5 - Payment Options

Purpose:

The purpose of this operational procedure is to establish limits and regulations through which all benefited faculty and professional staff on TIAA retirement plan with contract terms of at least 9 months, but less than 12 months may have the option of having their contracted salary paid on an extended pay schedule or paid concurrent with their contracted period of employment.

Procedure:

1. All salary contracts will be paid concurrent with the contracted period of employment unless the faculty or staff member notifies Human Resources at the time of contract acceptance that they elect to have an extended pay schedule.

2. An employment contract for a period of less than 9 months shall be paid on the concurrent pay schedule.

3. Benefited faculty and professional staff on TIAA with contracts of at least 9 months, but less than 12 months may select either the concurrent pay or extended pay option at the beginning of a contract. The option may be changed at the beginning of subsequent contract terms.

4. Mid-year faculty hires and professional staff on TIAA will not be eligible to select the extended pay option until their next contract term.

5. In either case, checks will be issued semi-monthly. Pay dates will be determined annually, and a schedule of those dates is available in the Payroll Office.

Concurrent Pay Option:

The gross salary to be paid semi-monthly is the total contracted salary divided by twice the number of months of the contracted period of employment. This semi-monthly gross salary, less applicable deductions, will be paid on the 15th and last working day of each month that the employee is actually employed, beginning September 15.

Extended Pay Option:

The gross salary to be paid semi-monthly is the total contracted salary divided by 24. This semi-monthly gross salary, less applicable deductions, will be paid each pay date according to the following extended pay schedule plan.
Extended Pay Schedule:

9 Month Contract Example

July 15
July 31
August 15
August 31
September 15  1st installment
September 30  2nd installment
October 15  3rd installment
October 31  4th installment
November 15  5th installment
November 30  6th installment
December 15  7th installment
December 31  8th installment
January 15  9th installment
January 31  10th installment
February 15  11th installment
February 28/29  12th installment
March 15  13th installment
March 31  14th installment
April 15  15th installment
April 30  16th installment
May 15  17th installment
May 31  18th installment
June 15  19th installment
June 30  20th installment
July 15  21st installment
July 31  22nd installment
August 15  23rd installment
August 31  24th installment

When pay dates occur on a weekend or holiday, payments will be issued on the preceding workday.

If the employee retires or resigns before or at the end of their contract term, the contract balance will be paid out in their last regular pay period per the 15-day lag. For example, if an employee resigns effective the end of their contract term, May 15, their last payment would be in the May 31 pay period.

References:

SBHE Policy: 5 Pay Policy

History of This Procedure:

First procedure: First policy draft June 17, 1985.

Changed to Operational Procedure and approved by President on November 1st, 2023.