

**SECTION:** Human Resources  
**SUBJECT:** Employment Hiring Process – New or Change Appointment, Additional Pay, and Other Payments  
**APPLIES TO:** All Regular Staff Members

<b>NEW &amp; CHANGE IN APPOINTMENTS</b>	<b>ADDITIONAL PAY</b>	<b>OTHER PAYMENTS (PeoplePay)</b>	<b>RESPONSIBILITY</b>	<b>REFERNCES/ COMMENTS</b>
The objective of this process is to ensure the appointment contains the appropriate revised pay rate, level of effort, effort distribution and funding sources, end dates, employment status, etc.	The objective of this process is to ensure the payment request contains the appropriate payment and ShortCode(s).	The objective of this process is to ensure the appropriateness of the payment and the shortcode.		
<p>If the position is a bargained-for position, refer to the appropriate contract for process activities.</p>				<p>For information on Unions and Contracts: <a href="https://hr.umich.edu/working-u-m/my-employment/union-contracts-wage-schedules">https://hr.umich.edu/working-u-m/my-employment/union-contracts-wage-schedules</a></p> <p><a href="http://hr.umich.edu/acadhr/contracts/index.html">http://hr.umich.edu/acadhr/contracts/index.html</a>.</p> <p><a href="http://www.med.umich.edu/umhs/hr/supervisor/bargaining-agreements.htm">http://www.med.umich.edu/umhs/hr/supervisor/bargaining-agreements.htm</a>.</p>
<p>If the position is a Regent-approved position, refer to the Regents Bylaws, and Regents Communication Manual for process activities.</p>				<p>Regents Bylaws can be found at: <a href="http://www.regents.umich.edu/bylaws/">http://www.regents.umich.edu/bylaws/</a>.</p> <p>Regents Communication Manual can be found at: <a href="http://www.hr.umich.edu/acadhr/manual/index.html">http://www.hr.umich.edu/acadhr/manual/index.html</a>.</p>
Confirm Fair Labor Standards Act (FLSA) status with University Human Resources Compensation and			Department Manager	For more information on FLSA <a href="https://hr.umich.edu/working-u-m/management-administration/compensation-classification/fair-">https://hr.umich.edu/working-u-m/management-administration/compensation-classification/fair-</a>

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Classification Office, where employee is currently non-exempt and changing to an exempt job classification.				<a href="#">labor-standards-act.</a>
Determine the following: <ul style="list-style-type: none"> <li>• Appropriate ShortCode(s)</li> <li>• Percentages of effort for the employee’s salary distribution for the Department Budget Earnings (DBE) and documentation to support the types and reasons for appointment changes should follow the applicable SPG policy and procedures.</li> <li>• For temporary employee appointments qualifying as “Full-Time” under Employer Shared Responsibility (ESR) regulations, complete the ESR Eligibility Certification form and return to Human Resources at the start of the appointment to trigger an offer of health care coverage.</li> </ul> Ask FBS for assistance with shortcodes, if necessary.	Determine the following: <ul style="list-style-type: none"> <li>• Appropriate ShortCode(s)</li> <li>• Earning amount per pay period.</li> </ul> Ask FBS for assistance with shortcodes, if necessary.	Determine the following: <ul style="list-style-type: none"> <li>• Appropriate ShortCode(s)</li> <li>• Earning amount per pay period.</li> </ul> Ask FBS for assistance with shortcode, if necessary.	Department Hiring Manager (See <i>Appendix A</i> )	See Additional References at the end of this document for guidance on leave of absence, changing existing appointments, temporary promotion, retroactive pay, moving/relocation expenses, and taxation on prizes, gifts and awards  To remain compliant with federal sponsor guidelines, consider impact additional pay may have on the appointment. <a href="#">SPG 501.10, Policy on Effort Certification.</a>  For detailed information on Effort Reporting, visit <a href="http://finops/reporting/effort">http://finops/reporting/effort</a> .  For Temporary Employee Appointments, the form can be found at <a href="http://hr.umich.edu/esr-form">http://hr.umich.edu/esr-form</a> .  For variable hour temporary employee appointments, Human Resources will track hours worked, and if indicated, trigger offer of health care coverage at end of measurement period.

