Standard Operating Procedure-Faculty Summer Payments

Notes:

- Associated Administrative Regulation link related to Faculty
      https://www.uky.edu/regs/administrative-regulations-ar
- Faculty new hires will not be paid retirement on summer salary because they are not between assignment periods. In order to qualify for summer salary, a faculty must work both the Spring & Fall semester of a given year.
- New faculty who are working in advance of their academic contract period should be in a temporary faculty line and as being in a temporary line, retirement is not paid
- Faculty should only have one assignment in SAP. Summer payments should be entered as an additional payment on their original assignment. The college that the faculty members prime assignment falls under will be the one responsible for entering payments.
- Summer wage types should only be utilized during the months of May-August
- Any additional payments for the winter intersession should be treated as overloads
- The payment of wages should occur while the work is being performed, not at the end of the work semester
- When determining the
- In compliance with Uniform Guidance issued by the Federal Government, the following rules apply to all funding sources
- **Note: per guidelines, summer salary is set based on base pay only**
  - Annual base salary equals X
  - Annual stipend equals Y
  - Summer salary (Z) equals 1/9 of X (base salary only; or 1/10, 1/11 as appropriate).
  - Total compensation equals X+Y+Z. The administrative stipend is <u>not</u> included in base when setting summer salary.

Summer Research Payments:

- Summer supplements are for 9-, 10-, or 11- month faculty
- Summer is considered one session, no longer 4- or 8-week sessions
- Summer should be looked at as May 16-August 15 of a given year
- There are two wage types that are applicable for summer research payments:
  - **Wage type 2340=Summer Research < 1/9th**
  - **Wage type 2350=Summer Research > or = 1/9th**
- To determine retirement eligibility for summer research you will need to calculate whether the amount of money they are receiving for the summer months is equal to or greater than one month of their 9, 10, or 11 month salary, this includes both research and administrative payments. If the answer is yes then retirement will need to be paid and the wage type of 2350 should be utilized. If you calculate and the amount is less than one month of their salary, then wage type 2340 should be utilized and will not pay out retirement. The retirement contribution

is tied to these wage types, you do not need to do anything additional after choosing the wage type for retirement to pay or not.

- To determine the exact amount of salary for one month, reference SAP transaction PA20, infotype 0008-Display Basic Pay, utilizing the True Annual Salary, that amount needs to be divided by the employee subgroup, i.e. 9-, 10-, or 11 month to come up with a monthly salary amount. This amount is what you will use to determine whether your summer research payment is less than, equal to, or greater than $1/9^{th}$.
- Payment for summer research pay should be done in SAP on transaction PA30: Additional Payments-Create. This transaction has infotypes for a one-time (0015) or recurring (0014) payment and will pay out in the pay period associated with the date of origin on the infotype record
  - o A QRC-Quick Reference Card is available titled PA30-Additional Payments-Create and is available at myhelp.uky.edu. This QRC has step by step instructions for entering the payment as well as information on when the payment will be paid out, and cost center assignments.

Summer Teaching Payments:

- Summer teaching payments are for faculty who are outside of their academic period
- Payment amounts and criteria are based on established PTI-Part Time Instructor Rates or an established fee schedule
- Summer is considered one session, no longer 4- or 8-week sessions
- One wage type is utilized for summer teaching payments:
  - o **Wage type 2320=Summer Teaching Flat Tax**
- Retirement will not be paid out for summer teaching when the above wage types are utilized
- Payment for summer teaching pay should be done in SAP on transaction PA30: Additional Payments-Create. This transaction has infotypes for a one-time (0014) or recurring (0015) payment and will pay out in the pay period associated with the date of origin on the infotype record
  - o A QRC-Quick Reference Card is available titled PA30-Additional Payments-Create and is available at myhelp.uky.edu. This QRC has step by step instructions for entering the payment as well as information on when the payment will be paid out, and cost center assignments.

