



Springfield Public Schools

Para Deferred Savings Presentation **(Equalized Pay)**

July 12, 2021
2:00-3:00 PM via Zoom

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What is a “deferred savings program?”

This new savings program would put money into a separate bank account that would be accessible at the employee’s discretion and targeted to account for unpaid school days.

This program allows employees to defer pay at a 22 or 26 pay cycle.

If I defer my pay, what will my bi-weekly paychecks be?

Deferring pay means bi-weekly paychecks will be less and is based on an individual employee’s deductions. This program would defer between *approximately 7%-21%* of paycheck into the separate bank account.

The percentage or amount contributed depends on the savings model you choose.



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22 Pay Savings Model Highlights:

- Employees would contribute a consistent dollar amount out of each paycheck to be deposited into a savings account
- On weeks where there are unpaid days, the employee can withdraw an amount equal to a day's pay, so your paycheck isn't short days **(see next slide for example)**
- This tool would allow an employee to enter their current pay and determine a feasible amount that could go to savings each paycheck
 - Bi-weekly take-home pay **will be less**, **HOWEVER**, you will no longer go without a full (10 days) paycheck
- This is a simpler way to SAVE!



Paycheck Simulator Example - 22 PAY SAVINGS

By contributing \$70 per paycheck to savings, on any unpaid days you can withdraw that day's pay

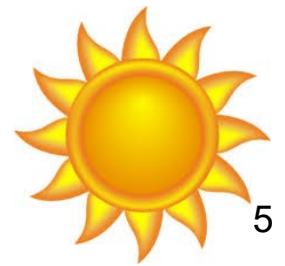
Bi-Weekly Net	\$ 1,000.00					
Daily Net	\$ 100.00					
Deferral %	7%					
Pay Date	Starting Pay	Savings Account Add	Savings Account Withdrawl	Savings Account Balance	Unpaid Days	Net Take-Home Pay
9/3/2021	\$ 500.00	\$ 70.00		\$ 70.00	5	\$ 430.00
9/17/2021	\$ 1,000.00	\$ 70.00		\$ 140.00		\$ 930.00
10/1/2021	\$ 1,000.00	\$ 70.00		\$ 210.00		\$ 930.00
10/15/2021	\$ 1,000.00	\$ 70.00		\$ 280.00		\$ 930.00
10/29/2021	\$ 1,000.00	\$ 70.00		\$ 350.00		\$ 930.00
11/12/2021	\$ 1,000.00	\$ 70.00		\$ 420.00		\$ 930.00
11/26/2021	\$ 1,000.00	\$ 70.00		\$ 490.00		\$ 930.00
12/10/2021	\$ 900.00	\$ 70.00	\$ 100.00	\$ 460.00	1	\$ 930.00
12/24/2021	\$ 1,000.00	\$ 70.00		\$ 530.00		\$ 930.00
1/7/2022	\$ 800.00	\$ 70.00	\$ 200.00	\$ 400.00	2	\$ 930.00
1/21/2022	\$ 1,000.00	\$ 70.00		\$ 470.00		\$ 930.00
2/4/2022	\$ 1,000.00	\$ 70.00		\$ 540.00		\$ 930.00
2/18/2022	\$ 1,000.00	\$ 70.00		\$ 610.00		\$ 930.00
3/4/2022	\$ 600.00	\$ 70.00	\$ 400.00	\$ 280.00	4	\$ 930.00
3/18/2022	\$ 1,000.00	\$ 70.00		\$ 350.00		\$ 930.00
4/1/2022	\$ 1,000.00	\$ 70.00		\$ 420.00		\$ 930.00
4/15/2022	\$ 1,000.00	\$ 70.00		\$ 490.00		\$ 930.00
4/29/2022	\$ 600.00	\$ 70.00	\$ 400.00	\$ 160.00	4	\$ 930.00
5/13/2022	\$ 1,000.00	\$ 70.00		\$ 230.00		\$ 930.00
5/27/2022	\$ 1,000.00	\$ 70.00		\$ 300.00		\$ 930.00
6/10/2022	\$ 1,000.00	\$ 70.00		\$ 370.00		\$ 930.00
6/24/2022	\$ 1,000.00	\$ 70.00	\$ -	\$ 440.00		\$ 930.00
	\$ 20,400.00	\$ 1,540.00	\$ 1,100.00		16	\$ 19,960.00



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26 Pay Savings Model Highlights:

- Employees would contribute a consistent dollar amount out of each paycheck to be deposited into a savings account
 - In this model, the amount contributed is more, **HOWEVER**, you will no longer go without a paycheck for 2 months in the Summer!
- On weeks where there are unpaid days, the employee can withdraw an amount equal to a day's pay, so your paycheck isn't short days
- This tool would allow an employee to enter their current pay and determine a feasible amount that could go to savings each paycheck
 - Bi-weekly take-home pay will be less, **HOWEVER**, you will no longer go without a full (10 days) paycheck **AND YOU WILL GET PAID THROUGHOUT THE SUMMER!**



