

FAQs Regarding Changes for Faculty in the College of Agriculture & Life Sciences – Effective September 1, 2019

Key Points:

- Faculty in the College of Agriculture & Life Sciences will not accrue vacation.
- Faculty may cover their salary from extramural funds for up to 11.5 months of salary annually.
- Faculty who have a 12-month appointment will have their salary and term compressed to 11 months. This does not apply to faculty whose appointment is less than 12 months and had additional months of funding to total 12.
- Faculty who have an appointment of less than 12 months, including those who had additional months of funding to total 12 months, will maintain their base appointment as stated in the annual appointment letter.

What will happen to the faculty member's vacation leave balance?

The faculty member will be paid for the value of the leave based on the balance as of August 31, 2019. Payouts will be calculated using the salary rate that was in effect on the last day a faculty member accrued vacation. The payment will be made in January 2020 and will be less any applicable taxes. System Regulation 31.03.01 *Vacation*, <http://policies.tamus.edu/31-03-01.pdf>, Section 7 describes computation of the lump sum payment.

Are there ways to mitigate the tax impacts of lump sum payments for vacation balances?

Faculty may defer the lump sum payment by requesting a portion or all to be put in a TAMUS sponsored Tax Deferred Account (TDA) or TexaSaver Deferred Compensation Plan (DCP). *Please ensure you have an account open with one or both plans before requesting the deferral.*

Information is available at:

<http://www.tamus.edu/business/benefits-administration/retirement-programs/tda-and-dcp-voluntary-programs/> Requests must be submitted to AgriLife Payroll no later than *November 30, 2019*.

Will faculty in less than 12-month appointments who do not accrue vacation have any personal leave time?

DOF Faculty Members Leave Guidelines 2019

<https://dof.tamu.edu/dof/media/PITO-DOF/Faculty-Members-Leave-Guidelines-2019.pdf>

FACULTY PAID TIME OFF FOR FACULTY ON LESS THAN 12-MONTH APPOINTMENTS,
REGARDLESS OF HOW MANY MONTHS THEY ARE PAID

A faculty member with a less than 12-month appointment is not eligible to accrue or use vacation but may take time off during university holidays and student recesses. (Student recesses include days between semesters, all of spring break, and reading days; see above for details.) Faculty members at academic institutions are typically appointed on a less than 12-month basis. A faculty member may also be employed for additional months during the summer to teach or do research but is still considered to have a less than 12-month appointment. In future years, summer appointments may be limited to no more than 2.5 months of a full-time appointment.

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Can a faculty member be employed for more than their term of appointment?

Yes, a faculty member can add an additional job to their 9/10/11 month appointment such that the total is 11.5 months or less. The summer appointment, funded by extramural sources, will be entered as an additional job in Workday.

Do faculty members with less than 12-month appointments continue to earn Sick Leave?

Yes, a faculty member who is budgeted by name for 50 percent or more time for at least 4 ½ months is eligible to accrue and use sick leave during the period of appointment. However, they cannot access sick leave during periods of non-appointment, i.e. June – August for 9-month appointments.

Can faculty access the department's facilities during the period of non-appointment?

Yes

Can faculty travel on business during periods of non-appointment?

Yes, as long as there is an expectation that the faculty member will return to the payroll the month following their period of non-appointment. Such travel should be processed in the same manner as travel during months of appointment.

Will faculty be covered by Workers Compensation Insurance during periods of non-appointment?

Faculty members are covered for workers compensation insurance when they are in the course and scope of employment furthering the affairs of their employer. There are times when a 9-month faculty member may have activities to attend to during the 3 months they are not employed. If an injury occurs during that period, the TAMUS workers compensation group will evaluate and make a determination regarding whether the work was in the course and scope of employment and consider that as a factor when determining eligibility for WCI benefits.

How does working less than 12 months affect retirement?

TRS and ORP service credit is calculated using TRS criteria. To earn one year of TRS or ORP service credit, an employee must work at least 50% effort and at least 90 days or a full semester during a fiscal year. A faculty member with a 9, 10 or 11-month appointment will earn a year of service credit when they work a full semester in a fiscal year, just as they did when working 12 months. During periods when an employee is not on the payroll, contributions are not made to TRS or ORP.

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Are faculty eligible for insurance benefits during the summer months?

Typically, benefit eligibility only continues through the last day of the month an employee actively worked. However, System Regulation 31.02.02 does have a provision for employees who are scheduled to work less than 12 months to allow benefit eligibility during the time they don't work (summer period) provided certain conditions are met. These conditions include:

- You are a regular, benefits-eligible employee scheduled to work less than 12 months who satisfied that appointment, AND
- You are expected to continue employment in a benefit-eligible position the following fiscal year (Fall term)

If you meet the above two conditions, then you are eligible to participate in the insurance plans and will maintain the employer contribution towards benefit premiums. Your eligibility would change at the point in which the *expectation* to return in the Fall is no longer applicable.

The annual amount of insurance premiums will be deducted over 9 months (September – May) and faculty will receive the state contribution toward their insurance for all 12 months.

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Can a faculty member spread his/her salary over 12 months?

Employees who are on less than 12-month appointments typically receive paychecks consistent with their appointment (i.e. a 9-month employee receives 9 paychecks). There is a provision for spreading payments for a less than 12-month appointment over 12 months. It is called Save for Summer (<https://agrilifeas.tamu.edu/documents/ag-506.pdf/>) and *requests to participate must be submitted prior to September 1.*

Save for Summer Enrollment Elections:

- Save for Summer 9 - receive a payout on July, August, and September pay dates
- Save for Summer 10 - receive a payout on August and September pay dates
- Save for Summer 11 - receive a payout on September pay date

Net Pay

- You select the amount of net pay to be held in Save for Summer
- No changes are automatically made to net pay held back
- Contact AgriLife Payroll at any time to change the amount held back

Enrollment and Cancellation

You may enroll or cancel participation in the Save for Summer program at any time during the fiscal year by contacting your AgriLife Payroll agpayroll@ag.tamu.edu

It should be noted that electing to receive a 9-month salary over 12 months **would not make faculty eligible for vacation** leave nor change the way insurances and retirement are handled. The annual amount of insurance premiums for less than 12-month appointments will still be deducted over 9 months (September – May). During periods when an employee is not on the payroll, retirement contributions are not made to TRS or ORP.