



**UNIVERSITY SYSTEM OF GEORGIA**  
Information Technology Services

# Supplemental and Other Pay Compliance and Standardization

December 5, 2018

# Agenda

- Guiding Principles
- Requirements
- Definitions of Supplemental Pay
- Options for Standard Operating Procedures (SOP)
- Updated Employee Pay and Supplemental Pay Matrix



# Guiding Principles

- Addressing both one-time and recurring supplemental pay for:
  - Segregation of duties
  - Proper retirement reporting
  - Proper taxation of earnings
  - Development of standard operating procedures (SOP)
  - Ensuring accurate reporting, for example: compensation, Affordable Care Act (ACA)
  - Proper compliance for benefits eligibility & Annual Base Benefits Rate (ABBR)

# Requirements

- Must be reportable
- Must be separate from regular earnings for accounting and on pay statement
- Must work in conjunction with benefits, leave liability, retro pay, special accumulators, and Commitment Accounting
- Must be able to fund separately from regular earnings
- Allows for encumbering when required



# Definitions of Supplemental Pay

To provide clarity, consistency and standardization our first step was to provide definitions of commonly used terms:

- **Definitions**
- Extra Compensation – Defined as compensation received by a USG employee who is working at another state agency.
- Additional Pay – The page in the payroll system where supplemental pay data is detailed for automated payment during payroll processing.
- Supplemental Pay – Compensation that an employee receives for work performed within the *home institution* that is significantly different from his/her normal job duties and generally outside of the employee's home department.

# Definition of Standard Operating Procedures

- A standard operating procedure, or SOP, is a set of instructions compiled by an organization to help workers carry out complex routine operations
- SOPs aim to achieve efficiency, quality output and reduce miscommunication
- SOPs define roles and responsibilities

# SOP Options for Supplemental and One Time Pays

- We will examine four options to compensate employees with regular and supplemental responsibilities –
  1. Multiple Jobs
  2. Additional Pay
  3. Paylines
  4. Multiple Components of Pay (MCOP) with JED

# Multiple Jobs



# Multiple Jobs

- Create a secondary job which requires an additional position and job assignment
- Primary job is employee's main job and drives the employee's benefits
- Secondary job is the additional responsibilities and can contribute to benefit eligibility
- Need to create second department budget table entry to fund additional job



# Multiple Jobs

- Earnings from both job rows will combine into single employee payment
- Funding distribution will be job specific
- Both jobs contribute to ABBR
- Both jobs will encumber if pay group is set to encumber

# Multiple Jobs

- Multiple Jobs – Enter one job as the Primary Job
- Enter position number for Primary Job
- Position is a Graduate Research Assistant
- Primary job is in the Chemistry department.
- Once position is entered, enter remaining job and compensation data.

Work Location | Job Information | Payroll | Salary Plan | Compensation

Employee: [Redacted] Empl ID: [Redacted] Empl Record: 0

**Work Location** Find First 1 of 1 Last Go To Row + -

\*Effective Date: 09/01/2018 Effective Sequence: 0 HR Status: Active Payroll Status: Active \*Action: Data Change Reason: Contract Change \*Job Indicator: Primary Job

Company: 180 University of Georgia Position Number: 11804446 GRAD RESEARCH ASST DOCTORAL Position Entry Date: 06/01/2013 ☐ Position Management Record

Regulatory Region: USA United States Business Unit: 18000 University of Georgia Department: H1000261 Chemistry Department Department Entry Date: 06/01/2013 Location: 180 University Of Georgia Establishment ID: 180 University of Georgia Date Created: 11/27/2018

Last Start Date: Expected Job End Date: [Redacted]

Job Data | Employment Data | Earnings Distribution | Benefits Program Participation

# Multiple Jobs

- Multiple Jobs – Enter second job as a Secondary Job
- Enter position number for Secondary Job
- Position is a Graduate Teaching Assistant
- Secondary job is in the History department.
- Once position is entered, enter remaining job and compensation data.

Work Location Job Information Payroll Salary Plan Compensation

Employee Empl ID [REDACTED] Empl Record 1

Work Location ? Find First 1 of 1 Last

\*Effective Date 09/01/2018 Effective Sequence 0 HR Status Active Payroll Status Active

\*Action Hire Reason Dual Appointment \*Job Indicator Secondary Job

Company 180 University of Georgia

Position Number 11820049 GRAD TEACHING ASST DOCTORAL

Position Entry Date 09/01/2018

Regulatory Region USA United States

Business Unit 18000 University of Georgia

Department H1000263 History Department

Department Entry Date 09/01/2018

Location 180 University Of Georgia

Establishment ID 180 University of Georgia

Date Created 11/27/2018

Last Start Date 09/01/2018

Expected Job End Date

Job Data Employment Data Earnings Distribution Benefits Program Participation

# Additional Pay

# Additional Pay

- No position or job data entry required
- Add Additional Pay earnings code to department budget table if funded differently
- For retirement eligible earnings select a retirement eligible earnings code
- Can set earnings goal amount and end dates
- Can be paid separately from regular pay
- Entered by payroll practitioner



