

12-Month Pay Option for Faculty

You have the option to receive your ten-month academic year salary in twelve installments. This election divides the academic year salary amount by twelve instead of the usual ten and your withholding and FICA taxes are paid each month based on the twelve-month pay option gross. If you elect this option, you will receive compensation from August 31 through July 31 of each year.

Note: This option does not affect employment or benefit status.

Example:	10-Month Contract Salary	\$50,000.00
	12-Month Pay Option Gross	4,166.67
	And Taxable Base	

Any summer compensation that you are to receive will be added to the option amount for June and July.

Example:	Summer Compensation (June/July)	20%
	12-Month Pay Option Gross	4166.67
	Summer Pay Monthly Gross	5000
	Total Monthly Gross	9166.67
	Taxable Base	

IRS regulations provide that once you have signed the agreement, you may not revoke it for that academic year. As with any tax matter, you should consult your personal tax counselor if you have any questions.

The deadline each year is August 10, to elect or revoke the option for future academic years.

If you have any questions about this option, please contact the Payroll Office, extension 2217.

I wish to elect the 12-Month Pay Option for my academic year salary.

I understand that my academic year salary will be divided into 12 payments for academic year beginning August _____. I also understand that this election shall serve as my election effective for each subsequent academic year unless I so notify the Payroll Office in writing to revoke this election.

Signature

Baylor ID

Date