NEW & CHANGE IN APPOINTMENTS	ADDITIONAL PAY	OTHER PAYMENTS (PeoplePay)	RESPONSIBILITY	REFERNCES/ COMMENTS
	<p>Additional pay is processed using the online Additional Pay Workflow Transaction.</p> <p>Common uses of additional pay include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Change in Duties</li> <li>• Faculty Honoraria</li> <li>• Performance-based Recognition</li> <li>• Services Unrelated to Base Appointment</li> <li>• Technology Support Payments</li> <li>• New Hire Payment (Recruitment Incentive/ Hiring Bonus)</li> </ul> <p>(See <i>Supplemental Pay</i> procedures for more details.)</p>	<p>Common types of other payments include:</p> <ul style="list-style-type: none"> <li>• Reimbursement/Advances of Moving and Relocation Expenses</li> <li>• Request or Record Payment of Awards, Prizes, or Gifts.</li> </ul> <p>See listing at end of this document for SPGs and Tax website for further information pertaining to the types of payments listed above.</p> <p>In general, the value of prizes, gifts, or awards given to a person currently employed by the University or employed in the past 12 months is considered taxable income and must be reported on the person's Form W-2.</p>	<p>Department Hiring Manager (See <i>Appendix A</i>)</p>	<p>Approval must be received from someone within the unit in which the individual has a primary appointment. This person should be able to determine the appropriateness of payment, including whether or not additional work is outside scope of the regular appointment and if the pay rate is appropriate.</p> <p>For information on additional pay delivery approaches, visit <a href="#">Additional Pay Resources Website</a></p> <p>FBS makes use of the <a href="#">PeoplePay Decision Tool</a> for payments for goods, advances, moving or relocating expenses, royalties, or awards/prizes/gifts.</p>

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<p>Complete the SSC HR eForm.</p> <p>If the change in appointment is related to the Merit process, contact FBS who will submit Merit Program changes via the electronic spreadsheet process.</p> <p>If you intend to provide additional payments to 20 or more people, complete the SSC HR eForm and attach the list of names, UMIDs, amounts, type of payment (lump sum, incentive pay, admin differential, etc.), and effective date.</p> <p>Ensure proper Additional Pay code is selected based on the business reason for the payment.</p>			<p>Department Hiring Manager (See <i>Appendix A</i>)</p>	<p>Approval must be received from someone within the department in which the individual has a primary regular appointment. This person determines the appropriateness of payment, if additional work is outside scope of the regular appointment, and if the pay rate is appropriate.</p> <p>Procedures related to the Annual Salary Program can be found at:</p> <p><a href="http://www.hr.umich.edu/compl ass/schedules/index.htm">http://www.hr.umich.edu/compl ass/schedules/index.htm</a>.</p> <p><a href="http://www.mais.umich.edu/hrms /merit.html">http://www.mais.umich.edu/hrms /merit.html</a>.</p> <p>Use the <a href="#">Earnings Code search tool</a> to identify proper code.</p>
<p>SSC HR Coordinator Services processes using the online Personnel Action Request (PAR) in MPathways.</p> <p>There is an Additional Pay batch process that can be used when 20 or more people will be receiving a one-time additional payment at once.</p>			<p>SSC HR Coordinator</p>	<p>For step-by-step instructions and information on how to use the Additional Pay Workflow Transaction, login to MYLINC. In the Catalog Search box, type “hr workflow” and start the item called “HR Workflow Transactions”</p> <p>For step-by-step instructions and information on how to use the Additional Pay batch process type “toolkit” in the Catalog Searchbox and start the item</p>

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				entitled “HR Batch Toolkit Additional Pay.”
	If retroactive salary distribution changes are required, the change must comply with effort reporting and transfer guidelines.		Department Hiring Manager and FBS Budget Analyst	Procedures on how to process a Retroactive Salary Transfer can be found on Financial Operation’s website: <a href="http://www.finops.umich.edu/programs/contact/OCR">http://www.finops.umich.edu/programs/contact/OCR</a> .
When staff members are furnished maintenance of significant value, such as room and board, notify FBS to determine if wages paid will be reduced from the regular rate by the fair market value of the maintenance.			Department Hiring Manager	<a href="#">SPG 201.42, Perquisites</a>
Discuss all actual and potential conflicts of interest or commitment with candidate and any disclosures as necessary.			Department Hiring Manager	<a href="#">SPG 201.65-1, Conflicts of Interest and Conflicts of Commitment</a>  Department policies can be found at: <a href="http://www.provost.umich.edu/programs/COI_COE/units.html">http://www.provost.umich.edu/programs/COI_COE/units.html</a>
Ensure change in appointment, additional pay, and/or other payments are processed correctly by comparing the gross pay register with the source documentation (i.e., Workflow Transaction, Reimbursement/Reconciliation of Moving and Relocation Expenses Form, etc).			FBS Budget Analyst Senior	

**Additional References**

To remain compliant with federal sponsor guidelines, consider impact additional pay may have on the appointment. [SPG 501.10, Policy on Effort Certification](#)

For detailed information on Effort Reporting, visit the website: <https://www.finops.umich.edu/programs/effortrptg?auth=true>. Also see process documentation for Effort Certification Reporting Process.

