



DUAL COMPENSATION PAYROLL GUIDELINES

07/23/2019

UCF Regulation:

UCF-3.0032 Additional Compensation for UCF Employees:

- (1) The Dual Compensation and Overload Policies of the University of Central Florida shall operate in accordance with the following paragraphs.
- (2) University employees engaged in activities for which additional state compensation will be provided and who are otherwise employed on a full-time basis by this university may be compensated for the total of all additional state compensation activities during each fiscal year at a level not to exceed twenty-five percent (25%) of their contracted salary rate or \$10,000 whichever is greater, for the same fiscal year.
- (3) UCF employees who accrue annual leave are required to take annual leave or leave without pay if the activity for which additional state compensation is requested conflicts with their primary assigned work schedule.

Requirements:

Dual Compensation must meet the following requirements:

- The work being performed must be for a department other than the employee's home department. Grant or project funded work may occur within the home department provided the Office of Research and Commercialization has authorized the work. Please delineate for whom the work is being performed.
- The Details of Duties/Justification should be sufficiently detailed. For example: Exactly what work is being performed? In cases where classes are being taught, the course name and prefix should be identified.
- The work performed must be of a different nature than the employee's normal work assignments.
- The work performed must not interfere with the employee's 1.00 FTE work assignment, and must take place outside of their normal work hours. The hours worked must be clearly indicated on the Request for UCF Dual Compensation form. If appropriate, indicate where the extra hours are performed.
- The appropriate approval signatures are required.
- If a sponsored contract or grant project number is to be charged, the sponsor must acknowledge the work is being performed outside of the employee's 1.0 FTE assignment, and the dual compensation hourly rate cannot exceed the employee's base salary hourly rate during the dual compensation assignment period. The Office of Research and Commercialization must approve dual compensation transactions for all contract & grant accounts.

This information provides necessary documentation, failure to provide the above requested information will delay processing. Human Resources reserves the right to ask additional questions and/or deny a dual compensation request if the guidelines are not followed.

Purpose:

The primary purpose of dual compensation is to pay a full-time employee for services performed outside of their primary job for a different department. Services that are performed above and beyond the employee's normal primary job functions within the same department cannot be paid as a dual compensation. Exception: Faculty overload which is governed by Academic Administration.

Required Forms:

If an employee is hired by a secondary department to perform specific duties, complete a Request for UCF Dual Compensation form, and the employee's primary department needs to approve the action before any work is performed.

A signed Request for UCF Dual Compensation Form must be attached to the following:

- ❖ Electronic Personnel Action Form (ePAF)

Non-exempt employees (FLSA subject):

In order to comply with Fair Labor Standards Act (FLSA) regulations, non-exempt employees being paid dual compensation must be paid no less than 1.5 times their regular hourly rate of pay. Because of the overtime requirement, non-exempt extra hours (over 40 in a work week) are generally not treated as dual compensation. The method for paying non-exempt employees would be to report the additional hours on their primary department timecard and do a journal entry to move the additional charges to the secondary funding department. This way the correct FLSA rate would be used to calculate overtime rate as required by federal regulation of paying overtime for hours in excess of 40 worked in one work week.

Affordable Care Act (ACA) and OPS:

To be in compliance with federal Affordable Care Act (ACA) healthcare reform legislation and Florida state law expanding healthcare coverage to eligible OPS employees, the Department of Management Services, the state's administrative agency has provided state agencies with new reporting requirements to assist the state in determining eligibility and coordinating enrollment for eligible OPS employees. To adhere to the new reporting guidelines, UCF is required to modify how time worked is captured and reported for some of our OPS Exempt contract employees.

Currently, OPS Exempt contract employees in the following positions and job codes are excluded from submitting hours for ACA reporting and do not have to enter hours under ACA time reporting code. For these employees hours UCF will report to the state using the method prescribed by the state.

Teaching Adjuncts	Post-Doctoral Associates and Medical Residents	Graduate Assistants
<ul style="list-style-type: none"> • 9001A • 9001X • 9002A • 9002X • 9003A • 9003X • 9004A • 9004X • 9005A • 9005X 	<ul style="list-style-type: none"> • 9189 – Post Doctoral Associate • 9811 – Chief Medical Resident • 9821 – 9827 Medical Residents 	<ul style="list-style-type: none"> • 9181 • 9182 • 9183 • 9184 • 9186 • 9187

ALL other OPS Exempt contract employees are required to submit hours worked on a daily basis using the new ACA Time Reporting Code on the revised LAPER.

Please click on this link for additional information on ACA and guidelines on how to properly report hours. https://hr.ucf.edu/files/OPSC_LAPER_Guidelines.pdf

Administrative & Professional Employees (FLSA Exempt):

UCF does not provide additional compensation for exempt employees (some exceptions may apply for sworn law enforcement personnel) who provide services related to their primary employment. Exempt personnel are salaried and are expected to perform all necessary services related to their employment without additional compensation. No special awards, dual compensation, or other payments shall be authorized to any exempt employee for services that are related to their primary employment. However, it may be appropriate to provide for flexible scheduling of work hours when needed.

Faculty:

To calculate the availability of dual compensation for **9-month faculty**, use the following guideline and submit the required forms for each period service will be performed for:

08/08/xx – 05/07/xx (25% of the fall/spring academic employment agreement)

05/08/xx – 06/30/xx (25% of pre-FY summer agreement)

07/01/xx – 08/06/xx (25% of the post-FY summer agreement)

Twelve-month faculty limit is determined by 25% of their annual contracted rate.

Reminders:

- The Request for UCF Dual Compensation form is only used for actual services rendered. It cannot be used for materials purchased or any form of reimbursement (gasoline, mileage, tolls, meals, etc.) because processing such request would subject the funds to taxes. Most reimbursements are not taxable items and are to be submitted on the appropriate form(s) to Finance & Accounting.
- If a department is paying an employee for the assumption of additional duties within the department to fill a void, such as when an employee is terminated, transferred or on leave of absence, they should prepare an edit Job ePAF. Dual compensation should not be used in cases where a temporary increase has been denied for USPS and A&P employees. In the case of faculty, ePAF's require approval from Academic Affairs. Dual compensation being charged to a contract or grant project requires the approval of the Office of Research & Commercialization.
- The Request for UCF Dual Compensation form cannot be used to pay an employee ineligible per criteria set forth for legislative mandated pay increases or bonuses.
- Additional required services or duties performed by A&P employees during game days (effective with 2008 football season), or other events, may not be compensated on the Request for UCF Dual Compensation form. It may be appropriate to provide for flexible scheduling of work hours when needed as determined by the supervisor.

Taxation:

Dual compensation may be treated as a supplemental payment and IRS regulations requires that it be taxed at the supplemental rate (currently 22%). In addition to that, if the employee became employed in the primary job on or after April 1, 1986, Medicare tax is withheld at a rate of 1.45%. If the employee became employed in the primary job on or before March 31, 1986, the person will be exempt from OASDI and Medicare tax.