

Faculty Optional 12 Month Payment Plan

Frequently Asked Questions

- Q: What is the application deadline to sign up for 12 month payments?
A: The application deadline is the last business day of June preceding the start of the academic year.
- Q: Do I need to complete an application each year I wish to participate in the 12 month schedule?
A: No. You will remain in the 12 month payment plan from year to year until an updated application opting to cancel participation is submitted to the Payroll Office.
- Q: Will taxes be deducted on my summer payments?
A: Yes. All applicable taxes will be deducted on summer payments.
- Q: Will my tax withholding amounts be affected by going to the 12 month schedule?
A: Yes. Generally, less federal income tax will be withheld over the course of the 12 month payment schedule. Employees should consult their tax advisor regarding updating form W-4 to ensure enough taxes are withheld. The HR / Payroll office can provide information to assist in making a decision, but cannot provide advice on withholding selections.
- Q: Will benefit deductions be taken on my summer payments?
A: No. Based on the NJ Health and Welfare reporting requirements and the SFT Union Officials, the full amount of health, dental, pension, and union dues deductions will be taken over the normal 10 month contract period.
- Q: May I rescind my application if I later decide not to elect the 12 month payment schedule?
A: No. Applications may only be rescinded up until the application deadline, which is the last business day in the June preceding the start of the academic year.
- Q: Will the plan defer any of my overload or coordinator payments?
A: No. The plan only covers the deferral of base salary.
- Q: Will I still be under contract from September 1-June 30 if I opt to participate in the deferred pay plan?
A: Yes. The traditional 10 month biweekly payment schedule will remain unchanged.
- Q: Will my contract period change if I participate in the deferred pay plan?
A: No. Your contract will remain as the same 10 month period.