

Faculty Optional 12-Month Payment Plan Frequently Asked Questions

Q: What is the application deadline to sign up for 12-month payments?

A: The application deadline is the last business day of June preceding the start of the academic year.

Q: Do I need to complete an application each year I wish to participate in the 12-month schedule?

A: No. You will remain in the 12-month payment plan from year to year until an updated application opting to cancel participation is submitted to the Office of Human Resources (HRIS@stockton.edu).

Q: Will taxes be deducted on my summer payments?

A: Yes. All applicable taxes will be deducted on summer payments.

Q: Will my tax withholding amounts be affected by going to the 12-month schedule?

A: Yes. Generally, less federal income tax will be withheld over the course of the 12-month payment schedule. Employees should consult their tax advisor regarding updating form W-4 to ensure enough taxes are withheld.

Q: Will benefit deductions be taken on my summer payments?

A: No. Based on the NJ Health and Welfare reporting requirements and the SFT Union Officials, the full amount of health, dental, pension, and union dues deductions will be taken over the normal 10-month contract period.

Q: May I rescind my application if I later decide not to elect the 12-month payment schedule?

A: No. Applications may only be rescinded up until the application deadline, which is the last business day in the June preceding the start of the academic year.

Q: Will the plan defer any of my overload or coordinator payments?

A: No. The plan only covers the deferral of base salary.

Q: Will I still be under contract from September 1-June 30 if I opt to participate in the deferred pay plan?

A: Yes. The traditional 10-month biweekly payment schedule will remain unchanged.

Q: Will my contract period change if I participate in the deferred pay plan?

A: No. Your contract will remain as the same 10-month period.

Q: I am Visiting Faculty and not eligible for the 12-month pay option. Is there an alternative way to save for summer income?

A: Stockton Payroll has the ability to designate a second direct deposit account. You can defer earnings from each pay into an interest-bearing account at your bank to save for summer. Additionally, Stockton employees can become members of [ABCO Federal Credit Union](#), [First Harvest Federal Credit Union](#), or [Jersey Shore Federal Credit Union](#), all of which have summer pay savings plans for educators. The second payroll direct deposit can be used to defer monies to these clubs. Contact the credit unions for more information.

Q: I am retiring or leaving Stockton University at the end of the academic year. Which pay option should I select?

A: In your last academic year of employment you should select the 10-month pay option. Because your last date of employment will be June 30, the university would be unable to continue the summer payouts after your separation from employment, therefore, the total deferred amount would be paid in a lump sum in your final pay, resulting in large tax withholdings.

Faculty Optional 12-month Payment Plan Enrollment Form	Faculty Optional 12-month Payment Plan Description & Procedures
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