

Classified Employee - Academic Year Pay Check Plan

Plan Summary

The academic-year pay check plan provides an opportunity for full time SEIU represented employees working an academic-year schedule to receive pay in the summer months of July and August. Pay deferrals will be made in the months of full pay (October-May).

Employees who enroll shall hold OUS and the University harmless for all claims, damages, suits or other forms of liability that may arise from their participation.

Before enrolling in this plan, please review the following information:

Enrollment

Each fall, there is an enrollment period from **September 16th - October 10th**. Enrollment forms must be completed and turned into Payroll at the Office of Human Resources by **October 10th**.

Employees must re-enroll each fall for continued participation in the plan. The monthly deferral amount for the academic-year must be specified at the time of enrollment. The enrollment period presents the only opportunity to change this deferral amount.

Tax Treatment

The plan is not a tax qualified plan. This means that the pay is taxed at the time it is earned and deferred and as a result, taxes will not be withheld from the July and August payments. The deferred amount will be included on W-2 tax statements during the year it is earned.

Termination/Withdrawal

Employees may opt out of the plan at any time and receive a payout of the deferral balance. Written notification must be provided to the Payroll Office to cease participation mid plan year. An employee may not resume participation in the plan until the next fall enrollment period. Participation terminates each fall on September 30th and re-enrollment is required to continue the plan the following year.

It is the employee's responsibility to calculate and specify a deferral amount that will not exceed the monthly net pay available for voluntary deductions and their deferral. If the deferral amount exceeds the available net pay funds for two months (necessitating manual intervention by payroll staff), the employer may terminate an employee's participation in the plan until the following enrollment period.

Payments

Each employee's balance of his or her academic-year deferrals will be computed in June after the May payroll is posted. One half of the accrued balance will be paid to the employee in July; the other half will be paid in August. The deferrals do not earn interest. The payments will be issued via the employee's normal paycheck method, either by direct deposit or physical check.

Deductions/Benefits

Academic-year employees will continue to be "triple deducted" for benefits and transit passes in May for summer coverage. OPSRP/PERS contributions are paid at the time the pay is earned and taxed. The payouts aren't subject to tax withholdings or deductions; however these funds may be subject to garnishment or writs. Tax-deferred investment (TDI) deductions will not be taken from the summer payouts.

Summer Appointments

Pay for summer term employment will not affect the payout amounts. The deferral payment and the summer pay will both be reflected on the same pay check; however any taxes or withholdings would be based upon the summer pay amount only.

Authorization for the Classified Employee Academic-Year Pay Check Plan

I, _____, _____
NAME: (last, first, middle initial) ID Number

Hereby authorize the deduction of \$ _____ from my academic-year salary each month for the 8-month period of October 1st through May 30th of the following year.

I understand that:

1. This amount will be deducted each month for the months of October through May.
2. The total amount withheld from October through May will be paid out in two equal payments to be made on the regular paydays for the months of July and August.
3. The deferral funds will not accrue interest.
4. I may withdraw from the plan at any time. If I withdraw, I will provide Payroll with written notification. I understand that I will not be permitted to participate again until the following year.
5. My deductions will continue to be "triple deducted" as a regular academic year employee in the month of May to cover benefits and other payroll items during July, August and September.
6. It is my responsibility to assure that my deductions do not exceed my net pay after the deferral reduction is made, both throughout the year and in May with the benefits "triple deductions".

Signature: _____ Date: _____

This form must be returned to the PSU Payroll Office no later than October 10, 2007 to enroll for the 2007-2008 academic year.

Payroll Office Use:

TAP Deduction Code Amount: \$ _____

Start Date: 01-OCT-2007

Processed by: _____ Date: _____

Payout balance: _____ Monthly Amt: _____

Processed by: _____ Date: _____