10-Month Extended Pay Option Program for Teachers Association of Baltimore County (TABCO) Represented Employees

FAQ

1. Is it possible to elect that less than 19% of my pay be set aside?
   a. **No, employees do not have the option to determine how much will be deducted from each paycheck.** To spread gross pay equally over 12 months, 21 pay periods must each be reduced by approximately 19% (21/26=0.81) to create a reserve needed to pay out over 26 pay periods. This may also vary slightly with each academic year based on the number of weekdays in the school calendar over which pay is allocated.
   
   b. **Net pay will be reduced by between 20–22%, subject to tax and benefit selections.**

2. Is a calculator available where employees can plug in their numbers to see what their check would look like including tax deductions? Is there a reference sheet available that I could refer to, that shows what my pay checks would be if I opted for 12-month pay?
   a. **The most important thing to remember is that net, or take-home pay, will be reduced by moving to 12-month pay.**
   
   b. Employees are encouraged to consult with their tax professional to ensure that participation in the 12-month pay option is manageable and appropriate.
   
   c. **The net pay calculator provided by the Comptroller of Maryland is available,** but the calculator cannot be configured to precisely replicate every employee’s different tax and benefit circumstances.
   
   d. The TABCO salary scales and benefits options, deferred compensation, and flexible spending accounts create too many possible combinations to be accurately illustrated.

3. Will summer checks have taxes taken out?
   a. **Yes, taxes are deducted from every pay, including separate paychecks for stipends, bonuses, etc.** Employees opting for 12-month pay may see smaller bi-weekly withholding amounts for taxes, subject to their W4 elections. However, the total tax liability, the amount owed to the IRS for the tax year, will not change. Smaller bi-weekly withholdings could result in smaller tax refunds for employees that typically receive refunds because of fewer tax withholdings.
   
   b. Employees are encouraged to consult with their tax professionals to ensure that participation in the 12-month pay option is manageable and appropriate.

4. I am currently a 10-month teacher and I am interested in becoming a 12-month employee.
   a. **12-month pay is not the same as 12-month employment.** Ten-month employees who elect the 12-month pay option remain 10-month employees for work schedules, salary scales, and in every other respect.
b. Please review the Baltimore County Public Schools (BCPS) job postings for 12-month employee opportunities for which you qualify, and you may apply.

5. If we already have a summer savings plan set up, do we have to enroll in the 12-month plan?
   a. No, employees who currently have 12-month summer savings plans with First Financial Credit Union or another financial institution may remain in that plan and no further action is necessary.
   b. The benefits of a self-directed plan, such as First Financial Credit Union, are:
      i. Access to your funds in the event of an emergency.
      ii. Savings generate interest earnings.
      iii. Employees who wish to discontinue their participation in a self-directed summer savings plan and enroll in the BCPS program must contact their credit union or financial institution.

6. What are the benefits of the BCPS 12-month pay option?
   a. The benefits of the BCPS 12-month pay option are:
      i. Employees without banking relationships can access the BCPS plan.
      ii. The plan may help employees manage their household budget.
      iii. Employees may feel more secure knowing their funds are kept in reserve to ensure their summer stream of income.

7. Would 403b contributions come out of the summer paychecks as well or just during the 10 months we are in school?
   a. No, 403(b) contributions will not be deducted from summer paychecks. Currently 10-month employees contribute for 20 pay periods and 12-month employees contribute through 24 pay periods.

8. Why would our benefits payments not be divided equally over 26 paychecks?
   a. Benefits are withheld over 10 months for all employees. Present systems limitations prevent benefits from being withheld 12 months for some employees and 10 months for other employees.

9. If we don’t go to 12-month pay, do we pay for our insurance still over the summer or is it just higher payments during the school year since we are 10-month to cover the 12 months?
   a. Benefits are withheld over 10 months for all employees. Ten-month employees are covered by life, health, dental and vision benefits over 12 months each year.

10. Is there information to access about our benefits?
    a. The BCPS Benefits Guide is provided annually to employees as part of open enrollment and is accessible on the BCPS Web site. Ten-month employees are covered by life, health, dental and vision benefits over 12 months each year.

11. Are insurance premium payouts also over 12 months?
    a. Benefit payments for health care will continue to be deducted as they are now, over the 10-month pay cycle.
12. Many employees are members of the credit union and already have a specified amount from each check directed to their credit union account. We just want to make sure we are not deducting double when the time comes.
   a. Credit union deductions would not be doubled unless you elect to opt-in to the 12-month pay option with BCPS and choose to also keep your current deductions with the credit union.
   b. Employees switching from their own plan, or the First Financial Credit Union summer savings plan, can modify their credit union deductions by contacting their financial institution directly. This does not apply to deductions for car loans, home mortgages or other obligations apart from the summer savings plan.

13. If I enroll, do I receive paychecks the summer before or after I work?
   a. Summer payments for the employees that select the 12-month pay program would begin the summer after you work. Funds will be deducted from your pay beginning with the first paycheck of the school year and kept in reserve to provide summer payment the following July and August.

14. Can I change my mind after I enroll in the 12-month pay program?
   a. No. Once enrollment closes for this program, you cannot make a change or un-enroll until the next school year enrollment period.