

# 14.C Salary Payments

Faculty members typically hold either University-year or twelve-month appointments. University-year appointments consist of any two of the three full terms (bylaw [5.01](#)). See also section [5.B “Criteria for Appointment and Promotion of Instructional Faculty”](#) and section [5.C “Instructional Faculty: Classifications.”](#) Faculty with closed term appointments (appointments for a fixed period of time) are paid in equal installments during the term of the appointment. Faculty members on annual or open-ended twelve-month appointments receive 12 monthly salary payments, payable on the last working day of the month. Faculty members on open-ended University-year appointments also receive 12 equal monthly payments.

Regular instructional faculty members with University-year appointments will receive their salary payments allocated on a fiscal year basis (July 1 – June 30). If a faculty member takes a leave without salary for an academic year, the final payment of the year preceding the leave will be on the last working day in June. In addition, if the faculty member retires or resigns at the end of the academic year, the final paycheck will be on the last working day in June.

The University provides check-depositing services with a number of financial institutions in Michigan and around the country, allowing salary checks to be deposited automatically each payday. A list of participating institutions and the form authorizing direct deposits can be obtained from the Payroll Office or the Hospital Payroll Office.

If a paycheck error occurs, faculty should notify their department administrator. Errors will be corrected as soon as practicable. When necessary, special checks can be issued at the faculty member’s request if the error is for an underpayment. Otherwise, corrections will be included in the individual’s next paycheck.

Income tax withholding, Social Security (FICA), and other mandatory deductions are withheld from each paycheck. In addition, with the faculty member’s written approval, deductions will be made for optional items such as group life insurance, group health programs, retirement plans, parking permits, United States savings bonds, and United Way contributions. Participation in a retirement plan is mandatory for full-time faculty who are age 35 or over and have two years of service. See [Chapter 19 “Retirement, Emeritus/Emerita Status”](#) and [Chapter 15, “Benefits and Services.”](#)

Faculty who are taking unpaid leaves of absence and wish to continue their benefits should contact the appropriate Payroll Deductions Section before going on leave to make arrangements for the payment of retirement contributions and insurance premiums, which must be paid in advance and on a continuing basis.

Contact Payroll Service Center at 734-615-2000, option 2 or [payroll@umich.edu](mailto:payroll@umich.edu) for a list of payroll deduction staff members who are assigned by ranges of Employee ID numbers. In the case of a leave covered by the Family and Medical Leave Act, the University pays the premiums and retirement contributions, subject to certain payback provisions for the faculty member’s share. See section [16.C.4 “Family and Medical Leave Act.”](#)