SUBJECT: Annualized Salary

All salaried employees shall be paid over 12 months, regardless of the number of months employed during the academic year. A salaried employee shall receive his or her salary in equal monthly or bimonthly payments, beginning with the first pay period of the academic year.

I. Employees who are hired after January 1 and have less than a twelve month appointment may elect to have the pay prorated over the remaining portion of the fiscal year or for the period of appointment only. This election will only be given the first fiscal year and if reappointed the employee will be paid over a 12 month period starting the next fiscal year.

II. If a salaried employee separates from service before the last day of instruction, the employee shall receive in his or her final paycheck the unpaid amount the employee has actually earned from the beginning of the 12-month pay period until the day of separation. For purposes of this policy, “separation from service” shall be as defined in IRS regulation 26 CFR 1.409A-1(h).

III. A salaried employee who separates from service on or after the last day of instruction shall be paid as follows:

A. An employee who is retiring shall receive in his or her final paycheck the unpaid amount the employee has actually earned from the beginning on the 12-month pay period until the date of separation.

B. All other employees shall be paid according to the annualized salary provisions above.