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To: Lead Administrators, Operations Managers, Cost Center Managers and Academic HR Support Specialists who initiate summer compensation
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Subject: Summer Compensation Process and Department Responsibility for Summer 2025

Dear Colleagues,

This memorandum serves as an update to the existing summer compensation process flow. Beginning summer 2025, the provost's office will implement two new workflows for faculty summer comp transactions in Workday. *Both changes will be available in Workday by the end of May 2025.*

Workflow update #1: One Summer Compensation Position for all Faculty

All faculty will only have **1** summer compensation position. Each summer compensation will be housed and owned by the faculty member's home department.

Home departments will be responsible for inputting summer compensation using the period activity pay business process. Non-home departments should communicate if a payment needs to be input on behalf of another department.

The provost's office will be cleaning up faculty with multiple positions by the end of April 2025. Historic data will be available in the faculty's profile after a position is removed.

Workflow update #2: Period Activity Pay (PAP) Business Process Routing

All PAP transactions will route to the business partner of the home department and all associated cost center managers based on singular or multiple charging instructions.

After the home department inputs the summer payment, the business partner will receive it for approval. Subsequently, each cost center manager from the period activity pay will approve the payment. All cost center managers need to approve before the payment is successfully completed.

If there are two different cost centers inputted in the "costing override" section, cost center managers from each must approve. This is like the routing within journal entries.

The provost's office is making these changes to allow for automated verification of summer compensation payments and for an auditing trail of approvals. In the current state, Workday is unable to validate and enforce the $1/9^{th}$ limit over multiple positions. This upcoming change to a singular summer compensation position in the home department, will allow Workday will properly validate payments and ensure that there are no overpayments.

Training:

In preparation for these changes, the provost's office will be updating training materials and alerting you to upcoming training opportunities.

The provost's office will provide training materials, key data, and step-by-step instructions on the summer compensation website. The office also anticipates providing interactive trainings on Workday Learning:

https://facultyadmin.yale.edu/administrative-processes/managing-compensation/summer-compensation

Please review the roles and responsibilities within your business offices, particularly for departmental business partners and cost center managers as well as the preparers and initiators who are involved in the summer compensation process. It is important to ensure summer compensation transactions are accurate and align with University policy. The responsibility for this is held with the approvers and it is important that everyone involved in the process is of their role in protecting the University's interests and reducing overpayments and incorrect charges.

The provost's office will be reviewing the Summer Compensation Workflow and Workday Business Process at an upcoming Office of Faculty Administrative Services (OFAS) session on **Wednesday May 7th at 11am.** Please reach out to the provost's office at summercomp.provost@yale.edu for any questions or issues related to faculty summer compensation and use the zoom links below to attend and encourage the appropriate staff to participate.

Zoom link for May 7th session:
https://yale.zoom.us/j/92217621714?from=addon
Meeting ID: 922 1762 1714

Summer Compensation Responsibility:

Policy terms beginning FY2025

Overview:
Anyone who inputs summer compensation is responsible for the accuracy and documentation of any summer compensation inputted into Workday. While the Provost Office will complete a general review to ensure payments are not made over the cap, ultimately the role of initiator needs to make sure summer compensation is allowable and accurate.

Your goal should be to ensure the Summer Compensation transactions are properly funded, documented and are in keeping with University policy and that you can easily demonstrate those facts in the event of an audit.

Summer Compensation Workflow

- Summer compensation list is created.
- Appropriate parties review list for accuracy.
- Home Department adds summer compensation job in Workday if not already available. Only 1 summer compenation position per faculty.
- Home Department enters summer compensation payments into Workday.
- Home Department Business Partner reviews and approves payments and costing.
- Cost Center Manger(s) review and approve payments and costing.
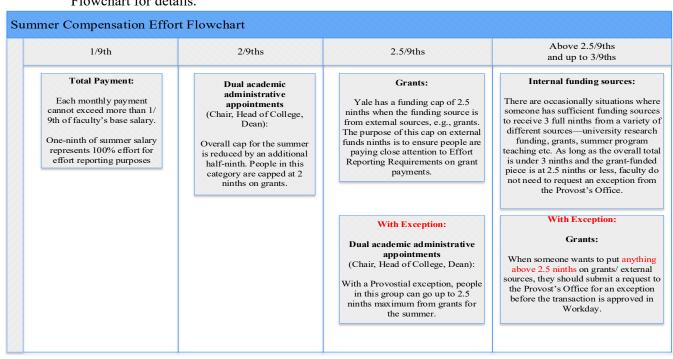- Payment is fully approved and ready to be paid.
- Payroll runs per schedule.

