

SOLVAY UNION FREE SCHOOLS 24 PAY OPTION CONTRACT

ELECTION TO RECEIVE SCHOOL DISTRICT COMPENSATION OVER TWELVE MONTHS (SEPTEMBER-AUGUST) **referred to as the 24 pay option** RATHER THAN TEN MONTH SCHOOL YEAR (SEPTEMBER-JUNE) **referred to as the 20 pay option.** FOR COMPLIANCE WITH U.S. TREASURY REGULATION SECTION 1.409A-2(a)(14) (This election shall only be applicable to school years that begin in 2008 **and beyond.**)

Explanation: The below election is intended to meet the requirements of U.S. Treasury Regulation Section 1.409A-2(a)(14). If a school employee wishes to receive their salary over a twelve (12) month period versus the (September to June) school year, this election form must be completed. The election must be made before the beginning of the school year to which it applies.

ELECTION:

I _____ (print name), elect to receive my school year compensation on an annualized basis over the 24 pay option period (September-JUNE paid as 20 pays with a balloon payment of 5 pays at the end of JUNE), instead of only during the school year (September-June). I understand that my compensation will be paid ratably, over 24 pays starting with the beginning of the school year.

My election is made and effective this ____ day of _____, (month) (year). **This date must be earlier than the first day of the school year for which the school employee is paid (which may be before the first day students arrive for class).**

I understand that my election is irrevocable **once** the school year begins. It may be changed after the entire school year is over. However, I further understand that my election will remain in place until I elect to change it. If I want to change my election and begin to receive my compensation during the school year (September-June), I must notify the school district, in writing, that I wish to begin receiving my salary during the months comprising the school year (September-June). That change must be made before the beginning of the school year to which the change applies.

SIGNATURE: _____

DATE: _____

RETURN FORM TO VICKI HAYDUKE IN THE PAYROLL OFFICE.