**Authorization for Twelve Month Deferred Payroll Distribution Plan**

I, (Name) , (SOU Id) #940 elect to participate in the twelve month deferred payroll distribution plan and authorize the allocation of my 9-month salary over the 12-month period.

**Please note:** This form must be returned to the Payroll Office by September 10th. Forms received after September 10th will be held for the next plan year.

I understand that:

1. I do not qualify for the deferred pay plan if I am an Adjunct Instructor, I will be on sabbatical during the plan year, or I will be retiring during the plan year.
2. My 9-month gross salary will be disbursed to me over the 12-month period of a plan year, starting October 1st and ending September 30th of the following year. I will not be allowed to revoke this election during the plan year.

**Please note:** In the first year, my pay will begin with the October 31st payroll, therefore I will not receive September pay.

1. My deductions will be processed as a 12-month employee.
2. This plan will continue from year to year until I cancel my participation, I experience an unevenly reduced appointment such as sabbatical or reduced FTE, I terminate employment, or the University discontinues the program.

Signature Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Request for Termination of Deferred Payroll Distribution Plan**

I, (Name) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (SOU ID) 940\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereby request the termination of my participation in the Twelve Month Deferred Payroll Distribution Plan.

**Please note**: This form must be returned to the Payroll Office by September 10th.

I understand that this request will become effective at the end of the plan year (September 30th) and that my salary will revert back to a standard 9-month distribution effective September 16th.

**PAYROLL OFFICE USE ONLY**

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| --- | --- | --- | --- | --- |
| POSN # / Suffix | Start Date | Stop Date | Input Date | Input By |
|  |  |  |  |  |

**Summary**

The Twelve Month Deferred Payroll Distribution Plan provides a method for academic employees on 9-month appointments to spread their gross salary over the 12-month period of a plan year (October 1st through September 30th of the following year). To achieve this plan year distribution, 25% of the monthly salary will be put into a deferred accrual starting with the October 31st payroll through the June 30th payroll. The deferred amounts are placed into a non-interest bearing account. One third of the total amount in this account is paid to the employee for each of the months of July, August, and September. Participation in the plan will be available to faculty academic year employees on 9-month appointments only. Participation in the plan is not available to academic employees who will be on sabbatical in the plan year, retiring in the plan year, on a non-renewable year-long adjunct appointment, or on an appointment basis with an FTE that fluctuates during the plan year. For employees entering the plan in the first year, pay will begin with the October 31st payroll, therefore you will not receive September pay. Checks or direct deposits will be processed like any other payroll payment. Deductions will be processed as a 12-month employee.

**Enrollment**

To enroll in the plan, sign and date the attached Twelve Month Deferred Payroll Distribution Plan form. **This form must be returned to the Payroll Office by September 10th**.

**Termination/Withdrawal**

Election to participate in the plan is irrevocable during the plan year. This plan will continue from year to year until participation is cancelled, employee experiences an unevenly reduced appointment such as sabbatical or reduced FTE, termination of employment, or the University discontinues the program.

Pay out prior to the standard distribution schedule may be made only in the event of the employee's termination or death. Under current federal tax regulations, these restrictions are necessary in order for the payments to be taxed when received by the employee. If a participating employee dies, the money accumulated in the deferred accrual account will be paid to the surviving spouse or children or to the estate, according to payroll policies and procedures.

To withdraw from the plan, the employee will sign and date a Request for Termination of Deferred Payroll Distribution Plan form. This form must be returned to the Payroll Office by September 10th. Termination will be effective at the end of the plan year (September 30th) and the employee's salary will revert back to a standard 9-month distribution effective September 16th.