

SAN DIEGO CITY SCHOOLS

Date: April 18, 2005

To: All Employees

Subject: OPTION FOR 10- AND 11-MONTH EMPLOYEES TO RECEIVE 12 PAY WARRANTS

Department and/or Persons Concerned: Ten-Month Traditional or Eleven-Month Employees.

Due Date: August 31, 2005

Reference: None

Action Requested: Return attached form if interested in this option.

Brief Explanation:

All monthly employees working a traditional 10-month work year or an 11-month work year may choose to have some of their earnings set aside by the district and paid to them in July and August 2006. To accomplish this, interested employees may authorize a deduction from monthly pay warrants received from September 2005 through June 2006. These deductions will be paid back to employees in July and/or August 2006. Employees will receive the same annual pay whether or not they select to be paid over a 12-month period. **Those who select the 12-month option should note that the amount of each of their 12 pay warrants will be significantly lower than the amount they would have received under the 10-month or 11-month option.**

If the 12-month option is selected, that selection is irrevocable during the school year for which it is selected. Changes to and from the 12-month option can only occur at the beginning of each school year. **If you believe you will need access to your money at any time during the year, you should not choose this option.** Instead, you could consider making a regular deduction to a bank or credit union account.

Ten-month employees who select the 12-month option for 2005-06 will receive their first pay warrant in September. During July and August of 2006, they will receive the deferred amount that was put aside September 2005 through June 2006.

Recently, employees in the SDEA bargaining unit were offered an option to spread their contract pay over 12 months (July to June). An SDEA unit member who has already submitted the forms attached to Site Operations Circular 1030 does not need to fill out the attached form.

Eleven-month employees who select the 12-month option for 2005-2006 will have deductions taken from only the pay warrants received in September 2005 through June 2006. The entire deferred amount will be repaid in July 2006.

Please note that the money you have elected to defer for payment earns no interest for you while the district holds it. You should also be aware that you will pay income taxes in 2004 for income that will be unavailable to you until 2006.

Selecting a deduction amount that will result in 12 pay warrants of similar amounts is a complex process. The primary reason for this is that no deductions or taxes will be taken from the July and August 2006 warrants from which you are paying yourself back. All of your taxes and deductions will have been taken from your regular warrants.

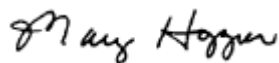
Employees who selected this 12-month option for 2004-2005 must also complete the form attached to this circular to receive 12 pay warrants for the 2005-2006 school year.

Please do not ask the Payroll Unit to assist you in determining the amount you want deducted each month. If you need advice on this matter, contact your tax preparer or accountant.

If you want to select the 12-month option, please complete the attached form and return it to Payroll by August 31, 2005. No action is necessary if you want to receive 10 warrants for a traditional assignment or 11 warrants for an 11-month assignment.

Ruth G. Peshkoff
Chief Human Resources Officer

APPROVED:



Mary Hopper
Chief Administrative Officer

MH:km:raj

Attachment

Distribution: List G

**Human Resource Services Division
Employee Services Department
Payroll Unit**

RETURN THIS FORM TO THE PAYROLL UNIT, EUGENE BRUCKER EDUCATION CENTER,
ROOM 1150, BY **AUGUST 31, 2005**, IF YOU WANT TO SELECT THE 12-MONTH PAY
WARRANT OPTION.

Name _____ Employee ID# _____
(Please Print)

Location Name _____ Location Number _____

Please check one of the following:

Certificated _____ Classified _____ Food Services _____

Please check one of the following:

10-month/12 pay _____ 11-month/12 pay _____

Amount to be deducted from each regular pay warrant during the 2005-2006 school year (*must be expressed in dollars, not as a percentage*):

\$_____ from each regular pay warrant.

I hereby authorize this deduction from my regular 2005-2006 pay warrants. I understand this decision is irrevocable for the 2005-2006 school year. This money will be paid back to me in July and August 2006 for 10-month/12 pay or July 2006 for 11-month/12 pay.

Signature

Date

RETURN BY AUGUST 31, 2005

To: San Diego City Schools
Attn: Payroll Unit, Room 1150
Eugene Brucker Education Center