Paycheck Simulator Example - 26 PAY SAVINGS

Pay Date	Starting Pay	Savings Account Add	Savings Account Withdrawl	Savings Account Balance	Unpaid Days	Net Take-Home Pay
9/3/2021	\$ 500.00	\$ 200.00		\$ 200.00	5	\$ 300.00
9/17/2021	\$ 1,000.00	\$ 200.00		\$ 400.00		\$ 800.00
10/1/2021	\$ 1,000.00	\$ 200.00		\$ 600.00		\$ 800.00
10/15/2021	\$ 1,000.00	\$ 200.00		\$ 800.00		\$ 800.00
10/29/2021	\$ 1,000.00	\$ 200.00		\$ 1,000.00		\$ 800.00
11/12/2021	\$ 1,000.00	\$ 200.00		\$ 1,200.00		\$ 800.00
11/26/2021	\$ 1,000.00	\$ 200.00		\$ 1,400.00		\$ 800.00
12/10/2021	\$ 900.00	\$ 200.00	\$ 100.00	\$ 1,500.00	1	\$ 800.00
12/24/2021	\$ 1,000.00	\$ 200.00		\$ 1,700.00		\$ 800.00
1/7/2022	\$ 800.00	\$ 200.00	\$ 200.00	\$ 1,700.00	2	\$ 800.00
1/21/2022	\$ 1,000.00	\$ 200.00		\$ 1,900.00		\$ 800.00
2/4/2022	\$ 1,000.00	\$ 200.00		\$ 2,100.00		\$ 800.00
2/18/2022	\$ 1,000.00	\$ 200.00		\$ 2,300.00		\$ 800.00
3/4/2022	\$ 600.00	\$ 200.00	\$ 400.00	\$ 2,100.00	4	\$ 800.00
3/18/2022	\$ 1,000.00	\$ 200.00		\$ 2,300.00		\$ 800.00
4/1/2022	\$ 1,000.00	\$ 200.00		\$ 2,500.00		\$ 800.00
4/15/2022	\$ 1,000.00	\$ 200.00		\$ 2,700.00		\$ 800.00
4/29/2022	\$ 600.00	\$ 200.00	\$ 400.00	\$ 2,500.00	4	\$ 800.00
5/13/2022	\$ 1,000.00	\$ 200.00		\$ 2,700.00		\$ 800.00
5/27/2022	\$ 1,000.00	\$ 200.00		\$ 2,900.00		\$ 800.00
6/10/2022	\$ 1,000.00	\$ 200.00		\$ 3,100.00		\$ 800.00
6/24/2022	\$ 1,000.00	\$ 200.00	\$ -	\$ 3,300.00		\$ 800.00
7/8/2022			\$ 800.00	\$ 2,500.00		\$ 800.00
7/22/2022			\$ 800.00	\$ 1,700.00	16	\$ 800.00
8/5/2022			\$ 800.00	\$ 900.00		\$ 800.00
8/19/2022			\$ 800.00	\$ 100.00		\$ 800.00
	\$ 20,400.00	\$ 4,400.00	\$ 4,300.00			\$ 20,300.00

By contributing \$200 per paycheck to savings, on any unpaid days you can withdraw that day's pay

This savings option would equalize your pay so you would have 4 paychecks in the summer!



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Pros & Cons of Deferred Savings Program

Pros	Cons
<ul style="list-style-type: none">• You will have full access to your money	<ul style="list-style-type: none">• Bi-weekly take home pay will be less
<ul style="list-style-type: none">• You can opt out of the program at any time	<ul style="list-style-type: none">• May require re-working of personal finances to account for decrease in paycheck
<ul style="list-style-type: none">• Gives you flexibility in withdrawing funds during pay period with unpaid days (holiday breaks, school vacations)	
<ul style="list-style-type: none">• Savings tool	

STARTING MID-YEAR WILL CHANGE CALCULATIONS



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Next Steps

1. Open a checking/savings account
 - *Banks offering free checking/savings include:*
 - ❖ Peoples' Bank (free checking)
 - ❖ Florence Savings Bank
 - ❖ Freedom Credit Union
2. Complete the tool
3. Fill out a new Direct Deposit form ***including documentation***
 - Completed form can be emailed to Paula Pepin in the Payroll Dept. pepinp@springfieldpublicschools.com
 - **Form needs to be submitted by 8/6/21**
 - 1st paycheck of school year will be a live check for the portion allocated to this new account.

Resources

Employee Self-Service Link - <https://springfield.munisselfservice.com/>

Any questions related to ESS - email: ess@springfieldpublicschools.com

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Q & A