Roles & Responsibilities:

The business partner will be the first approver on all transactions and is responsible for ensuring the accuracy of all details including the validity of the payment, COA, the activity and payment dates and the amount.

Cost center manager(s) will be the final approval on all transactions and are responsible for ensuring the accuracy of charging details of the payment. This includes ensuring the amount and COA being charging to their cost center are accurate. Please note that cost center managers will have access to see the full summer compensation payment but will only be approving their portion of the charging.

Approvers will be responsible for the following aspects of summer compensation.
- Funding source verification and accuracy
- Funding sources should have enough funds to cover salary and fringe. Departments should not overdraw funds and cannot borrow future money to cover summer compensation.
- Each monthly payment cannot be over 1/9th. This 1/9th is a total of all funding sources.
  - Noting that while Workday will not validate 1/9th on the 1 summer compensation payment, the business office should still review on their end as well.
- Gather documentation to support summer compensation. Ideally, this should be a hire letter.
  - Non-Grant employment should always have a hire letter to support summer compensation. Email communications are not an acceptable source of backup.
  - Hire letters must include dollar amount, timeframe and details on the position.
  - If summer compensation is already included in a prior hire letter or grant proposal additional hire letters are not needed.
- Departments need to receive and document approval of summer compensation payments if processing for other departments.
  - Official approval can now be tracked in the form of the Cost Center Manager approving the Manage Period Activity Pay in Workday.
- Payment does not surpass the effort maximum. Please see the Summer Compensation Effort Flowchart for details.

Summer Compensation Effort Flowchart

1/9th	2/9ths	2.5/9ths	Above 2.5/9ths and up to 3/9ths
Total Payment: Each monthly payment cannot exceed more than 1/9th of faculty's base salary. One-ninth of summer salary represents 100% effort for effort reporting purposes	**Dual academic administrative appointments** (Chair, Head of College, Dean): Overall cap for the summer is reduced by an additional half-ninth. People in this category are capped at 2 ninths on grants.	**Grants:** Yale has a funding cap of 2.5 ninths when the funding source is from external sources, e.g., grants. The purpose of this cap on external funds ninths is to ensure people are paying close attention to Effort Reporting Requirements on grant payments.	**Internal funding sources:** There are occasionally situations where someone has sufficient funding sources to receive 3 full ninths from a variety of different sources—university research funding, grants, summer program teaching etc. As long as the overall total is under 3 ninths and the grant-funded piece is at 2.5 ninths or less, faculty do not need to request an exception from the Provost's Office.
		With Exception: **Dual academic administrative appointments** (Chair, Head of College, Dean): With a Provostial exception, people in this group can go up to 2.5 ninths maximum from grants for the summer.	**With Exception:** **Grants:** When someone wants to put anything above 2.5 ninths on grants/ external sources, they should submit a request to the Provost's Office for an exception before the transaction is approved in Workday.

Exceptions:

All exception requests to exceed maximum effort must be submitted to summercomp.provost@yale.edu. As of FY25, a new summer compensation exception form must be filled out and submitted for approval **PRIOR** to the exception being submitted. Please find the exception form below.

https://facultyadmin.yale.edu/administrative-processes/managing-compensation/summer-compensation

Period Activity Codes:

Please review the below chart to ensure you are using the appropriate Period Activity Code and related COA.

