

Twelve-Month Payroll Redistribution Plan

| PSU ID Number | Last Name | First Name | Middle Name |
|---|------------------------|---|-------------------------|
| | | | |
| Current Address <input type="checkbox"/> New? | City | State | Zip Code |
| | | | |
| Primary Phone Number | Secondary Phone Number | PSU Email Address <input type="checkbox"/> New? | Employee Classification |
| | | | 9-month Unclassified |

Authorization for Twelve-Month Payroll Redistribution Plan

I hereby authorize the allocation of my 9-month academic salary equally over the 12-month period of October 1st through September 30th of the following year. Please Note: This form must be returned to the Office of Human Resources (HRC) by September 15th of the plan start year. Forms received after that date will be held for the next plan year.

I understand that:

1. My 9-month gross salary will be disbursed to me equally over the 12-month period of a plan year (October 1st through September 30th of the following year).
2. I understand this means I will not receive a payment until October 31st.
3. My deductions will also be processed on a 12-month basis.
4. I will not be allowed to revoke this election during a plan year and that the pay out will be made in accordance with the standard distribution schedule (July 1/3, August 1/3 and September 1/3) except in the event of my termination or death.
5. Where the payroll system is currently so programmed, this plan will continue from year to year until stopped by me prior to the beginning of a new plan year.

I read and understand the terms as outlined in the "Instructions for Completing Twelve-Month Payroll Redistribution Plan".

| Signature | Date |
|-----------|------|
| | |

Request For Termination Of Payroll Redistribution Plan

I hereby request the termination of my participation in the Twelve-Month Payroll Redistribution Plan. Please Note: This form must be returned to the Office of Human Resources (HRC) by September 15th of the plan end year.

I understand that this 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.

| Signature | Date |
|-----------|------|
| | |

Payroll Use Only

| Start Date | Stop Date | Input Date | Input By |
|------------|-----------|------------|----------|
| | | | |

Instructions for Completing Twelve-Month Payroll Redistribution Plan

Plan Summary

The Twelve-Month Payroll Redistribution Plan provides a method for academic employees on 9-month appointments to spread their 9-month gross salary equally over the 12-month plan year (October 1st through September 30th of the following year).

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

- The total amount deferred will be paid out in accordance with the standard distribution schedule (July 1/3, August 1/3, and September 1/3).
- Interest will not be paid on the deferred amount.
- Open enrollment for the plan year ends September 15th.
- Employees entering the plan for the first time will not receive pay in September.
- Checks and/or direct deposits will be processed as any other payroll payment.

Deductions

- Most deductions from pay (i.e. medical, dental, life insurance) will be deducted all 12 months of the year.
- Deductions computed on gross pay will be based on gross pay after the redistribution reduction and will be deducted all 12 months.
- It is the employee's responsibility to ensure that the total deductions from pay do not exceed the amount of gross pay after the redistribution reduction.

Disbursement Schedule

On the Twelve-Month Payroll Redistribution Plan your 9-month payroll schedule changes from the standard pay schedule of September through June TO October through June with a deferral for each of these months of approximately 25%. The total deferred amount is paid out during July, August and September (one-third each month). The example below illustrates the payment schedule for a 9-month employee with a yearly salary of \$36,000.

October through June: \$3,000 each month (equal to gross wages of \$4,000, less the 25% deferral). Total deferred equals \$9,000. July, August and September: \$3,000 each month (equal to total deferred divided over 3 months).

Enrollment

To enroll in the plan an employee will sign and date an "Authorization for Twelve-Month Payroll Redistribution Plan" form. This form must be returned by September 15th. Enrollment in the plan becomes effective at the beginning of the plan year (October 1st).

Termination/Withdrawal

Election to participate in the plan is irrevocable during the plan year. Pay out prior to the standard distribution schedule may be made only in the event of the employee's termination of employment or death. Under current federal tax regulations, these restrictions are necessary in order for the payments to be taxed when received by the employee.

Where the payroll system is currently so programmed, the plan continues in effect until the employee terminates the plan. To withdraw from the plan, the employee must sign and date a "Request for Termination of Payroll Redistribution" form. This form must be returned by September 15th. 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.

If an employee terminates their employment with Portland State University the deferred balance will be paid out on the next regular payday or with their termination paycheck. If a participating employee dies the money accumulated in the redistribution pay account will be paid to the surviving spouse or children or to the estate according to normal payroll policies and procedures.