

Sign-On Supplement Procedure **(for employee who is not setup in Payroll system)**

Section Department AO:

To process a sign-on supplement for a future employee who is **not** setup in the Payroll system, the Department AO will need to complete a **Check Request and a Payment Correction Request (PCR)**.

The amount stated in the new employee's offer letter is the **goal amount**. Determine whether the goal amount is before taxes or after taxes.

To complete the **Check Request**:

- If the amount stated in the offer letter is before taxes, you will need to subtract FICA @ 7.65% and FWT @ 22% to determine the amount to enter on the check request. For example, if the amount agreed upon is \$10,000 the check request would have the amount of \$7,035.00. This is the \$10,000 less \$2,965 (FICA @ 7.65% and FWT @ 22%).
- If amount stated in the offer letter is to be after taxes (or grossed up), use the following formula to determine the grossed up amount to be entered on the check request:
 - \$\$\$ divided (100% - (22% + 7.65%))
 - E.g. Gross up \$1,000: $\$1000 / 70.35\% = \$1,421.46$
- **ON THE CHECK REQUEST ONLY** - use the Dept of Finance's account **14130 and cost center 108-004-3002**.

To complete the **Payment Correction Request (PCR)**:

<https://hr.mc.vanderbilt.edu/systems/APPayrollCorrectionRequestFillableForm.pdf>

- Complete the PCR with the usual required information.
 - Use the cost center number the new employee's salary is to be charged
 - Enter in the goal amount (either the before or after tax amount)

The *original* Check Request, PCR, and a copy the offer letter must be sent together to Section Admin AO for signature approval.

Section Admin AO:

In accordance with the Delegation of Authority policy, Section Admin AO will approve Sign-on Bonus (check request & PCR) and deliver to D3300 MCN to obtain appropriate Dean's Office approval as noted below.

After obtaining appropriate Dean's Office approval, Section Admin AO will email entire packet to VUMCFinance.payrolladmin@vanderbilt.edu. The Academic & Research Finance team (Jinglin Li, Jake Sawatzky, Amy Ivey, and Tracie Grandy) will obtain the necessary Finance signatures noted below.

- Faculty Sign-on Bonuses **< \$30K**: Dean David Raiford **or** Tom Netolicky (Finance)
- Faculty Sign-on Bonuses **> \$30K**: John Manning (Dean's Office) **and** Cecelia Moore (Finance)
- Staff Sign-on Bonuses **< \$25K**: John Manning (Dean's Office) and Tracy Norberg (Human Resources) **or** Cecelia Moore (Finance)
- Staff Sign-on Bonuses **> \$25K**: John Manning (Dean's Office) and Tracy Norberg (Human Resources) **and** Cecelia Moore (Finance)

After Institution Final approval:

After approved check request and paper PCR is received from the Finance, the Section Admin AO will submit the documents for processing as follows:

- Demand Check request will be sent to VUMC Disbursements (vumcdisbursements@vanderbilt.edu) for processing (**ORIGINAL** is required by Disbursements)
- PCR will be emailed to VUMC Payroll at payroll.vumc@vanderbilt.edu.