PRORATA SUMMER PAY

Board of Regents (BOR) personnel who are hired on a 9-month salary schedule must render service the full semester or academic year to receive 6 or 12 months of salary. The BOR policy states "nine consecutive months" is the duty period for an academic year appointment, and four and one-half months is the duty period for a semester appointment. In cases where less than a full semester or academic year of service is rendered, the employee is entitled to only a proportionate share of summer pay. A standard 30-day month will be used, or 135 (4.5 months x 30 days) days for a semester or 270 (9 months x 30 days) days for an academic year.

The prorata computation is a three step process:

1. Divide the number of duty days the individual missed by 135 for a semester or 270 for an academic year. The result is a decimal fraction of the semester or academic year not earned.

2. Multiply the decimal fraction obtained in Step 1 by 180 (6 months x 30 days) for a semester or 360 (12 months x 30 days) for an academic year. Drop any figure that appears to the right of the decimal point. The result is the total number of unearned days for the semester or academic year.

3. Subtract the resulting number obtained in Step 2 from the 6 or 12 month appointment period. The result is the appointment period reduced by the number of unearned days.

A) Formula for Late Hire:

\[
\text{Number of days missed} \div \text{Duty days in a semester or academic year} = \% \text{ of semester or academic year not earned}
\]

\[
\% \text{ of semester or academic year not earned} \times 180 \text{ days (semester)} = \text{total days unearned (drop portion of the decimal fraction to the right of the decimal point)}
\]

\[
\% \text{ of semester or academic year not earned} \times 360 \text{ days (year)} = \text{total days unearned (drop portion of the decimal fraction to the right of the decimal point)}
\]

Subtract the unearned days from the one year or 6 months period that begins with the effective date of the late appointment.

Example:

Official duty date = August 15, 1988
Effective date of late appointment = November 1, 1988
(One year appointment)
Days missed August 15-31 = 17 (partial month count actual days)
  September = 30
  October = 30
  77 total days missed

77 ÷ 270 = .2852

number of days duty days % of
of year academic academic
missed year year not
earned

.2852 x 360 = 102.672 or 102

% of 12 months total days of
academic of prorated unearned or
year not salary prorated
earned salary (drop
fraction of decimal
portion to
the right of
the decimal
point)

11-01-88 to 10-31-89

Effective One year period
date of from effective
late hire date of late hire

102 unearned days of prorated salary

Oct = 30
Sept = 30
Aug = 30

July 31-20 = 12 (partial month count actual days)
  102

Appointment period is 11-01-88 to 07-19-89 (item 47 of SF-5B)
Leave without pay effective 07-20-89 to 07-31-89
Return to duty 08-01-89 (beginning of new academic year)
Formula for Early Resignation:

Number of days worked \( \div \) Duty days in a semester or academic year = \% of days worked

\% of days worked \( \times \) 180 days (semester) = total days earned or 360 days (year) (round-up decimal fraction)

Subtract the number of days worked and advance days from the total days earned.

The **positive** resulting factor should be **paid** by adjusting the actual date of resignation.

The **negative** resulting factor should be **collected** by adjusting the actual date of resignation.

Example:

Official duty date = August 15, 1988
Actual date of resignation = October 31, 1988

Days worked August 15-31 = 17 (partial month count actual days)
September = 30
October = 30
77 total days worked

\[ \frac{77}{135} = 0.5704 \]

Days worked duty days in a semester % of days worked

\[ 0.5704 \times 180 = 102.672 \text{ or } 103 \]

\% of 6 months total days earned

days of prorated (round-up decimal
worked salary fraction)

103 days earned of prorata pay
-77 actual days worked
-14 advance days - August 1 through 14
12 additional duty days to pay (positive resulting factor)

Actual date of resignation = October 31, 1988
Extend actual date of resignation by 12 duty days

Effective date of resignation = November 12, 1988
Notation for item 46 on SF-5B: "Last work day = October 31, 1988; includes all prorata summer pay."
B) Level Pay Option

When the prorata summer pay procedure is used, the employee is placed on LWOP for the period during which prorata summer pay was not earned. A similar situation occurs for a spring semester appointee who receives pay from January 1 to June 30. In this instance, the employee is placed on LWOP for the month of July and returned to pay status on August 1.

In many cases, the LWOP is a hardship on the individual since fringe benefits may be interrupted or affected, and the individual may be without income for one or more pay periods. To alleviate this situation, an employee may be offered the option to elect to have the salary spread over the pay periods from the date of initial appointment through July 31.

As a result of this option, the employee receives a lower monthly salary than that which the employee would have received had the employee not elected this option. In addition, the employee's fringe benefits would not be interrupted or affected.

There are two conditions which are an integral part of this option.

1. The employer must intend, at the time of the initial appointment, to reappoint the faculty member for the next academic year. While reappointment is anticipated, the offer and election of the option shall be in no way a commitment for a reappointment. Reappointments are governed by the terms of the collective bargaining contracts.

2. The employee who elects the level pay option (no LWOP) shall not be entitled to an annual increment or collective bargaining salary adjustment on July 1 if that individual would in fact have been on LWOP on July 1 if the option had not been in effect. Such salary increases would become effective on August 1. Conversely, if the employee would have been in a pay status on July 1, that individual shall be entitled to the amount of any such increase which will be added to the individual’s salary for the month of July. Beginning with August, the faculty member would receive the appropriate monthly salary for the individual’s salary range/step.

An election certificate must be signed by the employee who elects this option (copy attached).

When the option is used, a special identifier code must be used in conjunction with the salary range/step designation in item 28 of the SF-58. Also, a notation must be made in item 46, Remarks: "Level Pay option, no LWOP effective _______ (date) _______." The date must be the date on which LWOP would have been effective if the option had not been elected.
If the LWOP date referred to above is July 1 or earlier, the suffix "N" must be used with the salary range/step identifier in item 28. Example: I3-1N. The "N" suffix indicates that the individual is not eligible for a salary increase on July 1 since the individual would have been on LWOP on that date if the option had not been elected.

If the LWOP date is July 2 or later, the suffix "J" must be used with salary range/step identifier in item 28, e.g., I3-1J. The "J" suffix indicates that the individual is eligible for whatever salary increase the individual would have been entitled to if the option had not been elected.

The suffixes "J" and "N" must be deleted effective August 1 when the individual's pay reverts to the normal schedule.

For Spring appointments, the total salary for the six month period, January 1 through June 30, must be divided by seven (7). This becomes the monthly rate to be shown in item 29, Pay Rate, on the SF-5B. The amount in item 48, Annual Base Salary, is equal to the monthly rate x FTE x 12. (This is a technical item required for processing and will not have a bearing on the true annual rate due the individual.)

Example: Assistant Professor, .50 FTE, I3-1 with Appointment period = January 1, 1991 - June 30, 1991.

The monthly salary of I3-1 is $2520.00.

Employee elects the level pay option and the following procedure is used:

1) Appointment period is changed to January 1, 1991 to July 31, 1991.

2) $2520.00 x 6 = 15,120.00 ÷ 7 = $2160.00.

3) The employee's salary range/step becomes I3-1N and his monthly rate is shown as $2,160.00. Show his annual salary as $12,960.00 (2160.00 x .50 x 12).
Level Pay Option Agreement

I elect to have my salary for the present academic year divided equally throughout the pay periods from my initial appointment to July 31.

I understand that my being offered this option is not a commitment for future appointment.

I understand that an election of this option does not entitle me to any monetary benefits which would not otherwise accrue to me, including any collective bargaining increases.

(Signature of Employee)

(Date)