

**TEXAS A&M UNIVERSITY
EXTENDED PAY PLAN (EPP) EXAMPLE @ 25%**

FACTS:

Extended Pay Plan %	25.0%	Monthly Insurance Premium	\$100
Salary / Monthly	\$4,000	(employee out - of - pocket)	
		Employment Period - Months	9

(a) Month	(b) Original Net Earnings	(c) (EPP) Amount (b x 25%)	(d) Out of Pocket Insurance	(e) EPP for Insurance (d x 25%)	(f) Total EPP Withheld (c + e)	(g) EPP Paid	(h) Adj. Total Pay Check (b-c-e+g)	(i) Cumulative EPP Balance
September	\$4,000	\$1,000.00	\$100	\$25	\$1,025.00		\$2,975.00	\$1,025.00
October	\$4,000	\$1,000.00	\$100	\$25	\$1,025.00		\$2,975.00	\$2,050.00
November	\$4,000	\$1,000.00	\$100	\$25	\$1,025.00		\$2,975.00	\$3,075.00
December	\$4,000	\$1,000.00	\$100	\$25	\$1,025.00		\$2,975.00	\$4,100.00
January	\$4,000	\$1,000.00	\$100	\$25	\$1,025.00		\$2,975.00	\$5,125.00
February	\$4,000	\$1,000.00	\$100	\$25	\$1,025.00		\$2,975.00	\$6,150.00
March	\$4,000	\$1,000.00	\$100	\$25	\$1,025.00		\$2,975.00	\$7,175.00
April	\$4,000	\$1,000.00	\$100	\$25	\$1,025.00		\$2,975.00	\$8,200.00
May	* \$3,700	\$925.00	\$400	\$100	\$1,025.00	\$300	\$2,975.00	\$8,925.00
June	\$0	\$0.00	\$0	\$0	\$0.00	\$2,975	\$2,975.00	\$5,950.00
July	\$0	\$0.00	\$0	\$0	\$0.00	\$2,975	\$2,975.00	\$2,975.00
August	\$0	\$0.00	\$0	\$0	\$0.00	\$2,975	\$2,975.00	\$0.00

* May (b)	
Salary	4000
Summer Out of Pocket Insurance Premium	<u>-300</u>
Column (b)	<u><u>3700</u></u>

May (g)
Sum of Column (e) - For providing reimbursement
to individuals for summer insurance premiums

Column (i) is the cumulative total of column (f)
less EPP payments per column (g)

May (d)	
Monthly Insurance Preimum	100
Summer Insurance Premiums Insurance Premium	<u>300</u>
Column (d)	<u><u>400</u></u>

Note:
This example shows net pay only; taxes have
already been deducted. In addition, this example
does not reflect the change in Social Security
payments or any change in salary that might
occur during the year. It does not show any
summer appointment pay that an employee might
receive.