Period Activity Code	Description	Use
9/9 - Faculty 9 Over 9 Account	Participants in the 9 over 9 program only. There should be an available balance in the faculty's YD000248 account.	YD value must be: YD000248 9-over-9 Funded. This is the only code that can be used for this YD value.
AYA - Association of Yale Alumni	Yale Alumni Association summer compensation only	Position of "Summer Compensation - Association of Yale Alumni"
FAS Bank - Summer Bank	Summer Comp Banked months provided and managed by FAS	YD000004.CCxxxx.PG00003.PJ000001
SEAS Bank - Summer Bank	Summer Comp Banked months provided and managed by SEAS	YD000004.CC1873.PG00003.PJ000001.asignee
DIV- Divinity Summer Courses	Divinity School Summer compensation	Position of "Summer Compensation - School of Divinity"
PRV LSU - Lab Set-Up Account from Provost (non-SDF)	Summer months included in the research start up portion of an offer letter that are funded by the Provost Office (but not SDF). YCNCC, WTI commitments.	YD Value must be YD000245 Provost Funded - General
SDF LSU - Lab Set-Up Account	Summer months included in the research start up portion of an offer letter that are funded by the Science Development Fund (SDF). You should have an SDF commitment number to confirm appropriate available funding.	YD Value must be the YD determined on the SDF commitment. Most commonly: YD000268 SDF Funded - Recruitment - Research SDF must be noted in the YD value, no other YD value can be used on this period activity code.
NIH - NIH Sponsored Awards	NIH awards only.	Grant must be used in the COA segment. If unsure, work with your FRMS analyst to determine if your Grant is NIH or not.
Non-NIH - Non-NIH Sponsored Awards	All other grant awards.	Grant must be used in the COA segment. If unsure, work with your FRMS analyst to determine if your Grant is NIH or not.
NOR - Norfolk Program	Norfolk Program within School of Music	Position of "Summer Compensation - School of Music"
NUS - Yale-NUS Summer Programs	Teaching in Yale-NUS Summer Global Institute and Leadership Program	Cost Center: CC0088 YCONUS Yale-NUS New Haven
OIA - Office of International Affairs Programs	Summer session for supervisory org of OIA/Global Scholars. This is not for Yale Global Scholars Program, there is a separate period activity code for this.	Cost Center: CC1719 VPGOIA Leadership Programs
TI - Teachers Institute	Yale New Haven Teachers Institute	Position of "Summer Compensation - Yale-New Haven Teachers Institute" Cost Center: CC0260 ACANTI Yale-New Haven Teachers Institute
YSG - Yale Global Scholars Program	Yale Global Scholars Program	Program: PG01310 Young Global Scholars (22) Cost Center: CC0094 VPGOIA Young Global Scholars
YSS - Yale Summer Session Program	Yale Summer Session	Only to be used by the Yale Summer Session team
YSC - Yale Summer Compensation (all other not listed above)	All other Summer Compensation	Anything that doesn't fall into another category. Should be Non-Grant, Unrestricted funding.

Payroll Accounting Adjustments (PAA's):

All PAA's must be approved by the Provost Office prior to input into Workday. All requests must be submitted to summercomp.provost@yale.edu. Please include details of transactions, COA and why the PAA is necessary for Provost Office review.

Reminders:

- Please approve summer compensation BPs by the **15th** of the month. By meeting this deadline, you will have the opportunity to verify the payment via the Payroll Results report.
    - Note that a given BP is causing an error, such as due to using an expired grant, the payment will not show up on your Payroll Results report. Missing payments on your Payroll Results report will be your first indication there is something wrong with the BP.
- **Activity Dates** should align with the Period Activity you have selected and should cover the full month, even if the individual is working for less than a month. For example, if a person works for two weeks in June, the summer compensation payment should have Activity Dates from 6/1/25 to 6/30/25.
- **Payment Dates** reflect the timing of the payment and should also cover the full month. Once activity dates are entered, Workday will initially pre-populate the payment date fields with the same information. Please make sure that the payment dates align with the full month, otherwise Workday will prorate the amount and the individual will receive a partial payment. If these dates are incorrect, Workday will pro rate the payment or not produce a payment at all depending on the data entry.
- **Period Activity Codes:** Please ensure Period Activity Codes are being used for the matching COA. This is one of the most common errors we see. Please refer to our Period Activity Code Key noted above and also found on the Summer Compensation Website.
- When processing a retroactive summer compensation payment, the Payment Dates must be updated to align with the new payroll timeline and not a past one. For example, if it is July and you realize you missed a June summer compensation payment, you would initiate a June PAP with June Activity Dates of 6/1/25 to 6/30/25, but you would need to change the Payment Dates to 7/1/25 to 7/31/25. Workday will then pay this transaction in the July Payroll.
- After payroll is complete, you will not be able to alter the transaction, and the person will be overpaid. You will need to prepare a Payroll Adjustment and work with the faculty member to make arrangements to recover the overpayment.

Please email summercomp.provost@yale.edu for any questions and exceptions requests.