# Additional Pay

- Will not be encumbered
- Actuals distribution is funded correctly; earnings expense mapped account is correct
- Fringe expense follows pay group unless Additional Pay is on separate check
- Posts payroll balances to appropriate earn code
- Shows as separate earnings on pay statement

# Additional Pay

- Future state: Additional Pay Reason used to track metrics

Use this page to maintain translate values


Field Name: **ADDLPAY\_REASON** Length: **3**

Maintain Translate Values

Personalize | Find | View All |  | 

First  1-11 of 11  Last

GeneralLast Updated

	*Value	Effective Date	Status	*Long Name	*Short Name		
1	A	01/01/1900 	Active ▾	Anniversary Award	Anniv		
2	AWD	01/01/1900 	Active ▾	Award Data	Award		
3	BAS	01/01/1900 	Active ▾	Benefits Administration Credit	BAS Credit		
4	C	01/01/1900 	Active ▾	Contract Pay	Contract		
5	JOB	01/01/1900 	Active ▾	Job Other Pay	Job Oth Py		
6	N	01/01/1900 	Active ▾	Not Specified	Not Specif		
7	O	01/01/1900 	Active ▾	Outstanding Contribution	Contrib		
8	P	01/01/1900 	Active ▾	Performance Award	Performanc		
9	Q	01/01/1900 	Active ▾	President's Award	Pres's		
10	S	01/01/1900 	Active ▾	Productivity Award	Productiv		
11	CHR	01/01/2018 	Active ▾	Dept Chair/Head	Chair/Head		

# Additional Pay

- Enter earnings code
- Effective Date - Start Date
- End date - Date to end payment
- Earnings – Amount per pay period
- Goal amount - Stop payment at a certain amount
- Goal balance – Stop payment when goal balance = goal amount
- OK to Pay – Must be checked

## Create Additional Pay

Employee      Empl ID      Empl Record 0

**Additional Pay** Find | View All First 1 of 2 Last

\*Earnings Code  Housing Allowance -Pensionable

**Effective Date** Find | View All First 1 of 1 Last

Effective Date

**Payment Details** Find | View All First 1 of 1 Last

\*Addl Seq Nbr

Rate Code

Earnings

Hours

Hourly Rate

Goal Amount

Goal Balance

Sep Check Nbr

End Date

Reason

☒ OK to Pay      ☐ Disable Direct Deposit      ☐ Prorate Additional Pay

**Applies To Pay Periods**

☒ First      ☐ Second      ☐ Third      ☐ Fourth      ☐ Fifth

▶ Job Information

▶ Tax Information

Save    Return to Search    Previous in List    Next in List    Notify    Refresh    Update/Display    Include History

# Payline Adjustment

# Payline Adjustment

- Payline Adjustments are entered by payroll practitioner in OneUSG Connect
- Payline adjustments are loaded directly to employee payline during payroll processing by SSC
- For retirement eligible earnings select a retirement eligible earnings code
- Will not be encumbered

# Payline Adjustment

- Actuals distribution is funded correctly; earnings expense mapped account is correct
- Lacks audit control and segregation of duties
- Posts payroll balances to appropriate earn code
- Shows as separate earnings code on pay statement



# Pay Lines

- Enter EMPLID and EMPL Record
- Enter Earnings Code
- Enter Combination Code
- Enter one-time amount
- Enter earning begin and end dates
- Enter Separate Check # if a separate check is desired

## Automated Adjustments

Company 180 Pay Group 18F Pay Period End Date 10/31/2018

**Employee Information** Find View All First 1 of 1 Last

\*Empl ID  Empl Rcd

**Earnings**

Earnings Code AWD Employee Award Combination Code

Amount 75.00

Earnings Begin Date 10/01/2018 Earnings End Date 10/31/2018

Deductions Taken None Separate Check # 1

**Deductions**

Plan Type  Benefit Plan

Deduction Code  Deduction Class

One-Time Code  Amount

Save Return to Search Add Update/Display

# Regular Earnings with Job Earnings Distribution (JED)

# Regular Earnings with Job Earnings Distribution (JED)

- Used for Dual Employment
- Uses single job and position, single comp rate code but two earnings codes.
- Enter funding line on department budget table to fund non-REG earnings
- Detail will continue through pay confirm and actuals distribution and GL

# REG Earnings with JED

- Encumbers all earnings as regular earnings; uses default earnings funding
- For retirement eligible earnings select a retirement eligible earnings code
- Supplemental pay shows correctly on pay check

