HRS402: Summer Salary Form

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Agenda:
1. What is Summer Salary
2. Funding and Payroll Considerations
3. Submitting a Summer Salary Request
4. Form Examples
5. Approval and Workflow
6. Questions
What is Summer Salary?

Summer Salary is additional payment to faculty members for work performed during their non-academic months:

- **Evanston 9-month Faculty**  
  **Dates Available:** June 16 – September 15

- **Kellogg and Medill 9-month Faculty**  
  **Dates Available:** June 1 – August 31

- **Feinberg Faculty**  
  “Research Quarter” is negotiated with department chair and dean
Summer Salary Eligibility

Faculty with one or more 9-month appointment(s) may be eligible to receive Summer Salary:

<table>
<thead>
<tr>
<th>Contract Period</th>
<th>Summer Salary Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>Eligible for: up to 3 months of summer salary From Sponsored Accts: up to 2.5 months</td>
</tr>
<tr>
<td>12</td>
<td>Not Eligible</td>
</tr>
</tbody>
</table>

• Only 2.5 months of pay may be charged to sponsored accounts
  – An additional 0.5 month may be paid from non-sponsored accounts, or
  – A Pre-Certification Form must be completed and approved by your Dean's Office to charge it to a sponsored project

• No faculty member may receive more than 3 months of Summer Salary in one academic year

Determining Maximum Summer Salary

One “month’s salary” is determined by the appointment’s Monthly Contract Rate:

<table>
<thead>
<tr>
<th>Maximum Summer Salary – Faculty Member #1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rcd #</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>0</td>
</tr>
</tbody>
</table>

• Consider 9-month appointments only
• Annual Salary ÷ 9

→ This employee is eligible to receive up to $10,000/month for the summer salary period.
### Determining Maximum Summer Salary

#### Maximum Summer Salary – Faculty Member #2

<table>
<thead>
<tr>
<th>Rcd #</th>
<th>Annual Rate</th>
<th>Contract Period</th>
<th>Comp Rate (Annual / 12)</th>
<th>Monthly Contract Rate (Annual / 9)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>$120,000</td>
<td>9</td>
<td>$10,000.00</td>
<td>$13,333.33</td>
</tr>
<tr>
<td>1</td>
<td>56,000</td>
<td>9</td>
<td>4,666.67</td>
<td>6,222.22</td>
</tr>
<tr>
<td>2</td>
<td>24,000</td>
<td>12</td>
<td>2,000.00</td>
<td>2,000.00</td>
</tr>
<tr>
<td>Total</td>
<td>200,000</td>
<td></td>
<td>16,666.67</td>
<td>19,555.55</td>
</tr>
</tbody>
</table>

- Consider 9-month appointments only
- Total of 9-month Annual Salaries ÷ 9

⇒ This employee is eligible to receive up to **$19,555.55/month**
  - Maximum of **$48,888.88** (2.5 months) from sponsored accounts
  - Additional **$9,777.78** (0.5 month) from non-sponsored or with a Pre-Cert Form

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### Determining Maximum Summer Salary

The FASIS **Current Salary** page contains all the information you need for this calculation:

- Displays Annual Rate, Contract Period, Monthly Contract Rate, and Academic Base Salary for all appointments
- You must attach a printout of this page to all initial Summer Salary Request Forms
Determining Maximum Summer Salary

The FASIS Current Salary page:

This employee’s maximum rate for Summer Salary would be:
42,850.00 + 2,380.65 + 2,380.59 = 47,611.24/month

NIH Salary Cap

Careful attention must be given to faculty earning more than the NIH salary cap.

- 2016 NIH Cap is: $15,425
- You may only charge up to the salary cap rate from NIH awards
- Any difference in salary above the cap ("cap gap") must be paid and must come from unrestricted funds.
**NIH Salary Cap**

**Example:** Faculty member with a 9-month appointment and $168,469 annual salary, funded by at least one NIH grant.

<table>
<thead>
<tr>
<th>NIH Salary Cap Example</th>
<th>Annual Rate</th>
<th>Contract Period</th>
<th>Monthly Contract Rate</th>
<th>Charging 1 Month to NIH</th>
<th>Charging 2 Months to NIH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Salary</td>
<td>168,469</td>
<td>9</td>
<td>18,718</td>
<td>18,718</td>
<td>37,436</td>
</tr>
<tr>
<td>2016 NIH Cap</td>
<td>185,100</td>
<td>12</td>
<td>15,425</td>
<td>- NIH: 15,425</td>
<td>- NIH: 30,850</td>
</tr>
</tbody>
</table>

**Only $15,425/month can come from NIH awards for Summer 2016**

**Funding and Payroll Considerations**
NSF Grants

- A maximum of 2 months’ worth of salary may be charged to an NSF grant for the entire academic year
- More than two months may be charged only if the PI has specific budgetary approval or written permission from the agency
- Review the employee’s salary funding for the entire year to determine how much summer salary may be charged to the NSF grant

Funding Reminders

- Summer salary payments are charged to account code 60020 on your chartstring; full fringe benefits rate is charged (24.7%)
  - Account code 60062 is used for Kellogg
- This account code must be open and valid on all chartstrings before form is submitted
- Check the FASIS View Valid Chartstrings page to confirm:
Summer Effort

Summer Effort differs from Effort during the academic year.

