

# **Task Force for Review of Stipends and Extra Compensation**

**Report to Executive Staff**

**March 15, 2016**



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**EAST TENNESSEE STATE  
UNIVERSITY**

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# Review of charge

1. Definitions: Institutional Base Salary & others (Mary James)
2. Review actual pay & stipends (Raven Moody)
3. Review administration of PPP-07 (Janna Scarborough, Tammy Hamm)
4. Review summer/intersession compensation (Judy Slagle)
5. Review position audits/reclassifications (Diana McClay)



# In a nutshell:

- Financial disparity among units, combined with ambiguous policy language and unclear procedures, leads to inequity, inconsistency, and/or abuses in the application of extra compensation and related policies, and in the ability to fund successful job audits



# 1. Definitions

- Definitions required before work could progress
- Agreement between ORSPA and HR as to requirements and language – ORSPA concerns addressed
- Recommendations: adopt definitions and policy [Appendix B]



## 2. Review of actual pay & stipends

- Issues around justification/documentation for extra pay
  - Inappropriate use of extra pay vs. temp contract
  - Evidence of “double dipping”
  - No justification for rate of pay
  - Coding in Banner needs improvement
  - Chair stipend policy not followed & outdated



## 2. Recommendations

- Follow policy (current or proposed)
- Establish guidelines to justify extra pay
- Use Banner earn codes
- Review current, ongoing extra pay – continue, end, job audit?
- Review chair stipend policy



# 3. Review of PPP-07

- Fuzziness in definitions of areas covered: outside employment, dual service, extra compensation, overload
- Forms not used appropriately [Appendix E]
- No clear chain of approval
- Confusion around the \$5000 routing to Equity & Diversity
- “Fund will/won’t pay benefits” – more confusion
- Perceived inequity - 12 month vs. 9 month faculty



# 3. Recommendations

- Adopt new proposed policy [Appendix C]
- Convert to electronic approval system
- “Fund will pay benefits” so that actual charge known





# 4. Summer/intersession compensation

- Policy appropriate if followed
- Recommendation: Proposed ETSU policy [Appendix D]



# 5. Review of position audits/reclassifications

- Use of Extra Compensation process in lieu of audits because of departmental/unit financial inequity, lack of merit plan, etc.



# 5. Recommendations

- Pool of funds to pay for job reclassifications
- Pool of funds to assist in paying for promotions, transfers
- Increase % for promotions to 8%
- End date for all non-faculty Extra Comp requests
- HR review/comment on stipend requests



Questions, comments?



# Possible first steps

- Adoption of proposed definitions, including IBS (Appendix B) – ORSPA and HR in agreement
- Adoption of proposed ETSU summer compensation policy (Appendix D)
- Require COM and COP to document their stipend & extra compensation policies and procedures
- Charge appropriate group to review and revise Chair compensation policy



# Next steps

- Adopt proposed revision to PPP-07 and related recommendations, as well as justification and rates for extra pay, concurrent with developing electronic system for the process
  - Provide training for new policy and system
  - Review current ongoing extra pays
- Begin to address financial inequity by establishing fund pool for job audits, promotions and transfers
- Implement remaining recommendations of the task force not covered above

