Nine-Month Faculty Deferred Pay Option

Starting July 2012, eligible nine-month faculty members may enroll in a voluntary, non-interest bearing program that will allow them to set aside a portion of their nine-month salary to be paid over a 12-month period. Participants will be required to opt into the program through an annual Open Enrollment Period, which, for the 2012-2013 academic year, will run from July 30, 2012 – August 28, 2012.

Who may participate?

Faculty members on nine-month appointments may participate in the program.

What is the benefit of this program?

The program allows nine-month faculty members an opportunity to even out cash flow over a 12 month period by setting aside after-tax earnings that will be paid out over the summer months. For those who enroll, monies will come out of every paycheck from September 7, 2012 to May 3, 2013 and will be paid back in six equal payments in the paychecks received from May 31, 2013 to August 9, 2013.

How do I enroll?

Participants may enroll in the program during a special open enrollment period. Visit www.usf.edu/hr for the enrollment form. For the first year, the open enrollment period will run from July 30, 2012 to August 28, 2012.

Can I opt out of the program mid-year?

Yes. Participants who decide during the year that they wish to discontinue participation may cancel their enrollment through a written, signed letter to University Payroll. Those who leave the program for any reason may not reenroll until the next program open enrollment period.

Will my enrollment continue year after year?

Not at this time. In order to ensure that you agree with the deduction amounts, you will need to reenroll in the program during the program’s 2013 – 2014 open enrollment period.

How will this impact my taxes?

Because all of the deductions have been taken from after-tax earnings, participation in this program will have no impact on your taxes. Additionally, since the earnings were deducted post-tax, your summer checks will not be taxed.

Will benefits be deducted over a 12-month period?

Not at this time. USF Human Resources will continue to explore if such a program may be offered, with the hopes of being able to offer this option in another academic year. Benefits will continue to be double deducted from a portion of the spring semester paychecks, so you may want to take this into account when determining your spring semester deduction amount.

Why can I choose two different set aside amounts?

The enrollment form has two different election amounts so you can plan accordingly for the double deductions that are taken out of seven of the spring paychecks. The “Fall/Early Spring” election amount will come out of your first 11 full pay periods (excludes partial pay periods), and the “Spring” election amount will be taken out of the seven pay checks from which benefits will be double deducted. The calculator provided by HR serves as a guide to help you decide how much to elect.
Is there a way to determine what I will pay in benefits double deductions in the spring?

Yes, you can view your pay advice through GEMS Self Service on the myUSF portal. Please know that any benefits changes you or the State of Florida makes for the next calendar year may have an impact on your insurance deductions.

The deductions that are doubled are:

- Health
- Dental
- Cancer
- Disability protection
- Disability sickness
- Intensive care
- HSA—Health Savings Account
- Limited Purpose Medical Reimbursement
- Optional life
- Vision
- Life (for part-time employees only)

Pay dates where deductions are doubled:

- 02/08/13
- 02/22/13
- 03/08/13
- 03/22/13
- 04/05/13
- 04/19/13
- 05/03/13

Should you need further assistance please contact payroll at (813) 974-7955 or by email at PayrollHelpDesk@admin.usf.edu. In addition, if you a new nine-month faculty member you can review the benefits open enrollment guide for benefit plan information. The guide can be accessed at http://www.myflorida.com/mybenefits/pdf/BenefitsGuideEmployees_EY.pdf. You may also contact your benefits service center representative. Service Center contact information can at http://usfweb2.usf.edu/human-resources/services/service-center-dept.asp.

The calculator HR developed for the program can assist you in determining your set aside amounts and factors the double deduction periods into its calculations.

What happens if I leave USF before the end of the academic year?

Participants who terminate employment before the end of the academic year will be paid in full for the amount of deductions that had been collected to that point. Payments will be made in the next regular pay check.

How will this program impact me if I have a summer appointment?

Summer appointments will not impact the deferred pay you will receive. The deferred pay through this program will be received in addition to your summer pay and will not be taxed, as it was collected from after-tax earnings.

Will I earn interest off of the deferred money?

No, participants will not be able to collect interest on the withheld money through this program. This program is designed as a savings method to help manage cash flow for nine-month faculty over the summer months. However, many financial institutions, including the USF Federal Credit Union, offer similar programs with an interest-bearing solution to employees.

How can I determine if this program is right for me?

Your financial advisor can review the plan with you to determine if this program or another is better for your needs. Each of the State’s retirement plans provides a representative who can discuss your financial interests, as do our deferred compensation and tax-sheltered annuity providers.

Who can I contact for more information on the program?

The Payroll department can answer any questions you may have on the program. They can be reached at (813) 974-7955 or PayrollHelpDesk@admin.usf.edu.