



WHAT'S NEW

10 / 12 LEVEL PAY PLAN

Traditionally, C-Basis employees work the academic year and are paid over the course of ten months. Normally, there would be no paycheck during the summer months and employees were left to their own devices to manage finances during July and August. Beginning with the Fall 2005 semester all Academic and Classified 10-month employees will have the option to select whether they wish to be paid on a 10 month or 12 month calendar. This issue of What's New explains the new payroll option.

HOW IT WORKS

A level pay plan allows ten- month employees to receive their annual gross pay over either 10 or 12 months. In a 10/12 Level Pay, or as it is sometimes called, deferred pay plan, a 10-month employee's annual salary is paid in 12 equal installments over the course of the year. When 12 installments are selected, each of the check's gross pay will be 10/12's of the normal 10-month pay. For many employees, a Level Pay Plan eliminates the hassle of having to manage finances over the summer months. Here's how our District's 10/12 Plan works:

Eligibility: Any 10-month regular status employee.

Pay Options: Two pay options are available:

- **12-Month:** Gross annual salary is disbursed equally over the 12-month period starting September 1 and ending August 30 each year.
- **10-Month:** Gross annual salary is disbursed equally over the ten month period starting September 1 and ending June 30 each year.

Timeline: For purposes of the Level Pay Plan, a year is defined starting September 1 and ending August 30. To select or reverse a plan option, Level Pay forms must be submitted no later than July 30 to take effect September 1st. Once a plan is selected, it cannot be revoked during the academic year.

Deductions: With the exception of STRS and PERS retirement systems, all deductions will be taken from every monthly or semi-monthly paycheck regardless of the number of paychecks in equal payments. The STRS and PERS systems require contributions be taken over 10 months as earned not paid so that the employee earns the full year of service credit. (Employees will have lower taxes in the September-June period and higher taxes in July and August.)

Extra Assignment Pay: Pay for extra and/or hourly assignments (positive time reporting) are not included in the Level Pay Plan but will be paid according to the pay

When you're through changing, you're through. – Bruce Barton

calendar applicable to the job classification.

Overtime Pay: Overtime earned will be paid on the next pay cycle regardless of the Pay Plan option selected.

Effect on Time Reporting and Absences: There is no effect on how time is reported or absences are counted.

Effect of Mid-Year Change in Job Assignment:

- **From 10-month to 12-month assignment:** The employee's new salary is automatically based on the 12-month pay calendar. Accumulated deferred pay will be paid in full.
- **From 12-month to 10-month assignment:** The employee may select the 10/12 level pay option to take effect the following September 1.

Termination of Employment:

- **Resignation or Retirement:** All monies that have been set aside for payout during the summer will be paid in full.
- **Death of Employee:** All monies accumulated in the employee's deferred pay account will be paid to the employee's designated beneficiary.

HOW TO SIGN UP

Signing up is easy. Just complete a Level Pay Plan form and submit to your location Personnel Office. They will enter the appropriate information into the new SAP system to activate the change. Please ask your location's personnel office for a printed copy of the transaction if you wish written confirmation. In a future system upgrade, the new Employee Self-Service (ESS) system will allow employees to initiate and monitor the change.



ADDITIONAL RESOURCES: To view document, click on title.

- [2005-06 Payroll Calendar](#)
- [Form: 10 / 12 Level Pay Plan](#)
- [Employee Tip Sheet: 10 / 12 Level Pay Plan](#)

Project MAESTRO is about change. "What's New" and other Project MAESTRO communications are sent primarily through email. Until all employees have computer access, hard copy will also be posted on the LACCD Bulletin Boards at each location.

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