal entity establishes a consistent written definition of work covered by IBS which is specific enough to determine conclusively when work beyond that level has occurred. This may be described in appointment letters or other documentations. (iii) The supplementation amount paid is commensurate with the IBS rate of pay and the amount of additional work performed. See paragraph (h)(2) of this section. (iv) The salaries, as supplemented, fall within the salary structure and pay ranges established by and documented in writing or otherwise applicable to the non-Federal entity. (v) The total salaries charged to Federal awards including extra service pay are subject to the Standards of Documentation as described in paragraph (i) of this section. <p>* 200.430 (b): b) Reasonableness. Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-Federal entity. In cases where the kinds of employees required for Federal awards are not found in the other activities of the non-Federal entity, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor market in which the non-Federal entity competes for the kind of employees involved.</p> <p>Please direct questions regarding this regulation to the Financial Compliance Office at 402.559.5838.</p>

5.4	<p>1420 July 1 In Lieu Payment Stipend (non-academic only): Compensation paid to a non-academic employee on a one-time or recurring basis outside of his/her regular base wage/salary in accordance with UNMC's annual July 1 wage adjustment guidelines for stipends in lieu of a base wage/salary increase. This type of payment can be done for an exempt monthly or nonexempt biweekly paid employee.</p> <p>Recurring payments can only be made to exempt monthly paid employees and are included as part of "institutional base salary" with a stated end date.</p> <p>One-time payments can be made to either exempt monthly, or nonexempt biweekly, paid employees and are not included as part of "institutional base salary".</p>
5.4.1	<p>1420 SAP Data Entry: If the payment is to be made on a recurring basis, it can only be entered by HR Records on Info Type 0014 without a cost object and must not be entered on cost distribution screen 9027.</p> <p>If the payment is to be made on a one-time basis, it can only be entered by HR Records on Info Type 0015 without a cost object and must not be entered on cost distribution screen 9027.</p>
5.5	<p>1419 New Faculty/Retention Stipend (new code): New Faculty/Retention stipends allow for short-term (1-year or less) payments to faculty as consideration for work done during the stated period of time in order to allow the University to react to market fluctuations that could negatively affect the long-term mission of the institution. Stipends may be replaced by Supplemental Compensation or an increase to base salary. 1419 payments must have a stated end date and are included in "institutional base salary".</p>
5.5.1	<p>1419 Reasons: Following are appropriate reasons for utilizing the 1419 New Faculty/Retention payment wage code.</p> <ul style="list-style-type: none"> • Pay in addition to the base salary to compensate a new faculty member while establishing patients in the clinic. • Pay in addition to the base salary to a new faculty member while establishing/transferring grant money. If applicable, may be replaced with Supplemental Compensation or annual salary increase based on performance. • Temporary additional pay to compensate exceptional faculty to retain them at UNMC due to market demands. May be replaced by annual salary increase based on performance. <p>Additionally, 1419 New Faculty/Retention Stipends payments should not be used for the following reasons:</p> <ul style="list-style-type: none"> • Performance rewards that should be paid as 0620 Distinguished Scientist Award, or 0601 Awards • Additional appointments that should be paid as a 1010 Administrative Stipend • Additional duties that should be paid as 1404 Overload
5.5.2	<p>1419 SAP Data Entry: Payments can only be entered by HR Records on Info Type 0014 without a cost object and must be entered on cost distribution screen 9027.</p>

5.6	<p>1010 Administrative Stipend:</p> <p>Administrative Stipends are considered to be a fixed annual amount of additional compensation (beyond the individual's base salary) for additional assigned administrative appointments. They can be done for academic or managerial/professional positions. Stipends may be defined for a period of time (with an end date) or may be indefinite (open-ended). 1010 stipends are included in "institutional base salary". (While this wage code represents an on-going commitment that is part of base pay rather than added on separately such as the other wage codes in these procedures, it has been included to clarify its use relative to the other wage codes noted.)</p> <p>Academic Appointments: Stipends are established with the creation of a Special Academic Administrative Appointment and no FTE. An appointment letter and Board of Regents notification is required. When administering an annual salary increase, calculate the increase on the total salary (base and stipend) and add to the base salary only. The original value of the stipend is retained.</p> <p>Managerial/Professional Appointments: Managerial/Professional Administrative Stipends apply only to exempt managerial/professional positions. Documentation supporting the stipend must be retained by the department. Stipends must be approved by the head of the business unit. When administering an annual salary increase, calculate the increase on the total salary (base and stipend) and add to the base salary and stipend. The value of the stipend increases.</p>
5.6.1	<p>1010 Reasons:</p> <p>Following are appropriate reasons for utilizing the 1010 Administrative Stipend payment wage code.</p> <ul style="list-style-type: none"> • Additional assigned administrative appointments outside the scope of the current position and base salary either for a defined period of time or indefinitely. <p>1010 Administrative Stipend payments should not be used for the following reasons:</p> <ul style="list-style-type: none"> • Pay in lieu of a base wage increase (see section 5.4 for correct coding). • Performance rewards that should be paid as 0620 Distinguished Scientist Award, 0601 Taxable Awards or 06F3 Outstanding Performance Stipends. • Additional duties that should be paid as a 1401 or 1404.
5.6.2	<p>1010 SAP Data Entry:</p> <p>Departments may enter 1010 stipends themselves using a Rate/Salary Change Action. For academic positions, the appointment associated with the stipend must be entered on the 9001 appointment screen. The stipend must be entered on the 0008 Basic Pay and 9027 Cost Distribution screens. (Utilize PAF form instead of additional payment form for documentation).</p>

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5.7	<p>Payment Documentation:</p> <p>The additional payment form, entitled "Authorization for Additional/Recurring Payments", can be found in Sapphire under UNMC Business Forms/Human Resources/Personnel Administration.</p> <p>All forms must be fully completed, and contain the necessary signatures prior to entry into SAP.</p> <p>Forms submitted to HR Compensation/HR Records or Payroll for review and processing will be uploaded in ADIS.</p> <p>Forms authorizing payments that are entered by departments must be retained in the department personnel file. Departments are responsible for loading payment document for faculty into ADIS.</p> <p>In order to charge overload expense to a federally sponsored project (UNMC WBS 34-35, and any 36 that is a federal subcontract / A-133), the department must submit documentation showing sponsor pre-approval along with the signed authorization for payment form.</p>
Notice of Non-Discrimination	
6.1	<p>Please see UNMC's Notice of Non-Discrimination regarding the University of Nebraska Medical Center's commitment to creating a diverse and inclusive working and learning environment free from discrimination and harassment.</p>
For additional information, contact HR - Compensation at 402.559.5913 or 405.559.2710	