[SPG 201.30-0, Leaves of Absence](#)

[SPG 201.30-3, Seasonal Leave of Absence](#). A Seasonal Leave of Absence Appointment must be prearranged with the employee and approved by the department head of the employing department. The procedure for placing employees on and return from a seasonal leave can be found at <http://www.umich.edu/~hrraa/procedures/spg201-30-3.htm>

[SPG 201.30-5, Federal Intergovernmental Personnel Agreements](#)

[SPG 201.34-0, New and Changed Positions](#). The procedure for changing an existing appointment can be found at <http://www.hr.umich.edu/procedures/spg201-34.htm>

[SPG 201.61-0, Transfer: Promotional, Lateral and Demotional](#)

Salary increase may be done as part of [SPG 201.41, Performance Evaluations](#). Procedures can be found at <http://www.umich.edu/~hrraa/compclass/schedules/index.htm>

[SPG 201.51, Remote Location Pay and Reimbursement of Dependent Relocation Costs](#)

[SPG 201.61-1, Temporary Promotion](#)

[SPG 201.72 Reduction in Force](#). Department resources concerning Reduction-in-Force can be accessed at <http://www.umich.edu/~hrraa/empserv/departement/rif.htm>

In accordance with [SPG 201.83, Retirement](#), The University offers staff members the option of “phasing” into retirement by various combinations of partial appointments, partial annuities, and for eligible professorial staff a partial furlough. “Phased” retirement must have departmental approval.

For information on additional pay delivery approaches, visit the website <http://www.hr.umich.edu/compclass/docs/pay%20delivery%20approaches.doc>  
[SPG 501.9, Policy on Retroactive Salary Distribution Changes](#)

Procedures on how to process a Retroactive Salary Transfer can be found on Financial Operation’s website at: <http://www.umich.edu/~finops/CRO/index.htm>.

[SPG 201.68, Moving and Relocation Expenses](#) Payment of moving and relocation expenses may be provided for staff members who are employed in difficult to recruit occupations and those who are transferred from one University geographic location to another.

Refer to [SPG 501.4-1 Appendix E, Travel and Business Hosting Expense Policies and Procedures](#) for specific details regarding Prize, Gift or Award Payment. In general, the value of prizes, gifts, or awards given to a person currently employed by the University or employed in the past 12 months is considered taxable income and must be reported on the person's Form W-2.

Refer to [Tax website](#) and [SPG 501.12](#) for specific details regarding Prize, Gift or Award Payment.

**Other related information:**

Key Contacts:

- Additional employment resources for departments can be found on the Recruiting and Employment Services website at <http://hr.umich.edu/empserv/>.
- Contact FBS for eRecruit access questions.
- For University HR assistance contact FBS.

Related Standard Practice Guides:

**NEW & CHANGE APPOINTMENT:**

- In accordance with [SPG 201.65-0, Employment Outside the University](#), University employees may be employed outside of the University, but the outside employment must not detract from the performance of the duties and responsibilities of the University position, nor may it create a conflict of interest.
- In accordance with [SPG 201.35, Non-Discrimination](#), the University, in its employment and human resource policies and practices, will not discriminate against any individual because of race, color, religion, creed, national origin or ancestry, age, marital status, sexual orientations, gender identity, gender expression, disability, special disabled veteran and Vietnam-era veteran status, and height or weight, except as allowed by the need for bona fide occupational qualifications. Reasonable accommodation will also be provided to persons with disabilities, to disabled veterans, and to accommodate religious practices.
- In accordance with [SPG 201.46, Personnel Records - Collection, Retention and Release](#), the collection, availability and disclosure of the contents of personnel files is governed by regulations established by the University and applicable laws. The Faculty and Staff Records Office, the Medical Center Staff Records Office and the custodian of personnel files or records in various departments, schools, colleges or other University offices are subject to these regulations.
- Refer to [SPG 604.1, Department Record Retention For Business and Financial Records](#), to determine the proper record retention period relating to the job posting process.
- In accordance with [SPG 201.53, Security Clearance](#), The University may require a security clearance of its staff members, as a condition of employment in certain positions. Such clearance may be necessary for incumbents or applicants for employment, if their work requires

access to information classified by the Federal Government. The determination of need for security clearance for specific positions or projects will be mutually determined by the University and the responsible Government Agency.

