**Sign-On Supplement Procedure**

Determine in the appointment letter whether the amount indicated is before taxes or after taxes.

To Gross Up Bonus Amount:

\[ \frac{\text{\$\$\$}}{(100\% - (25\% + 7.65\%))} \]

E.g. Gross up $1,000: \( \frac{1000}{67.35\%} = 1484.78 \)

Since the future employee is not in the Payroll system, a **Check Request** should be prepared. The amount stated in the appointment letter, less taxes, should be charged to 108-004-3002 cost center. For example, if the amount agreed upon is $10,000 the check request would have the amount of $6,735.00. This is the $10,000 less $3,265 (FICA @ 7.65% and FWT @ 25%).

Because the designee will be a future employee, a **Payment Correction Request (PCR)**, aka. **Additional Pay Form**, should also be prepared. The amount stated in the appointment letter will be used as the goal amount. For example, the $10,000 will be entered on the PCR.

The *original* Check Request, PCR (Additional Pay Form), and the appointment letter must be sent together to Debra Murphy, Sr. Account, Dept. of Finance. She will forward the entire packet to Cecilia Moore for her approval on behalf of the School of Medicine. Once approved, the packet is returned to Debra Murphy in Finance or Bess Cahill in her absence. She will then deliver to VUMC Disbursements for check processing.

After the check is processed, VUMC Disbursements will send a copy of the Demand Check to HR processing and disburse the original check as requested by the department.

As soon as HR enters the designee into the Payroll system, the APF (with copies) will be forwarded to HR management so the PCR (APF) can be processed on the first paycheck the employee receives.