

FACULTY PAY DISTRIBUTION FREQUENTLY ASKED QUESTIONS

Each year, under the Faculty Pay Distribution Agreement program, you have the opportunity to change the distribution method in which you receive your semi-monthly payroll checks.

Question: What is the Faculty Pay Distribution Agreement Program?

Answer: MSU employees who wish to participate in the program must use the Faculty Pay Distribution Agreement form in MY Banner. The form requires the employee to elect either an “Until Further Notice Election” or a “Cancel Previous Election.”

The compensation deferral election must be made before the beginning of the employee’s work period beginning August 16th. Current employees must make elections or changes to existing elections prior to the first working day of the new plan year which is August 16.

The salary deferral/payback plan is irrevocable after the first working day for that plan year. The employee must participate in the plan for the full plan year without exception. However, if the employee separates from the university, the deferral amount will be refunded to the employee at the time of separation.

Question: I am not participating in the Faculty Pay Distribution Agreement Program but wish to begin. What do I need to do?

Answer: If you wish to begin receiving 24 payroll checks beginning August 31 (of the year you sign the form), please check the “Until Further Notice Election” box on the Faculty Pay Distribution Agreement form in MY BANNER. This election form will be reported electronically to the Payroll Department in the Controller and Treasurer’s Office. No further action is necessary.

Question: I want to have my pay distributed over 24 payrolls rather than 18 and I am signing the form in May. Will this mean I will receive a payroll check during the summer months of the current year (May 31-August 15)?

Answer: No, the election you are completing this year will not take effect until the upcoming August 16-May 15 year. The payroll check that you receive on August 31 will be the first time the deferral is in effect.

Question: How do I cancel my Faculty Pay Distribution Agreement so that I receive 18 payroll checks rather than 24?

Answer: Please check the “Cancel Previous Election” box on the Faculty Pay Distribution Agreement form in MY Banner. No further action is necessary. This cancellation will be reported to the Payroll Department electronically. You will continue receiving a payroll check during the summer months of the current year (May 16-August 15).

Question: How will my Faculty Pay Distribution affect my insurance deductions from my paycheck?

Answer: If your Faculty Pay Distribution election is twenty-four (24) payments, your insurance premiums will be deducted in 24 payments. However, if your election is eighteen (18) payments, your insurance premiums (24 premiums) will be deducted in 18 payments. For example, a premium of 175.00 x 24 premiums / 18 payments = your insurance premium deduction amount. ($175.00 \times 24 / 18 = 233.34$). Contact the Human Resources Management Benefits Office at 662.325.3713 if you have questions about your insurance deductions.

Other Questions: Please contact the Budget Office at 662.325.8907.