

ADDITIONAL PAY

Additional Pay/Extra Service Pay Guidelines for GRANTS

- I. What is Additional / Extra Service Pay in relation to Grants/Contracts?
 - A. It is **not** ADA (Additional Duties Pay) or Summer Teaching Pay.
 - B. It is compensation paid by the university beyond the established monthly base salary of the faculty member or staff. The work is not part of the individual's normal job responsibilities and is not otherwise defined under the individual's appointment and/or his or her 100% effort distribution.

- II. Who can or cannot be paid by additional pay?
 - A. 9 month faculty in the department
 - B. Faculty/Staff Consultant across departmental lines
 - C. A specific person/ position named in the grant budget under salaries or consultants who is considered to be a term or special appointment position.
 - D. 12 month faculty / staff **are not typically** paid additional pay, but instead usually receive a % of release time from their normal duties to be entered through a pay funding change which results in salary savings to the department. There may be **rare** cases where 12 month faculty or staff may receive additional pay if work is considered outside normal work hours and duties.
 - E. Clerical positions that are paid hourly **SHOULD NOT** be paid through an additional pay request. They should instead receive overtime pay as entered through ZCAT.

- III. When should I process Additional / Extra Service Pay?
 - A. After work has been performed
 - B. After appropriate documentation such as time logs or statements of work have been **signed** by the P.I. and the Department Head for work performed **prior** to IRIS entry.
 - C. For a **full** month of service before the monthly payroll deadline date in the **following** month (usually around the 15th) – for example, if the work is performed for May 1 to 31st it would need to be entered by June 15th but not before June 1st.
 - D. For 9 month faculty, additional pay should **only** be for the summer months of May, June, and July; and should be paid out the month following the month the work was done. If submitting additional pay on grants during the academic year, be sure to contact Virginia Moore so that **prior** approval can be obtained from the Provost.

- IV. Where do I enter Additional / Extra Service Pay?
- A. Additional Pay Requests should be processed through the ZPADDPAY000 transaction in IRIS.
 - B. DO NOT enter additional pay as ADA Pay through a PERSONNEL CHANGE REQUEST E-FORM.
- V. How do I enter Additional Pay?
- A. The amount entered should be AFTER the work has been performed and documented time/effort has been submitted and signed by the P.I. and Department Head before IRIS entry. Documentation should be retained by the department for audit purposes.
 - B. How do I calculate amounts?
 1. **9 month faculty** – the hourly wage can be calculated by dividing the annual base pay amount by 1344 hours (Salary/1344=hourly rate).
 - a. The 1344 hours figure comes from Sponsored Grants and Contracts Fiscal Policy FI0205, section 21c. It states the daily rate as 168 days during the academic year; multiply that by 8 hours a day you get 1344 hours that are expected to be worked by 9 month faculty during the academic year. See attached link for Fiscal Policy FI0205.
 - b. 100% effort during summer month = 149.33 hours or 1/9th of their salaries
 2. **12 month faculty or professional staff** - the hourly wage can be determined by dividing the annual salary by 1792 hours (based off of 224 days).
 3. **A faculty member or staff member cannot make over their normal hourly rate of pay.**
 - C. Workflow Notes
 1. "Workflow Notes" should reflect the number of hours or % of effort worked, the time period of the work performed, and the calculations for the amount entered.

Examples:

 - a. For 9 month faculty – "P.I. worked the full month of May at 100% effort. Additional pay is calculated as 1/9th of their annual salary of \$50,000 = \$5555.56."
 - b. For 9 month faculty working less than 100% effort – "Faculty member worked 10% effort in the month of May. Additional pay is calculated as annual salary of \$50,000/9months x .10 = \$555.56."
 - c. "Additional pay for faculty/staff member who served as a consultant for 25 hours from May 1st to May 31st at an hourly rate of \$45.00 = \$1,125." (Hourly rate must be calculated as described in Section V.B.1 & 2)

2. "Workflow Notes" should reference documentation that was submitted.
3. "Workflow Notes" should reference where the expense falls in the approved budget or if not specifically referenced, provide justification.
4. IF WORKFLOW NOTES DO NOT HAVE THESE CRITERIA THEY WILL BE REJECTED AND ASKED TO BE RE-ENTERED CORRECTLY.

D. Limits

1. Monthly additional pay should NOT EXCEED more than 1/9th the annual base salary of the 9 month faculty member or 1/12th the annual base salary of a 12 month faculty or staff member.
2. Should NOT EXCEED the amount BUDGETED. If additional pay is expected to exceed the budgeted amount, the P.I or Program Manager should contact Virginia Moore to obtain **prior** approval before submitting.
3. Fiscal Policy FI0205 states in section 23 that "During the summer months, nine-month faculty may earn extra-service pay on grants and contracts, provided the total income earned, including pay for summer teaching and/or administration, does not exceed 33 1/3% of the individual's base salary."

Please keep in mind that it is the department's responsibility to monitor additional pay closely for each of the faculty/staff members paid off the grant account.

Please reference Fiscal Policy FI0205 on Sponsored Grants and Contracts regarding further guidance.

https://my.tennessee.edu/portal/page?_pageid=34,140536&_dad=portal&_schema=PORTAL&p_policy=FI0205