

### **Purpose**

Use this job aid to properly enter unpaid and partially paid gaps between a capped sponsored fund source and an employee's salary that exceeds the cap while maintaining existing FTE.

### **Scenario**

There are scenarios where an employee paid on sponsored funds (for example, researchers, professors and so on) may have a salary above the sponsor's rate cap, the difference cannot be charged to the capped fund and there are no discretionary funds available to pay for the over-the-cap (OTC) portion.

The employee is exerting 100% effort to the project work that is paid by the sponsored fund, so it is important to capture the 1.0 FTE for service credits and other benefits.

These scenarios happen more often in the payment of additional summer salary (additional 1/12, 1/11 or 1/9 pay) when employees paid on capped funds decline the full OTC supplement. In these cases the full discretionary OTC funds are either not available or are often reserved for annual salary during the academic or fiscal year.

### **Process Steps**

To handle these scenarios, Locations can maintain the 1.0 FTE by reducing the employee's salary so they are paid at either the exact cap rate if there are no funds available to pay for the OTC amount or at a rate between the cap rate and the full salary rate if funds are available to partially fund the OTC portion.



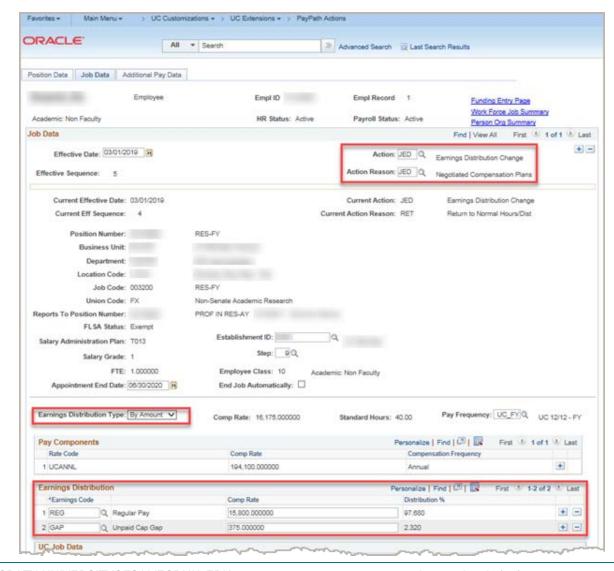
#### **Job Data**

To update **Job Data**, navigate to the **PayPath Actions** page, **Job Data** tab and update the **Earnings Distribution** (or JED) section. For step-by-step instructions, refer to the **Initiate Job Earnings Distribution PayPath Transaction – Academic** simulation in the **UCPath Help** site.

- ◆ The earn code GAP, or Unpaid Cap Gap, functions similar to ERIT or Phased Retirement, where you can specify the percent or amount to pay on the base salary and the percent by which to reduce the overall salary. The GAP earn code does not add to gross.
- Set the Earnings Distribution Type to By Amount or By Percent.
- Add or update existing rows to reflect the amount or percent for the portion of the employee's salary that has funding sources to support the pay using the earnings code(s) tied to the employee's base salary.
- ♦ Add a new row to reflect the amount or percent for the portion of the employee's salary that does not have funding sources to support the pay using the earnings code of **GAP**.
  - Note: If there are funds to partially fund the OTC portion, the amount or percent entered for GAP may be less than the full OTC amount.



• Example of the JED set up for a fiscal-year employee within the **PayPath Actions** page, **Job Data** tab:





### **Funding**

To update funding, navigate to the **Funding Entry** page to fund the up-to-the-cap portion of the employee's salary with the sponsoring funding source or the portion of the employee's salary that has funding sources to support the pay. For step-by-step instructions, refer to the **Submit New Position Funding Entry Request – MCOP** simulation in the **UCPath Help** site.

- ♦ Within the Salary Cap/MCOP Worksheet, the Compensation Data Snapshot section displays both the earnings that add to gross as well as the GAP earnings. However, keep in mind that the employee is paid the reduced salary only.
- ◆ Update the **Funding Distribution Worksheet** section to reflect that only the up-to-the-cap earnings are distributed to the sponsored funding source, or the portion of the employee's salary that has funding sources to support the pay.
  - There is validation built into the **Salary Cap/MCOP Worksheet** to ensure that various up-to-the-cap and OTC rules are adhered to.



• Example of the funding set-up for a one-month period within the **Funding Entry** page, **Salary Cap/MCOP Worksheet**:

