

NORTHERN ARIZONA UNIVERSITY
TWELVE MONTH SALARY DISTRIBUTION PROGRAM
AND EMPLOYMENT AGREEMENT

As a Northern Arizona University employee on a less than 12 month appointment, I wish to enroll in the University's plan to distribute my salary to me over the period of the twelve-month fiscal year, July 1 to June 30, instead of the term in which I hold my appointment. **I UNDERSTAND THAT PAYROLL DEDUCTIONS FOR TAXES AND BENEFITS WILL BE TAKEN EQUALLY OUT OF EACH PAYCHECK OVER THE TWELVE-MONTH PERIOD.** I also understand that I may change back to my previous payment distribution plan (e.g.9 month) only during a limited, specified period each year and that if such a change is elected it will not become effective until the new fiscal year.

I understand that to be eligible for this election I must meet the following criteria:

- 1) Be benefit-eligible;
- 2) Have a regular work period less than the fiscal year;
- 3) Have begun benefit-eligible employment with NAU prior to the start of the spring semester.

If I enroll, there may be a period of time during which I will receive compensation prior to my performing services for this compensation. In the event I leave my employment during this period, I agree to reimburse the University for any compensation received in excess of the amount to which I am entitled (**excess payment**). I understand that the amount I owe the University for excess payments will become due and payable at the time I terminate employment and I hereby authorize the University to deduct from my last paycheck the amount of any excess payments. If my last paycheck is insufficient to cover payments I agree to pay the balance within one month of my termination; after that time they shall be deemed delinquent.

I understand that the University shall have the right to pursue collection of delinquent excess payments through any available legal means and that I will be responsible for all collection expenses, reasonable attorneys' fees and court costs incurred. I also understand that the University will be entitled to collect interest on delinquent excess payments at the rate established by A.R.S. Section 44-1201, not to exceed 25% of the total principal due. I further understand that if I am eligible to receive any monies other than salary from and through the University, such monies may be used by the University to recover excess payments, as well as accrued interest and associated collection expenses.

Please select one of the following:

_____ OPTION NUMBER 1:

Salary is paid over the work period and employee deductions are taken over the work period. This pay option begins when the work period begins and ends when the work period ends.

_____ OPTION NUMBER 2:

Salary is paid over the fiscal year and deductions are taken over 26 pay periods.
(The Fiscal Year begins July 1 and ends June 30 of the next year)

To change your option form for the next fiscal year, you must fill out a new salary option form and return to the Human Resources Office on or before June 15th. Once an option is made, *the selection is irrevocable for the current fiscal year.* If no option form is received, you will remain on the same option as the previous year.

I HEREBY HAVE READ AND AGREE TO THE ABOVE AND AUTHORIZE PAYMENT OF MY CONTRACT ACCORDING TO THE OPTION SELECTED.

Print Name: _____ Employee ID: _____

Signature: _____ Date: _____