Please read the following information carefully before making a selection.

Year Round Pay Option Paycheck Calculation

Based on the All Days Paid Concept

Year Round Pay Option (YRP) will be based on a new paycheck calculation for the 2008-2009 school year, i.e. All Days Paid. If you select this option, your paycheck will be calculated based upon the number of All Days Paid in the twelve month period starting with the first day of your contract. For example, if you are a teacher on the standard 196 calendar, your Contract salary will be paid to you based on all days in the twelve month period starting August 11, 2008 excluding Saturdays and Sundays. Similarly, all other calendar types such as 186, 216, 241 etc will also be calculated using this concept if YRP is selected.

In essence, your contract salary will be spread across a twelve-month period to ensure you receive paychecks through the summer months. If you select YRP, your gross base pay for the summer checks will be similar to your regular checks and will be taxed upon distribution (more details below). Of course, paycheck amounts will be affected if the employee changes calendars, has PLV or becomes inactive due to leave.

If you select YRP, you WILL NOT be able to change this option until the 2009-2010 fiscal year enrollment period as your paycheck calculation will be based upon the Deferred Compensation Rules set forth by the Internal Revenue Services (IRC 409A). Please ensure that you understand this concept before making a selection. Under the Deferred Compensation Rules, your summer checks will be taxed when they are paid to you in the summer months.
Year Round Pay Option Rules

Please note that Year Round Pay is an optional plan offered to employees on certain calendars based on their annual contract. It is governed by the IRS Code Section 409A and therefore is subject to very stringent requirements. For more information please visit http://www.irs.gov/. The hardship criteria used in previous summer options are no longer valid under these terms.

* Choosing the Year Round Pay option will spread your bi-weekly payments of your gross contract salary for your primary position ONLY across a 12 month period starting from the first day of your contract year. The bi-weekly payment amount will be system-generated pre-tax and cannot be changed by the employee at any time during the 2008-2009 year.
* ONLY your regular pay (contract salary) from your primary position will be spread out over the summer months. (No pay for overtime, comp-time, additional positions or supplements will be included in the Year Round Pay calculation.) This may cause your Net Pay to be different in the summer than it was during the contract year.

* Due to IRS regulations, once this option is selected, it may not be revoked during a school year except for: Termination, Retirement and certain long-term Board-Approved Leaves greater than 12 weeks. There are no Hardship Exceptions.

* The Year Round Pay option is an annual election and must be selected before the start of the contract year for your calendar. If you wish to continue the Year Round Pay option in subsequent years, you will have to renew this election during the enrollment period. If you attempt to enroll after the contract year for your calendar has begun you will be informed that this option is not available to you until the enrollment period for the subsequent contract year.

* Unpaid days taken during the contract year (PLV) will reduce the amount of your Year Round Pay distributed during the months you normally would not get paid (i.e., over the summer months).

* Deductions such as taxes, garnishments, and Tax Sheltered Annuities (TSA's) will be taken from all checks including the summer checks. Other optional deductions, such as those for health care, disability or life insurance, prepaid legal, United Way, and union dues will not be taken from the summer checks. This will cause your Net Pay to be different in the summer than it was during the contract year.

If you do not agree to the terms set forth above, you will receive bi-weekly payments based on the All Days Paid concept during your contract year only, and will not receive paychecks over the summer months that you were not scheduled to work.