

# Memo

Parsippany Troy Hills  
Township Schools

To: PTHEA Members

From: Erica De Los Santos — Payroll Manager

Re: 10/12 Month Pay

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As per the collective bargaining agreement, teachers have the option to be paid over 12 months versus the current 10 month pay schedule. The Payroll Department will need notification of your decision to be paid over 12 months by June 15th. If you currently are on the 12 month pay schedule and want to continue on this schedule you do not have to fill out a new form.

The 12 month pay will be handled in the following manner;

- Each month 10% of your gross pay will be withheld as a deduction. For example if you made \$50,000 annually, \$5,000 per month, we would be deducting \$500.00 each month, September to June, as "summer pay".
- You will pay all taxes, pension, etc. on the \$5,000.00 monthly so that, for this example, in July and August you would receive a net paycheck of \$2,500.00. The summer pay dates for 12 month employees are July 1<sup>st</sup> and August 1<sup>st</sup>.

In order to maintain correct records we will have to have certain restrictions, once an employee has elected to have 12 month pay it cannot be changed in that school year. There will be an opportunity to change from 10 month to 12 month pay and vice versa each June for the next school year.

The "summer pay" will only be paid in July and August unless the employee retires, resigns or is terminated. In such cases the money will be paid with the employee's final paycheck.

Anyone interested in this option needs to complete the attached form and return to the Payroll Department by June 15<sup>th</sup>.

## Change to 10 Month Pay

Any interested in returning to a 10 month pay schedule needs to complete the attached form and return it to the Payroll Department by June 15<sup>th</sup>.

# Parsippany-Troy Hills Township Schools

## 12 Month Pay Selection

I hereby request that my salary be paid to me on a 12 month basis. I understand the Board will withhold 10% of my gross monthly pay as a "summer pay" deduction. All taxes, pension and other deductions will be calculated on the 10 month gross pay and withheld monthly from September to June so that my "summer pay" in July and August will be a net paycheck equal to 1/2 of the amount withheld throughout the 10 month school year.

Once I elect this payment it cannot be changed until the start of the new school year. The "summer pay" withholding will only be paid to me in July and August unless I retire, resign, or am terminated in which case any withholding will be paid to me with my last paycheck.

I understand that the Board will not pay any interest on the monies withheld from my payroll.

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Date

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Employee Name (Print)

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School

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Employee Signature

Parsippany-Troy Hills Township Schools

Change to  
10 Month Pay Option

I hereby request that my salary be changed from the 12 month "Summer Pay" schedule to the 10 month pay schedule, September thru June.

I understand that once I elect this payment option it cannot be changed until the start of the new school year

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Date

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Employee Name (Print)

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School

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Employee Signature