

## Faculty Salary Spread Information

### Contents

Overview .....	1
How Does it Work? .....	1
Eligibility .....	1
Participation .....	1
Change in Status .....	2
Additional Information .....	2
A&P Administrator Appointments .....	3
Cancellation .....	3
Associated Documents .....	3
Frequently Asked Questions .....	3

### Overview

UT Arlington offers eligible full-time 1.0 FTE faculty with 9-month academic year appointments a method to spread their gross salary equally over the 12-month earnings period, October to September, rather than nine equal payments from October through June.

### How Does it Work?

Each pay period from September through May, 25th of the monthly salary is set aside for 9-months to allow the faculty member to be paid in the summer months of June, July, and August.

### Eligibility

To be eligible for salary spread, the faculty member:

- Must be assigned to a full-time faculty position at UT Arlington
- Must have a nine-month faculty appointment that ends before June (i.e., not a summer assignment)
- Cannot be paid from a grant (Excludes summer)
- Cannot be in a 12-mth A&P position

### Participation

Faculty Members who meet all the criteria may elect salary spread by completing and sending in the **Salary Spread Election Request** to [HRIS@uta.edu](mailto:HRIS@uta.edu). This form must be received **no later than August 15th** for a new or current faculty member assigned for the fall semester beginning 9/1.



If an appointment start date for a new faculty member is after the start of the academic year (9/1), salary spread will not be an option until the next fiscal year

Enrollment is continuous once a form is processed unless a change in status causes a faculty member to no longer be eligible. A Cancellation Form (see below), must be completed to opt out of salary spread.

### **Tax Treatment:**

This agreement is an IRS approved deferral of a faculty member's 9-month compensation to 12-months. Deferred funds are not taxed until paid. The deferred amount will be included on tax statements during the tax year it is paid, not in the tax year it is earned.

### **Change in Status**

In the event of a change in status to a faculty member's appointment that causes it to no longer to be eligible, as stated above, a full settlement of all reserved amounts will be paid to the faculty member.

Reasons that cause a faculty member to become disqualified are:

- Appointment changes to a less than 9-month appointment
- A break in service (i.e. leave without pay)
- Change in funding source (i.e. to a grant funded cost-center)
- Acceptance of a 12-month staff or faculty appointment
- Separation
- Retirement
- Death

If for any reason a faculty member's employment with UT Arlington terminates before the deferred contract ends, all monies that have been deferred are paid in a lump sum. Federal and state taxes will be calculated on the full amount and the tax implication can be significant.

If a faculty member is removed from salary spread due to ineligibility, it is up to the faculty member to re-elect salary spread for future fiscal years by completing a new **Salary Spread Election Request Form** by the deadline.

### **Additional Information**

Benefits eligible faculty members who elect salary spread and participate in either the Teacher Retirement System (TRS) or the Optional Retirement Program (ORP) will make a retirement contribution from each of the 12 payroll checks.

Benefits eligible faculty members enrolled in insurance coverage who elect salary spread will have insurance premium deductions and premium sharing on each of the 12 payroll checks. For questions regarding your UTSaver participation or insurance coverage, please contact Benefits at [benefits@uta.edu](mailto:benefits@uta.edu).

Normal payroll deductions will continue for all 12 paychecks including contributions to retirement and group insurance plans.



## A&P Administrator Appointments

The salary spread election will cease immediately for faculty in a 9-month faculty appointment that transfer to a 12-mth A&P administrative appointment and be reflected on the next pay cycle.

Faculty administrators in a 12-mth A&P position returning to a 9-month faculty appointment must complete a new salary spread election, which will be effective 9/1.

## Cancellation

Salary Spread is irrevocable and cannot be modified during the fiscal year in which it is effective unless employment with the University is terminated. If the termination date submitted by the department is prior to **August 31**, the balance of the salary spread due to the faculty member will be paid in one payment on the first available payroll date following the termination date.

Note, the amount of payment of the balance due could result in an increased federal income tax deduction to the faculty member.

If a faculty member chooses to revoke salary spread, requests for the cancellation of salary spread must be submitted using **Salary Spread Cancellation Form** and will go into effect the next fiscal year, beginning September 1. Termination will be effective at the end of the plan year on July 31 and the employee's salary will revert back to a standard distribution effective **August 15th**.

## Associated Documents

1. Salary Spread Election Request Form
2. Salary Spread Cancellation Form

All forms can be found on the [Forms and Processes](#) webpage of the Academic Human Resources website.

## Frequently Asked Questions

**Q. I have a 9-month appointment and administrative duties that result in additional compensation for summer work. Will the summer work still be paid during summer if I choose to cancel salary spread?** Whether a faculty member elects Salary Spread or not payments for summer appointments will continue to be paid over the time period that they are earned.

**Q. I am transitioning from a fiscal-year (12-month) A&P position to an academic year (9-month) faculty position. May I elect salary spread?** Faculty changing from 12-month to 9-month contracts are allowed to elect salary spread if their new 9-month appointment qualifies via the **Salary Spread Election Form**. It is up to the faculty member to seek the election out.

**Q. I am transitioning from a 9-month faculty position to a 12-month A&P Academic Administrator position. What happens to my salary spread?** Your salary spread will end.

**Q. I am a 9-month faculty and have elected salary spread. Will there be double deduction for summer healthcare premiums?** No, faculty who participate in salary spread will have their healthcare premiums spread evenly over 12-months.



**Q. Does salary spread affect all of my positions?** No. Salary Spread applies only to the faculty 9-month base pay. Summer assignments or any additional service assignments are not part of the deferred compensation.

**Q. Why does UT Arlington offer salary spread?**

In order to provide full-time faculty with a consistent monthly salary payment from October through September. Also, this method of payment provides a means for benefit deductions to be made during the summer months of June and July.