Leave Banking
Program Summary/Examples

As outlined in the Faculty Handbook, Leave Banking is an opportunity for a faculty member to teach overload courses and defer, “bank”, their compensation in order to take a future semester off with pay.

Eligibility requirements include, multi year contract status, and “banked” courses equivalent to the faculty member’s regular semester assignment (teaching load) plus three (3) hours. If the additional course taught is greater than 3 hours, the faculty member will “bank” three hours and be paid, at adjunct rate, for the additional hours.

Example:
- History faculty member regular semester teaching assignment is 5 (3 hour) sections
  Banked overload courses must equal 5 sections PLUS additional 3 hours, 1 section.

- Science faculty member regular semester teaching assignment is 4 (4 hour) sections
  Banked overload courses must equal 4 sections PLUS 3 additional hours. If faculty member teaches a 4 hour section, faculty member will be paid adjunct (overload) rate for 1 hour.

Because this is deferred compensation, the faculty member will be required to pay all income taxes at the time the overload courses are taught. This will be calculated through the payroll system and reported on the employee’s W4 at the end of the year.

Example:

History faculty member teaches overload:

<table>
<thead>
<tr>
<th>Semester</th>
<th>Overload section</th>
<th>Deferred compensation $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall</td>
<td>3 hour/48 contact hour section</td>
<td>$1814.40($37.80/hr adjunct rate)</td>
</tr>
<tr>
<td>Spring</td>
<td>3 hour/48 contact hour section</td>
<td>$1814.40($37.80/hr adjunct rate)</td>
</tr>
<tr>
<td>Mini-mester</td>
<td>3 hour/48 contact hour section</td>
<td>$1814.40($37.80/hr adjunct rate)</td>
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<tr>
<td>Fall</td>
<td>Eligible for semester leave</td>
<td>TOTAL deferred $10,886.40*</td>
</tr>
</tbody>
</table>

*taxes have already been deducted from this amount

Once enough sections have been “banked”, the faculty member may request his/her leave using the ePAR. The faculty member will be paid, at his/her current rate for that semester.
Example (continued):
Faculty member’s current salary is $43,000 for 9 months ($21,500 per semester)
Banked leave semester is requested and approved by Dean and VP
Faculty member will receive the full semester, $21,500 salary (even though the “banked” amount was only $10,886.40).

The total semester compensation will be paid in two lump sum payments at the beginning of the semester. One lump sum will come from Accounts Payable for the deferred “banked” amount within 1 week of the first pay period in the leave semester. The second lump sum is the additional salary minus all benefits and retirement contributions for the entire semester. This payment comes from Payroll on the first pay period of the semester the leave is taken. (For Spring Jan. 30, For Fall Sept. 15)

*Note that taxes, retirement contributions and benefits for the semester will be taken from the additional $10,613.60. Taxes have already been paid on the “deferred” $10,886.40

If a faculty member leaves the district or chooses to “cash out” of the leave banking program, only the deferred monies will be paid to that employee.

Further information is available in the Faculty Handbook or through your Dean, Human Resource Manager, or Compensation Office.