

**To:** Full-time Faculty, Department Chairs, and Deans

**CC:** Dr. Monica Brown, Senior VP for Student Affairs  
Mr. Sherwin Collette, Senior VP, Administrative and Fiscal Services/COO  
Dr. Deidre Price, Senior VP for Academic Affairs/College Provost  
Krista Leitch Walker, VP and Chief Human Resources Officer

**From:** Sophia Mason, Director, HRSTM Business Services  
Office of Human Resources and Strategic Talent Management

**Subject:** Deferred Pay Program for FY25 (Academic Year 2024-2025)

**Date:** June 4, 2024

This memo serves as notice that the Deferred Pay Program is currently open for FY25 enrollment. Montgomery College offers all full-time faculty the option of having their salary paid over 12-months (26 paychecks) instead of the default 10-month (20 paycheck) pay structure. This option, known as the Deferred Pay Program (DPP), is available through the Workday HR/Payroll system and will again be offered for the FY25 Academic Year.

A faculty member who elects to participate in the DPP will remain in the program until one of four (4) events occurs:

- (1) The employee notifies the Office of Human Resources and Strategic Talent Management (HRSTM) to cease their participation in the program at the end of the academic year for the subsequent academic year with annual salary spread over 26 pay periods;
- (2) The employee moves into a 12-month position, at which time the accumulated deferment will be paid as a lump sum;
- (3) The employee goes out on ANY type of extended leave of absence (e.g., Family Medical Leave (FML), intermittent FML, Sabbatical Leave, etc.), at which time the accumulated deferment will be paid as a lump sum; or
- (4) The employee leaves the College, at which time the accumulated deferment will be paid as a lump sum.

### **For employees on extended leaves of absence**

Pursuant to the configuration of all types of extended leaves of absence in Workday, **faculty who will be on ANY types of extended leave of absence** (e.g., FML, intermittent FML, Sabbatical Leave, etc.), even if they remain in a 100% paid status, **are ineligible to participate in the DPP for Academic Year 2024-2025. If you begin the AY in DPP and go on a leave of absence, your full DPP balance to date will be paid out, less statutory withholdings, and your DPP deductions will end for the remainder for the AY.** Though we are looking into whether there is an alternative way to allow deferred pay for faculty on any type of leave in the future, this option is currently unavailable. Therefore, we must plan accordingly.

We understand that the DPP is often preferred as it is a convenient way to set aside a portion of a 10-month salary to cover the summer pay periods that faculty would otherwise not be paid for, providing consistent deposits without interruption. In order to achieve the same financial goal if you are ineligible to participate in DPP, we recommend using your Payment Elections in Workday to have a portion of your regular pay directly deposited into a secondary account to accumulate for later use. Then, you can schedule an internal transfer to deposit a portion of the deferred pay back into your main account. Please refer to the [Manage Payment Elections job aid](#) for guidance; and please let HRSTM know if we can assist you with making these arrangements on your own.

### **Deferred Pay Acknowledgement Form for FY25**

The online [Deferred Pay Acknowledgement Form](#) must be completed if you wish to participate in the DPP during the FY25 Academic Year. This form is also required if you wish to cancel existing participation. **All acknowledgement forms for the FY25 Academic Year are due to HRSTM for processing by August 29, 2024.** Employees currently enrolled in the Deferred Pay Program that wish to remain enrolled **do not** need to complete this form.

### **Additional DPP details**

Please visit the [Deferred Pay Program page](#) on the HRSTM website for more information and reminders, including eligibility, how DP deductions are calculated, and benefits and limitations of the program.

### **Questions and completed forms**

Please direct your DDP questions to [Rosalee D. Law](#). Thank you for your time and attention.

SLM:rdl