

SAN DIEGO CITY SCHOOLS

Date: April 25, 2006

To: All Employees

Subject: OPTION FOR 10- AND 11-MONTH EMPLOYEES TO RESERVE NET PAY FOR SUMMER MONTHS

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

Due Date: August 31, 2006

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 net pay set aside by the district and paid to them in July and August 2007. To accomplish this, interested employees may authorize a deduction from monthly pay warrants received from September 2006 through June 2007. These deductions will be paid back to employees in July and/or August 2007. The net pay issued to the employee from September through June will be reduced by the deduction amount requested.

For employees who elected this option in 2005-2006, if the attached form is not submitted to the payroll office by August 31, 2006, the deduction will automatically end and no deduction will be taken in 2006-2007.

After the 12-month option is selected, that selection is irrevocable during the school year for which it is selected. Changes to the monthly deduction amount 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 2006-2007 will receive their first pay warrant in September. During July and August of 2007, they will receive the deferred amount that was put aside September 2006 through June 2007.

Eleven-month employees who select the 12-month option for 2006-2007 will have deductions taken from only the pay warrants received in September 2006 through June 2007. The entire deferred amount will be repaid in July 2007.

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 your pay is taxed at the time that you earn it. The amount withheld from your check is an after tax deduction.

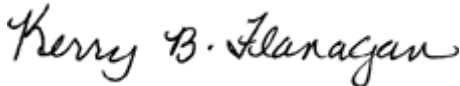
Please do not ask the Payroll Unit to assist you in determining the amount you want deducted each month. If you need advice on this matter, contact your tax preparer or financial advisor.

If you want to select this option to have a portion of your net pay withheld and paid to you in summer 2007, please complete the attached form and return it to Payroll by August 31, 2006. No action is necessary if you do not want a deduction from your net pay withheld for this purpose.

SPECIAL NOTE: Employees in the SDEA bargaining unit have been offered an option to spread their contract salary over 12 months (July to June). An SDEA unit member who has already enrolled in the 12 pay option does not need to fill out the attached form. If you are in the SDEA bargaining unit and are considering enrollment in that plan, information is available on the district web site at www.sandi.net under Employment>District Staff. The deadline for the SDEA program is May 31, 2006.

Ruth G. Peshkoff
Chief Human Resources Officer
Human Resource Services Division

APPROVED:



Kerry Flanagan
Chief of Staff

KF:km

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, 2006**, 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 2006-2007 school year (*must be expressed in dollars, not as a percentage*):

\$_____ from each regular pay warrant.

I hereby authorize this deduction from my regular 2006-2007 pay warrants. I understand this decision is irrevocable for the 2006-2007 school year. This money will be paid back to me in July and August 2007 for 10-month/12 pay or July 2007 for 11-month/12 pay.

Signature

Date

RETURN BY AUGUST 31, 2006

To: San Diego City Schools
Attn: Payroll Unit, Room 1150