- To ensure the proper internal controls are in place when paying faculty, staff and independent contractors, please refer to [SPG 518.1, Payroll Controls](#).
- In accordance with [SPG 201.43, Probationary Period](#), during the initial six months of regular employment, employees are considered probationary. There is no obligation to continue employment through the probationary period.
- In accordance with [SPG 201.23, Appointment of Relatives or Others with Close Personal or External Business Relationships; Procedures to Assure Equal Opportunity and to Avoid the Possibility Of Favoritism \(Nepotism\)](#), the basic criteria for appointment and promotion of all University staff shall be appropriate qualifications and performance. Relationship to another individual employed by the University shall constitute neither an advantage nor a deterrent to appointment by the University, provided the individual meets and fulfills the appropriate University appointment standards.

#### **ADDITIONAL PAY:**

- In accordance with [SPG 201.65-0, Work Outside the University](#), University employees may be employed outside of the University, but the outside employment must not detract from the performance of the duties and responsibilities of the University position, nor may it create a conflict of interest.
- In accordance with [SPG 201.35, Non-Discrimination](#), the University, in its employment and human resource policies and practices, will not discriminate against any individual because of race, color, religion, creed, national origin or ancestry, age, marital status, sexual orientations, gender identity, gender expression, disability, special disabled veteran and Vietnam-era veteran status, and height or weight, except as allowed by the need for bona fide occupational qualifications. Reasonable accommodation will also be provided to persons with disabilities, to disabled veterans, and to accommodate religious practices.
- In accordance with [SPG 201.46, Personnel Records - Collection, Retention and Release](#), the collection, availability and disclosure of the contents of personnel files is governed by regulations established by the University and applicable laws. The Faculty and Staff Records Office, the Medical Center Staff Records Office and the custodian of personnel files or records in various departments, schools, colleges or other University offices are subject to these regulations.
- Refer to [SPG 604.01, Department Record Retention For Business and Financial Records](#), to determine the proper record retention period relating to the job posting process.



- To ensure the proper internal controls are in place when paying faculty, staff and independent contractors, please refer to [SPG 518.1, Payroll Controls](#).
- In accordance with [SPG 201.23, Appointment of Relatives or Others with Close Personal or External Business Relationships; Procedures to Assure Equal Opportunity and to Avoid the Possibility Of Favoritism \(Nepotism\)](#), the basic criteria for appointment and promotion of all University staff shall be appropriate qualifications and performance. Relationship to another individual employed by the University shall constitute neither an advantage nor a deterrent to appointment by the University, provided the individual meets and fulfills the appropriate University appointment standards.

**SUPPLEMENTAL/OTHER PAY:**

- In accordance with [SPG 201.65-0, Employment Outside the University](#), University employees may be employed outside of the University, but the outside employment must not detract from the performance of the duties and responsibilities of the University position, nor may it create a conflict of interest.
- In accordance with [SPG 201.35, Non-Discrimination](#), the University, in its employment and human resource policies and practices, will not discriminate against any individual because of race, color, religion, creed, national origin or ancestry, age, marital status, sexual orientations, gender identity, gender expression, disability, special disabled veteran and Vietnam-era veteran status, and height or weight, except as allowed by the need for bona fide occupational qualifications. Reasonable accommodation will also be provided to persons with disabilities, to disabled veterans, and to accommodate religious practices.
- In accordance with [SPG 201.46, Personnel Records - Collection, Retention and Release](#), the collection, availability and disclosure of the contents of personnel files is governed by regulations established by the University and applicable laws. The Faculty and Staff Records Office, the Medical Center Staff Records Office and the custodian of personnel files or records in various departments, schools, colleges or other University offices are subject to these regulations.
- Refer to [SPG 604.01, Department Record Retention For Business and Financial Records](#), to determine the proper record retention period relating to the job posting process.
- To ensure the proper internal controls are in place when paying faculty, staff and independent contractors, please refer to [SPG 518.1, Payroll Controls](#).

**Record of Revisions:**

<b>Date of Issue</b>	<b>Description of Change</b>	<b>Page(s) Affected</b>	<b>Approved By</b>
8/1/2007	Original template created	All	
11/20/2008	Updated with SPG revisions and corrected links	All	
8/15/2011	Modified to reflect FBS process	All	
1/4/2012	Updated for FY2012 Certification including references to new workflow functionality; removed SPG 501.4 reference.	1-3	
10/30/2012	Updated for FY2013	1-3	
11/8/2012	Added new SPC 501.12 link	2	
1/15/15	Incentive code for retirement savings contribution match, in scope for Shared Services Center vs out of scope	3,4	
1/18/16	Updated link; contact for HR Reports	2, 3	
11/2016	Updated Links	2, 3	
12/2016	Added FLSA language (not new).	2	
09/2017	Updated all sections with new language from the FY18 template.	All	
08/2018	Updated URLs for Effort Certification, tax website, and work outside the university	Throughout	

Document Owner: Fleming Business Services (FBS) supported departments and FBS

Administrative Owner: FBS