



OPTIONAL PAY PLAN ELECTION FORM

Name _____

Social Security Number _____

Department _____

I hereby elect to have my academic year salary paid to me under the Optional Pay Plan (26 pay periods) starting with the commencement of the Fall semester or the start of my employment.

I further understand that this plan cannot be revoked by me until the start of the next academic year unless I should terminate my employment with MTU. I also understand that the plan I have chosen will continue year to year unless I cancel my election prior to the start of a new academic year.

Signature

Date

Cancellation:

I hereby elect to cancel my Optional Pay Plan commencing with the beginning of the next academic year.

Signature

Date

Optional Pay Plan Guidelines

Internal Revenue Code, Section 409A has established regulations on employees who want to defer their payment of compensation to be earned in one year until a later year. Employees who elect to defer their pay must make an election to do so no later than the end of the prior year.

The requirements of Section 409A stipulate that:

1. The faculty member must give written election to the employer, notifying the employer of the faculty member's wish, to spread out his/her compensation.
2. The election must be made before the beginning of the academic year.
3. The election must be irrevocable for that year. The election will stay in place until the faculty member elects to make a change during subsequent Payroll Open Enrollment periods.
4. The election must state how the compensation is to be paid if the election is made.

New faculty members are required to make an election by August 1, 2010 prior to the start of the academic year. If a new faculty does not make an election by this date, they will default to being paid over 9-months. You can make a change to your pay plan for future academic years during subsequent open enrollment periods.