- During the Summer period, certify only the salary received instead of the percent effort.
  - Total Salary Received = 100% Effort for 4th Quarter
  - Summer Salary is included with any 12-month appointment when certifying Effort for 4Q2016.

- **Example:** You pay a faculty member 2.5 months summer salary
  → He/she certifies effort for those 2.5 months plus the regular salary for any 12-month appointment (total 100% Effort)

- **Example:** You pay a faculty member 1 month summer salary
  → He/she certifies effort for that 1 month plus the regular salary for any 12-month appointment (also total 100% Effort)

Form Deadlines

- Forms must be fully approved and received by the Payroll Office by the regular monthly paperwork deadlines

- Beginning this year, forms **do not** need to be routed to ASRSP (unless over 90 days retro)

- **If received on time,** payment is processed as Additional Pay

- **If received late,** payment will be processed on the next regular monthly payroll.

<table>
<thead>
<tr>
<th>Form Due to Payroll</th>
<th>Monthly Paydate</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 15</td>
<td>June 30</td>
</tr>
<tr>
<td>July 14</td>
<td>July 29</td>
</tr>
<tr>
<td>August 16</td>
<td>August 31</td>
</tr>
<tr>
<td>September 15</td>
<td>September 30</td>
</tr>
</tbody>
</table>
Payroll & Tax Implications

- Payments for Sept 1-15 may be submitted separately if you wish to consider the employee’s FY17 salary
- Summer Salary may inflate the employee’s salary and bump the employee into a higher tax bracket during summer months
  - Faculty may submit a new W-4 to withhold less taxes during the summer months
  - W-4s are due in Payroll by the same monthly deadline

Confirming Summer Salary Processing

Your Summer Salary requests may be confirmed by:

- Viewing the Additional Pay and Additional Pay Distribution pages in FASIS Admin (available upon entry)
- PED reports in VISTA and Cognos (entries made by Thursday will appear as encumbrances on Friday)
- NU Financials (appear as encumbrances in 2-3 additional days)

If Summer Salary entries are not seen, please contact your Dean’s Office or Payroll for more information.
Submitting a Summer Salary Request

Summer Salary Form

Forms must be filled in electronically; hand-written forms are not accepted.

- Printing the form on yellow paper will allow for easy identification and faster processing by Payroll
- Save the form to your computer and complete from Adobe; do not complete the form within your browser
Summer Salary Form

Request Types:

- **New**
  The first Summer Salary Request for this employee in this academic year. *Must attach a screenshot of the Current Salary page.*

- **Additional Sequence**
  Adding another months’ payment to an existing request. *Must attach a copy of the original request form.*

- **Change Amount**
  Changing the monthly pay for a previously submitted request. *Include the new pay only. Attach a copy of the original request with a line through the pay you are changing.*

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**Historical Funding Changes:** If your funding change is historical, you must enter a payroll journal in FASIS to correct the months that have already been paid.

- Wait until after the change form has been entered by Payroll; you will receive an email notification.
- Enter the journal through the “Enter Journals” page, using the correct Empl Rcd for the employee.
Summer Salary Form

Form Fields:

- **Academic Base Salary**
  Refer to the FASIS Current Salary page, or contact your school administrator

- **Pay Detail**
  Indicate the total monthly payment for each month.

- **Pay Distribution**
  Using the **Sequence Numbers**, match each months’ payment to its funding distribution. **Pay Dates** are always the beginning and end of the month. Months may be combined if distribution is not changing.