Summer Administration Payments:

- Summer administrative payments are for faculty who are doing administrative work outside of their academic period
- One wage type is utilized for summer administration payments:
  - **2230-Faculty Admin**
  - **2395-Summer Admin w/Benefits**
- To determine retirement eligibility for summer administration you will need to calculate whether the amount of money they are receiving for the summer months is equal to or greater than one month of their 9, 10, or 11-month salary, this includes both research and administrative payments. If the answer is yes, then retirement will need to be paid and the wage type of 2395 should be utilized. If you calculate and the amount is less than one month of their salary, then wage type 2230 should be utilized and will not pay out retirement. The retirement contribution is tied to these wage types, you do not need to do anything additional after choosing the wage type for retirement to pay or not.
  - To determine the exact amount of salary for one month, reference SAP transaction PA20, infotype 0008-Display Basic Pay, utilizing the True Annual Salary, that amount needs to be divided by the employee subgroup, i.e. 9-, 10-, or 11 month to come up with a monthly salary amount. This amount is what you will use to determine whether your summer administration payment is less than, equal to, or greater than $1/9^{th}$.
- Payment for summer administration pay should be done in SAP on transaction PA30: Additional Payments-Create. This transaction has infotypes for a one-time (0014) or recurring (0015) payment and will pay our in the pay period associated with the date of origin on the infotype record.
  - A QRC-Quick Reference Card is available titled PA30-Additional Payments-Create and is available at myhelp.uky.edu. This QRC has step by step instructions for entering the payment as well as information on when the payment will be paid out, and cost center assignments.

Winter Intersession Payments:

- Winter Intersession payments are for faculty who are working during December/January
- Winter Intersession is paid via faculty overload
- If the course is considered in load no additional payment is required.
- If the course is in addition to workload an overload may be required, refer to the Office of Faculty Advancement website   https://www.uky.edu/ofa/

Other Payments:

Master Award List link https://www.uky.edu/ofa/content/awards-list

Lump Sum Payments:

- Lump sum payments-Wage Type 2270-Lump sum payments are activities done outside of the academic appointment. Examples would include course development, service coverage not related to shift differential or on call, etc.
- Lump sum payments should be based on a fee schedule determined by each college
- One wage type is utilized for summer administration payments:
    - **2270-Lump Sum Payment**
- Payment for lump sum pay should be done in SAP on transaction PA30: Additional Payments-Create. This transaction has infotypes for a one-time (0014) or recurring (0015) payment and will pay our in the pay period associated with the date of origin on the infotype record.
    - A QRC-Quick Reference Card is available titled PA30-Additional Payments-Create and is available at myhelp.uky.edu. This QRC has step by step instructions for entering the payment as well as information on when the payment will be paid out, and cost center assignments.

Wethington Awards

- Wethington award policy and procedure is sent each year by the Office of Faculty Advancement, please refer to their website for guidance https://www.uky.edu/ofa/
- One wage type is utilized for Wethington award payments:
    - **2175-Wethington Award**
- Payment for Wethington awards should be done in SAP on transaction PA30: Additional Payments-Create. This transaction has infotypes for a one-time (0014) or recurring (0015) payment and will pay our in the pay period associated with the date of origin on the infotype record.
    - A QRC-Quick Reference Card is available titled PA30-Additional Payments-Create and is available at myhelp.uky.edu. This QRC has step by step instructions for entering the payment as well as information on when the payment will be paid out, and cost center assignments.

Other Awards:

- Other awards are issued to individuals whose outstanding service at the University of Kentucky earns recognition
- The approved master awards and honor list can be found on the Office of Faculty Advancement website https://www.uky.edu/ofa/awards-honors
- One wage type is utilized for other award payments:
    - **2250-Award**
- Payment for other awards should be done in SAP on transaction PA30: Additional Payments-Create. This transaction has infotypes for a one-time (0014) or recurring (0015) payment and will pay our in the pay period associated with the date of origin on the infotype record.
    - A QRC-Quick Reference Card is available titled PA30-Additional Payments-Create and is available at myhelp.uky.edu. This QRC has step by step instructions for entering the payment as well as information on when the payment will be paid out, and cost center assignments.

Internal Overload Payments:

- Internal overload payments are for 12-month faculty only
- Overloads are for work outside of an academic load or outside of an individuals applicable work unit
- One wage type is utilized for overload payments:
    - **2100-Overload**
- Payment for overloads should be done in SAP on transaction PA30: Additional Payments-Create. This transaction has infotypes for a one-time (0014) or recurring (0015) payment and will pay our in the pay period associated with the date of origin on the infotype record.
    - A QRC-Quick Reference Card is available titled PA30-Additional Payments-Create and is available at myhelp.uky.edu. This QRC has step by step instructions for entering the payment as well as information on when the payment will be paid out, and cost center assignments.