# Multiple Components of Pay with Job Earnings Distribution

# MCOP with JED Distributed by Amount

- JED will pass earnings by earnings code to payroll and then to Actuals Distribution
- Detail earnings will pick up correct funding by earn code from Department Budget Table
- Detail earnings will then pass to GL
- Earnings will encumber, but will encumber as REG
- For retirement eligible earnings select a retirement eligible earnings code



# MCOP with JED Distributed by Amount

- Adds to primary job hourly rate
- Encumbers, but encumbers as regular earnings using default earnings funding. Would require modification to the custom encumbrance process
- Actuals distribution and earnings account mapping fund correctly
- All payroll balances posted to proper earnings code
- Shows as separate earnings on pay statement

# MCOP w/ JED

- MCOP w/ JED – Job data comprises two components of pay – NAANNL for regular earnings (REG) and MCPAL for president allowance (PAL)
- Navigate to Compensation page in job Data
- Use Comp rate codes to enter each compensation component
- System will populate Compensation Rate at the top of the page
- This will all be REG earnings code until we split them using JED

Work Location Job Information Payroll Salary Plan **Compensation**

Empl ID  
Employee Empl Record 0

**Compensation Details** ? Find First 1 of 5 Last  
Go To Row

Effective Date 09/01/2018  
Effective Sequence 1  
HR Status Active  
Payroll Status Active

Action Data Change  
Reason Contract Change  
Job Indicator Primary Job  
Current ☐

Compensation Rate 13,200.00 USD Frequency M Monthly

► **Comparative Information** ?

► **Pay Rates** ?

Default Pay Components

**Pay Components** ? Personalize Find 1-2 of 2 Last

*Rate Code	Seq	Comp Rate	Currency	Frequency	Points	Percent	Rate Code Group
1 MCPAL	0	700.000000	USD	M			
2 NAANNL	0	150,000.000000	USD	A			

Calculate Compensation

# MCOP w/ JED

- MCOP w/ JED – Use Job Earnings Dist to break regular earnings from Compensation page into REG and PAL earnings codes
- Go to Job Earnings Dist page and distribute pay period (monthly) earnings across REG and PAL earnings codes
- Both earnings codes will pass to pay lines

Current

Compensation Rate 13,200.00 USD

Work Period Weekly

Compensation Frequency Monthly

Standard Hours 40.00

\*Earnings Distribution Type By Amount

**Job Earnings Distribution** Find First 1-2 of 2 Last

Position Number Business Unit

Department Job Code

Regular Shift Not Applicable

\*Earnings Code PAL President Allowance Pension

Compensation Rate 700.000000

General Ledger Pay Type

Standard Hours

Percent of Distribution

**Earnings Chartfields** Edit ChartFields

Combination Code

Position Number Business Unit

Department Job Code

Regular Shift Not Applicable

\*Earnings Code REG Regular

Compensation Rate 12,500.000000

General Ledger Pay Type

Standard Hours

Percent of Distribution

**Earnings Chartfields** Edit ChartFields

Combination Code

# DRAFT Employee Pay and Supplemental Pay Matrix

# Supplemental & Other Pay Next Steps Institution

- **By December 21<sup>st</sup>** - Review matrix and provide feedback to [oneusgsupport@usg.edu](mailto:oneusgsupport@usg.edu)
- **January**
  - Develop cross-functional working group to include HR, Payroll, Academic Affairs and Finance Resources
  - Analyze current supplemental and employee pay to determine future method of payment
- **February – July for OneUSG Connect Institutions**
  - Begin transition to the appropriate payment process based on matrix with exception of MCOP JED
  - Prepare for MCOP JED with the FY2020 contracts
- **July 1, 2019** – Transition to MCOP JED
  - Work with AU and GT on transitions concerns

# Supplemental and Other Pay Next Steps Working Team

- Analyze December 21<sup>st</sup> feedback
- Schedule meeting in January with Human Resource, Payroll and Academic Affairs, Finance Resources
- Develop communication plan and training documentation



# Closing Summary

- No budget prep impact until FY 2021
- OneUSG Connect Support
  - Diagnostics Review
  - Training follow up

# Off-cycle BPM Update

# Off-Cycle Check Proposed BPM Revisions

- Updating BPM Off-Cycle Check Section 5.3.8, Off-Cycle Check Request form and Off-Cycle Procedures
  - Improving processes
  - Enhancing compliance and reporting
  - Ensuring accountability
- Go Live – January 1, 2019

# Off-Cycle Check Proposed BPM Revisions

- Renaming on demand payments to emergency payments
- Requiring CBO signature for emergency payments
- Establishing a schedule for processing emergency payments
- Updating the form to better track root cause

# Fiscal Year End Adjustment Payroll Update

# Fiscal Year End Adjustment Payroll

- An adjustment payroll for fiscal year end will no longer be processed
  - Creates delays in finalizing payroll numbers
  - Significant payments have caused interest and penalties
  - Inaccurately reflects cash flow
- Can be accomplished through online payroll adjustments in PeopleSoft Financials



# Questions