

Additional Pay Audit

Opportunities for Change

September 2017



HEALTH &
WELL-BEING

EFFECTIVENESS
& EFFICIENCY

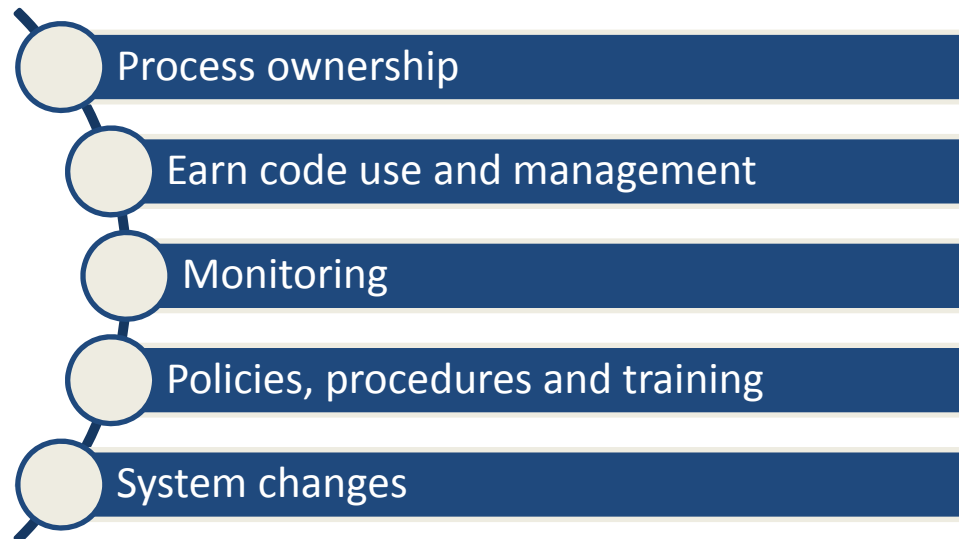
CULTURE
& CLIMATE



HUMAN RESOURCES
UNIVERSITY OF MICHIGAN

Issues Addressed

Cross-functional team identified solutions to improve processes related to the administration of non-base compensation.



Project Priorities

1. Implement solutions that meet unit/department requirements
2. Ensure a shared understanding of additional pay processes and guidelines
3. Create effective processes with appropriate system supports
4. Design a sustainable model that balances unit needs and internal control standards

Impact and Risk

| Earn Code | \$ Spent* | | # Distinct Headcount* |
|-----------------------------------|-----------|--|-----------------------|
| Added Duties Diff (ADD) | \$14m | | 2,994 |
| Admin Diff (ADM) | \$90m | | 3,283 |
| Add Services Recognition \$ (ASD) | \$3m | | 721 |
| New Hire Pmt (BMC) | \$2m | | 135 |
| Sal Supp (SAL) | \$115m | | 16,241 |
| Services Unrel (UNS) | \$40m | | 7,073 |

Open-Ended Transactions

>1500 distinct employees with open-ended Additional Pays**

Earliest transaction date = 2001

*All campuses (AA, Flint, Dearborn, Michigan Medicine) and all employees (Faculty, Staff, Academic Administrators, Supplemental). Cumulative 2012-2016.

**Samples from Q1 FY 2017

Solutions

Earnings Codes

- [Search/filter tool](#)
- Consolidation
 - ADM
 - ADM is inactivated in PAR after 10/1
 - Use ADD for a change in duties
 - ASD
 - ASD is inactivated in PAR after 10/1
 - Available on timesheet

On-line guidance

- [Additional pay webpages](#) – new
- Michigan Medicine comp. navigator

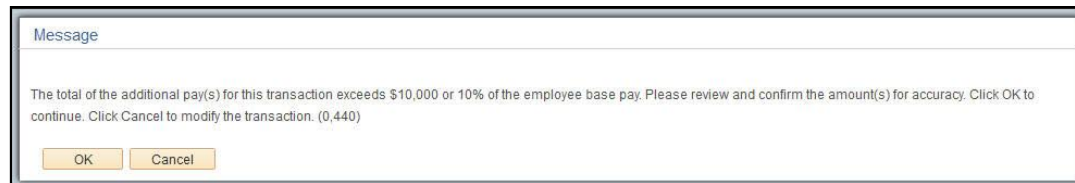
The screenshot shows the 'Earnings Codes Tool' interface. It features a search bar with a 'Keyword' field, and three dropdown menus for 'Population Type', 'Payment Options', and 'Campus', each with 'Any' selected. There are 'Apply' and 'Reset' buttons. Below the search area, there are three sections: 'ADD' (Admin or Added Duties Dft) with a link 'View details about ADD', 'BAL' (Benefit Allowance) with a link 'View details about BAL', and 'BMC' (New Hire Payment) with a link 'View details about BMC'.



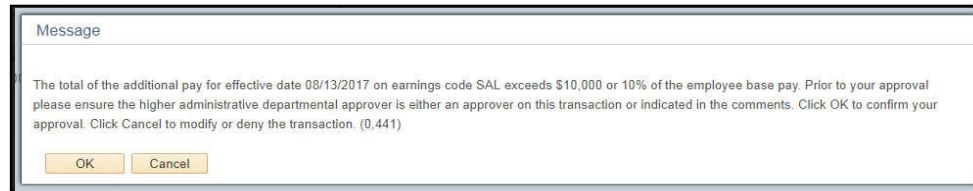
Solutions, cont.

PAR Changes

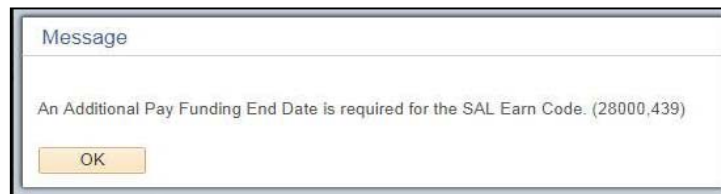
- Creator warning for high dollar amounts



- Approver warning for high dollar amounts



- Transaction stops if an end date is not entered



Solutions, cont.

Monitoring

- Trend reports support decision-making
- Transaction clean-up
- Reports matrix

Oversight

- Audits by central office for:
 - High dollar amount
 - End date no greater than appointment end date
 - Comments field



Questions

Project questions

Angela Benke

acz@umich.edu

Transaction support

SSC

ssc.hr.transaction.support@umich.edu

734.615.2000, press 1, press 3