Form Examples
Examples

Example #1: Simple request for new Summer Salary, 6/16-8/31

- **Request Type:** New
- **Pay Detail**
  - ½ month pay for June
  - Full month payments for July and August
- **Pay Distribution**
  - The distribution is the same for all months and may be combined for June, July, and August.
- **Attachments:** Current Salary page

<table>
<thead>
<tr>
<th>Salary Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Salary for 9-mo Appts</td>
</tr>
<tr>
<td>Monthly Contract Rate</td>
</tr>
<tr>
<td>Monthly Contract Rate * 2.5</td>
</tr>
</tbody>
</table>

Examples

Example #2: Adding September payment to Example #1

- **Request Type:** Add’l Sequence
- **Pay Detail**
  - Enter only the amount for the additional month (September)
- **Pay Distribution**
  - Enter the distribution line for September only
  - A Pre-Certification Form is not required, since the additional ½ month is charged to a non-sponsored account
- **Attachments:** A copy of the original request form
Examples

Example #3: Request for new summer salary with changing distribution

- **Request Type:** New

- **Pay Detail**
  - ½ month pay for June
  - Full month payments for July and August

- **Pay Distribution**
  - Each month has a different distribution and is broken out separately

- **Attachments:** Current Salary page

<table>
<thead>
<tr>
<th>Salary Calculation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Salary for 9-mo Appts</td>
<td>167,365.80</td>
</tr>
<tr>
<td>Monthly Contract Rate</td>
<td>18,596.20</td>
</tr>
<tr>
<td>Monthly Contract Rate x 2.5</td>
<td>46,490.50</td>
</tr>
</tbody>
</table>

Examples

Example #4: Change the funding distribution for the month of August, originally submitted on Example #3

- **Request Type:** Change Funding

- **Pay Detail**
  - The payment to the employee is *not changing* – this should be left blank

- **Pay Distribution**
  - Enter the new distribution lines for the month that is changing (August)
  - If retroactive, remember to enter a Payroll Journal in FASIS once your have received confirmation from Payroll

- **Attachments:** A copy of the original request form with a line through the original August funding.
Examples

Example #5: Request for new pay for an employee on an NIH grant.

<table>
<thead>
<tr>
<th>Salary Calculation</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Salary for 9-mo Appts:</strong> 187,121.79 / <strong>Monthly Contract Rate:</strong> 20,791.31</td>
<td>June 16-30</td>
<td>July</td>
<td>August</td>
</tr>
<tr>
<td>Total Salary</td>
<td>10,395.66</td>
<td>20,791.31</td>
<td>20,791.31</td>
</tr>
<tr>
<td>Allowed from NIH</td>
<td>7,712.50</td>
<td>15,425.00</td>
<td>15,425.00</td>
</tr>
<tr>
<td>(74.1896%)</td>
<td>(74.1896%)</td>
<td>(74.1896%)</td>
<td>(74.1896%)</td>
</tr>
<tr>
<td>Must be Paid from Unrestricted Funds</td>
<td>25.8104%</td>
<td>25.8104%</td>
<td>25.8104%</td>
</tr>
</tbody>
</table>

Northwestern

Approval and Workflow
Approval and Workflow

1. Preparer of the request prints, signs, and dates the form (A)
   - If your school requires the Faculty member’s signature/email approval, it is the responsibility of the Home Department to obtain or attach the signature (B)

   **Note:** The faculty member’s “Home Department” is the department that is responsible for taking the lead in promotion, tenure, and salary decisions. This can be located at the top of the employee’s Appointment Overview page in FASIS.

2. Departmental Signatures are Obtained
   - Department/Center Business Administrator signs the form (C)
   - If other departments/schools involved, they must sign the form (D)
     - Outside signatures may be accepted as a scan, as long as there is one wet signature on the form
     - Multiple copies of the form with different signatures may be attached
     - Non-Feinberg faculty being paid on a Feinberg account must receive signatures from the department/PTA that owns the chartstring *but not Med Finance*
   - A signature from Office for Research is obtained by the department if faculty member is a Director/Co-Director of a Research Center under OR (F)
3. Home Department sends form to home Dean’s Office
   - All internal and external department, school, faculty (if req’d) and OR signatures must be received first
   - Forms for Feinberg faculty must be submitted to Med Finance

4. Home Dean’s Office signs form (E) and form is forwarded to Payroll
   - If the request is over 90 days, the form must be sent to ASRSP for approval.

5. Payroll receives the request and enters into FASIS as an Additional Pay
   - Remember: The complete form must arrive at payroll by the monthly form deadline
   - Allow 7 business days for Payroll to process the request before you see it in FASIS
Questions?

Additional Assistance

**Posn/Appt Form Questions (CH)**
Ro Torres, 3-9707, rtorres@northwestern.edu

**Posn/Appt Form Questions (EV)**
Eileen Sandalow, 1-8593, e-sandalow@northwestern.edu

**FASIS Training**
fasistraining@northwestern.edu
Chicago Open Lab – Tuesdays, 2:30-4:30, Tarry 1-731
Evanston Open Lab – Wednesdays, 2:30-4:30, Crown G593

**FASIS Helpdesk**
7-4800, fasishelp@northwestern.edu

**Online Resources (Code Lists, Forms, Deadlines)**
www.northwestern.edu/hr/fasis