

From: [Office of the Provost](#)
To: [Office of the Provost](#)
Subject: Faculty Academic Year Pay Reserve for Summer Disbursement-Year 3
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Faculty Academic Year Pay Reserve for Summer Disbursement –Year Three

Faculty Colleagues,

The Faculty Academic Year Pay Reserve for Summer Disbursement program will start the third year of a three-year pilot. Next spring, we will conduct a survey to evaluate the program and determine if it should continue.

Eligible faculty who are interested can sign up for the pilot program, which reserves a portion of after-tax pay from every full pay period during the academic year and then evenly disburses those funds to the faculty member during the summer. The program will affect an individual's net pay each payroll period, but does not impact their gross pay, retirement contributions, benefits, tax withholdings or W2. The university and participating faculty members will continue the practice of pre-paying summer State Employee Health Plan and optional group life insurance premiums during the spring semester.

The pilot program is open to all academic year faculty, tenured and tenure-track faculty, and lecturers hired for the 2023-2024 academic year. **If you participated last year and want to participate this coming academic year, you must sign up again.** *Enrollment in the pilot program will be available until August 29, 2023, at [HRAY Reserve](#).*

After submitting the enrollment form, you will receive a confirmation email. When the deduction has been entered into HR/Pay in late August, you will receive another confirmation email from the Payroll Office.

Pilot Program Benefits:

- Participants receive disbursements during the summer period
- Has no effect on benefits coverage, including medical benefits
- Charges no fees to participate
- Does not delay retirement contributions
- Disburses the reserved funds evenly based on the days in each summer pay period

Participants will have 26.92% of after-tax earnings reserved from each full pay period August through May. Those funds will be held by the university and be the source of

the participant's summer disbursement.

- The reserved funds will not earn interest.
- Eligible employees who prepay for summer benefits will notice smaller take home pay in the spring semester pay periods when those prepay benefit deductions are assessed.
- The reserve is only assessed on after-tax payroll earnings and will not be taken on supplemental payments, such as cash awards and overloads.
- Participation is only available to faculty members who work the full academic year.
- Sample worksheet is located on the [HRM website](#).

The 2023-2024 pilot program runs for a year, August 20, 2023 to August 17, 2024. If a participant ends employment with the university before the distribution period has ended or assumes a position with a 12-month appointment, the balance in the reserve fund will be paid to the participant at the earliest opportunity.

Program history and current information is available on the [Human Resource Management website](#).

Respectfully,

Mike and Jason

Mike Rounds

Vice Provost of Human Resources, Public Safety, Facilities and Operations

Jason Hornberger

Vice Provost of Finance

