



M-4-25
Originators Serial No.

July 1, 2024 Date

Payroll Services
Originating Office

June 30, 2025 Cancellation Date

TO: All 10-Month and 11-Month Employees

FROM: Chief Financial Officer

SUBJECT: School Year 2024-2025 Extended Pay Option Plan for 10-Month and 11-Month Employees

I. <u>PURPOSE</u>: To provide 10-month (22 pays) and 11-month (24 pays) employees an optional pay method that disburses earnings reserved in an escrow account over 26 pays.

II. RESPONSIBILITY:

The Extended Pay Option Plan is for 10-month and 11-month biweekly employees (excluding substitutes and temporary hourly employees).

10-month and 11-month employees who elect to participate in the Extended Pay Option Plan for the school year 2024-2025 will have funds deducted from their regular biweekly gross pay and accumulated in an escrow account. The accumulated escrow funds will be paid over additional pay dates during the months of July and August, after the end of that current school year. Salary changes during the school year <u>will</u> change the extended pay option deduction amount accordingly.

III. PROCEDURES:

A. Extended Pay Option Plan Process

1. All 10-month and 11-month employees who choose to participate in the 10-Month or 11-Month Extended Pay Option Plans must enroll via Oracle Employee Self-Services or via the enrollment form. The deadline for 11 month employees to enroll or withdrawal is July 26, 2024 and the deadline for 10 month employees to enroll or withdrawal is August 23, 2024 for 10-month employees. Instructions for using Oracle Employee Self-Service are included at the end of this bulletin. Enrollments received after these dates will not be processed. Newly hired emloyees will have 30 days of their hire date to enroll. All newly hired PGCEA employees will be automatically enrolled to the extended option program regardless of hire date. Deductions will begin within two scheduled pay dates following the employee's enrollment. Employees (with except of PGCEA employees) hired after December 31 are not eligible to enroll until the subsequent open enrollment period.

2. Enrollments

- a. If you are hired after the first pay check of the school year, the extended option pay in the summer will be based on the number of pay dates remaining in the fiscal year. Reference the pay schedule to determine the first pay date based on your hire date. The smaller number of extended option deductions taken during the fiscal year will result in a smaller amount to be paid during the summer months (July and/or August).
- b. All 10-month and 11-month employees currently participating in the Extended Pay Option Plan will automatically continue in the plan during the subsequent school year unless the Payroll Office receives a completed withdrawal form by July 26, 2024 for 11-month employees or August 23, 2024 for 10-month employees. Withdrawal forms received after these dates will not be processed with the exception of employees newly hired into a PGCEA position. Newly hired PGCEA employees will be allowed to withdraw within 30 days after their hire date.

c. Enrollment assistance can be provided for employees who have limited access to Oracle Employee Self Service by contacting Payroll Services at 301-952-6200, payroll@pgcps.org, or by visiting Room 132, Sasscer Administration Building, 14201 School Lane in Upper Marlboro.

3. Withdrawals

- a. Negotiated agreement requirements prohibit withdrawals during the plan year. As such employees will not be able to make partial or full withdrawals during the school year.
- b. Employees should utilize the Extended Pay Option Calculator to determine their biweekly deduction. If an employee is not able to sustain the calculated deduction amount for an entire school year, it is the employee responsibility to withdraw during the designated open enrollment period.
- c. During the designated withdrawal period, withdrawal forms will be available on the <u>Payroll Services</u> <u>Web page</u> or at the Payroll Services Office, Room 132, Sasscer Administration Building, 14201 School Lane, Upper Marlboro, 301-952-6200.

B. Extended Pay Option Plan Adjustments

- **1.** A leave without pay or unpaid leave status, resulting in an employee not receiving a scheduled payment **will reduce** the amount of the summer accumulated payments.
- 2. Employees who are placed on an approved leave without pay status through the end of the school year will be removed from the Extended Pay Option Plan for the remainder of the fiscal year. The total of all accumulated Extended Pay Option Plan deductions will be refunded to the employee unless there is an overpayment resulting from one or more of the following: leave of absence, resignation, retirement, termination, promotion, or transfer. Payment of total accumulated contributions (if due) will be paid within 30 days after the employee status is changed in Oracle. Employees must re-enroll via Oracle employee self service or via the enrollment form during the open enrollment period for the new school year if they want to resume participation in the plan.
- 3. The only deductions taken during the summer payments will be mandatory taxes (federal, state, Medicare, and social security), wage collections, child support orders, state and federal tax liens, and court-ordered garnishments on wages. Benefit deductions (health insurance, tax-sheltered annuities, retirement, credit union, etc.) will follow the same schedule announced for all employees and will be deducted from the payments received during the normal 10-month 22 pay cycles or 11-month 24 pay cycles.
- **4.** Each employee will continue to be responsible for monitoring voluntary or involuntary deductions and notifying Payroll Services at payroll@pgcps.org of any discrepancy in the deductions in a timely fashion.

