



East Side Union High School District
Payroll Department
830 North Capitol Avenue
San Jose, CA 95133

DEFERRED NET PAY (DNP) AUTHORIZATION FORM

NAME: _____

Print

SS#/EMPL#: _____

_____ **Certificated**

_____ **Classified**

_____ I have **ELECTED** to be set up for the Deferred Net Pay option.
(Effective at the start of the new contract year only)

A **TEN** month employee will receive an additional 2 checks of DNP payments. 2/12th (16.67%) of their net pay check each month will be deferred and paid out the following summer.

An **ELEVEN** month employee will receive one additional check of their DNP payment. 1/12th (8.33%) of their net pay check each month will be deferred and paid out the following summer.

Tax Sheltered Annuity (TSA), IRC 125 or other tax reducing deductions cannot be taken during the Deferred Net Pay (DNP) pay out months, because this payment is not taxable earnings.

Signature

Date

Rachelle Guillen
Lisa Alarcón
Luz Duroyan

(408) 347-5074
(408) 347-5081
(408) 347-5082

A ~ F & Y ~ Z
G ~ M
N ~ X

East Side Union High School District

Deferred Net Pay (Calculation Formula)

This option deducts an amount on a monthly basis. The withheld amount is set aside and paid to the employee over the summer to provide twelve equal checks.

The calculation is as follows:

- ❖ Monthly Gross Salary – Mandatory Deductions = SUBTOTAL
SUBTOTAL – DNP – Voluntary Deductions = NET MONTHLY PAY
- ❖ The deferred payment amount is a further reduction to the monthly check. This is calculated by multiplying 16.67% (for 10month employee) or 8.33% (for 11month employee) of the SUBTOTAL.