### Hampton City Schools Year-Round Pay Program Frequently Asked Questions

Beginning with the 2022-2023 school year, Hampton City Schools (HCS) launched delayed pay for eligible employees. The program is called the HCS Year-Round Pay program. The information below outlines the specifics of HCS Year-Round Pay. If you have additional questions on the Year-Round Pay program, please email <a href="https://example.com/HCS-payroll@hampton.k12.va.us">HCS-payroll@hampton.k12.va.us</a>.

### Q: What is HCS Year-Round Pay?

A: HCS Year-Round Pay is a new (and optional) program that allows eligible employees to withhold (via a payroll deduction) a percentage of their pay during the school year (September through June) in order to receive pay during the summer months (July and August).

### Q: Who is eligible for Year-Round Pay?

A: All full-time employees who are paid on a 10-month or 11-month pay schedule are eligible to participate in the HCS Year-Round Pay program.

### Q: When does HCS Year-Round Pay deduction start?

A: The table below shows the deduction schedule based on each eligible employee's schedule.

Employee Schedule	Deduction Taken
10-month employee	20 times Sept 15 - June 30
11-month employee	22 times Aug 15 - June 30

#### Q: What percentage will be withheld from each paycheck between September and June?

A: The table below shows the percentage of pay that will be withheld from each paycheck based on each eligible employee's schedule.

Employee Schedule	Percentage Withheld from pre-tax Wages
10-month employee	16.66%
11-month employee	8.33%

Use this <u>link</u> to see examples of the HCS Year-Round Pay deduction

### Q: What if I earn extra pay from a program during the school year; is a percentage of my extra earnings withheld too?

A: No. The HCS Year-Round Pay deduction is not withheld from extra earnings. The deduction is only withheld from your per period pay.

#### Q: Am I required to participate in HCS Year-Round Pay?

A: No. This program is completely voluntary. If you do not enroll, your pay will continue to be processed in 20 or 22 equal portions (depending on the employee's pay schedule), with no funds disbursed during your non-paid summer months.

#### Q: When can I sign up for HCS Year-Round Pay?

A: Eligible employees will receive an HCS Year-Round Pay election form via email. The form can also be found at this <u>link</u>. Those who wish to participate the completed election form must be received by the payroll office no later than August 5 (11-month employees) or September 5 (10-month employees)

### Q: What happens to my current deposit accounts that I have set up with HCS to reserve money for the summer?

A: All current deposit account settings will remain the same unless an updated electronic pay election form is submitted to payroll. Please be sure to review all current deposit accounts on file with the payroll office and make any necessary changes.

# Q: If I decide to sign-up for HCS Year-Round Pay, can I withdraw my money as I need it throughout the school year?

A: No. The money withheld from your pay will be paid during the preselected pay periods in July and/or August. However, if you elect to cancel your enrollment in Year-Round Pay (see next question below), the money that has been withheld to that point in time will only be available to be paid out as one lump sum in the next available semi-monthly pay date once you complete paperwork to cancel enrollment in the HCS Year-Round Pay program.

## Q: If I sign-up for HCS Year-Round Pay and later decide I no longer want to participate, can I sign back up next school year?

A: No. Once you complete paperwork to cancel enrollment in the HCS Year-Round Pay program, there will be a 2 year waiting period before you can elect for HCS Year-Round Pay again. This waiting period does not apply if you leave HCS and are subsequently rehired.

#### Q: Do I have to sign up for HCS Year Round Pay every year, or is it automatic?

A: No. You do not have to sign up each year for HCS Year-Round Pay. Once you complete the election form to participate in HCS Year-Round Pay, the election remains active on your pay record until you cancel enrollment in the HCS Year-Round Pay program.

### Q: When will the pay withheld during the school year be paid in the summer?

A: Pay withheld during the school year will be paid in 4 equal amounts (for 10-month employees) and 2 equal amounts (for 11-month employees) on the following pay dates each year:

Employee Schedule	# of Equal Payments	Summer Pay Dates
10-month employee	4	July 15, July 31, August 15, August 31
11-month employee	2	July 15, July 31

<sup>\*</sup>If the 15th or the 31st falls on a weekend date, the installment will be paid on the business day that precedes the 15th or 31st. Current HCS pay dates can be found at this link.

### Q: Will there be taxes deducted from the money paid in July and/or August?

A: Yes. Year-Round Pay is a pre-tax deduction which causes taxable wages to be reduced during the school year. Therefore, amounts paid during July and/or August are subject to applicable taxes.

### Q: Will my Virginia Retirement System (VRS) contribution change?

A: No. VRS is calculated on your per period salaried wages and will be inclusive of the year-round pay deduction.

### Q: Can I still have multiple deposit accounts?

A: Yes. Everyone's situation is different, and multiple deposit accounts will still be supported regardless of an election for year-round pay.

# Q: What happens if I am on unpaid family medical leave (FMLA) or take a leave of absence (LOA)?

A: If an employee is in an unpaid status (e.g., FMLA, LOA), only funds accumulated as Year-Round Pay will be paid out in July and/or August unless you cancel enrollment in the HCS Year-Round Pay program.

### Q: What happens if I move into a 12-month position during the year?

A: If you move into a 12-month position during the year, the entire balance of your year-round pay will be paid to you in one lump sum in the next semi-monthly pay.

### Q: What happens if I move into a part-time or temporary position during the year?

A: If you move into a part-time or temporary position during the year, the entire balance of your year-round pay will be paid to you in one lump sum in the next semi-monthly pay.

# Q: What happens if I retire or leave HCS for any reason during the year or at the end of the school year?

A: If you retire or leave HCS during the year, the entire balance of your year-round pay will be paid to you in one lump sum in the next semi-monthly pay.