c. Extended Pay Option Plan Disclosure

Prince George's County Public Schools' regular 10-month and 11-month pay period calendar is scheduled so that employees receive a full paycheck on their first payday even though they may not have worked a full pay period. This benefits employees immediately with a full paycheck but results in the receipt of a portion of their salary before it is earned. Therefore, if employeesvacate (voluntary or involuntary) employment anytime during the year, they will have to return any funds paid in advance of the days worked. The amount that must be repaid decreases as the school year progresses, but the breakeven point is only reached with the last regular paycheck of the school year.

Employees enrolled in the Extended Pay Option Plan who subsequently vacate employment or encounter a break in service are subject to have the extended option funds applied against any amount that must be repaid to Prince George's County Public Schools in producing their final paycheck.

All lump sum Extended Option payments are subject to the supplemental rate tax which is approximately 22% for Federal; 6.2% for Social Security; 1.45% for Medicare; and 5.75% plus county for Maryland State, 5.75% for Virginia, or between 4% or 6% for District of Columbia.

D. Processing Errors or Enrollment Corrections

- 1. Prince George's County Public Schools (PGCPS) is committed to honoring employee requests to take advantage of the Extended Pay Option Plan.
- 2. PGCPS will use its best efforts to provide expedited corrections or adjustments of Extended Pay Option Plan deductions associated with its alleged failure to enroll employees in the deduction plan or a processing error of the automated payroll system.
- 3. Automation processing errors If a processing error of the automated payroll system occurs and deductions are not made, PGCPS Payroll Services Office will correct the processing error within 2 pay periods. No catchup deductions will be taken. Employees' summer pay will be based on the total amount actually withdrawn during the school year.
- 4. Enrollment Corrections If an Extended Pay Option Plan is not implemented due to an error on the part of Payroll Services, PGCPS Payroll Services shall make all reasonable efforts to enroll an affected employee within 2 pay periods.
- 5. PGCPS will not be responsible for Employee Extended Pay Option Plan enrollments that are not submitted properly. The Self-Service enrollment procedure will generate an e-mail notification to each employee at their PGCPS e-mail confirming their enrollment. If an employee does not receive this notification within (one) 1 day of enrollment, they should enroll on-line again and ensure all steps are completed properly.

An Extended Pay Option Plan Calculator and additional information about the Extended Pay Option Plan is available on the Payroll Services webpage.

Any questions regarding this Bulletin should be directed to Payroll Services at 301-952-6200, or via email to payroll@pgcps.org.

IV. FILING INSTRUCTIONS: Retain until June 30, 2025.

₋isa Howell

Chief Financial Officer

a Howell

Payroll Services Oracle Employee Self Service and Web Page Services

Employees can now access many payroll services online through <u>Oracle Employee Self Service</u> and the <u>Payroll Services Webpage</u>. These two tools and the services available are listed below.

Oracle Employee Self Service

- Log on to https://staff.pgcps.org/
- Click on Oracle Self-Service
- Log into Oracle using your username and password
- Click on the /Employee Self Service Tab (upper left of the page)
- Log on using your Username and Password assigned to all PGCPS Employees
- Click on PGCPS Employee Self Service listed in the Navigator Menu
- Click on the Employee Self Service you wish to access:
 - <u>Personal Information</u> to change your address or personal data.
 - Annual Salary
 - View ePayslip to view and print the most current and past payslips.
 - Federal Tax Form to submit Federal Withholding changes.
 - State Tax Form to submit Maryland, Virginia, and District of Columbia tax withholding changes.
 - Benefits
 - Payslip Options
 - Manage Payroll Payments by selecting or changing your direct deposit authorization.
 - <u>Leave Balances and Extended Leave Request</u> to check annual, sick, and personal leave balances.
 - My Information
 - Employee W-2 to view and print the most current and past W-2 statements.
 - Employment Verification
 - Extended Pay Option Enrollment to enroll in the Extended Pay Option Plan.

Payroll Services Webpage

- Payroll Services Home Page
- Payroll Services Staff Directory
- Payroll Services Forms
- Payroll Services Calendars
- Associated Offices
- Payroll Services Tax Information
- Extended Pay Option Plan
- Employee Self Service
- Training

Check out the Extended Option Pay Plan Calculator on the Payroll web page!

Payroll Services
Sasscer Administration Building
14201 School Lane, Room 132
Upper Marlboro, MD 20772
PH: 301-952-6200

Website: Payroll Services
Email: Payroll@pgcps.org