CCPS
Collier County Public Schools

This document is intended to answer any questions you may have regarding your terminal pay.

What is terminal pay?

Terminal pay is money that is paid to an employee upon separation of employment for unused sick and vacation days.

How do I know if I will receive terminal pay?

You will be paid 100% of your hourly rate for vacation days that you have not used. Up to 60 days of vacation is eligible for vacation terminal pay.

Sick leave terminal pay is calculated based on the number of years you have worked with the District in accordance with Administrative Procedure 3415 and/or the applicable collective bargaining agreement.

Will I receive my terminal pay in my last paycheck?

If your terminal pay is less than $1,000, you will receive your terminal pay in your last paycheck. If your terminal pay is more than $1,000, **all** of the terminal pay will be deposited in a deferred compensation Special Pay Plan account with BENCOR.

What is a deferred compensation account?

This is an account that allows you to save up to 7.65% of Social Security/Medicare taxes and to defer income taxes on your money that has been deposited into the account.

Will I know how much has been placed in the BENCOR account?

Yes. A worksheet informing you of the amount that was sent to BENCOR and deposited into the Special Pay Plan account will be sent to you in the U.S. mail on the Thursday, prior to the Friday pay date.

How do I get my money out of the BENCOR account?

Log on to your account at www.BENCORPLANS.com. Click on **Participant Login,** select your State, County and Employer, and then click on **Log In**.

- **First time users:** Select **New User** and follow the prompts to create your personalized security questions, user ID and password.
- **Returning users:** Enter your previously established User ID and Password. Select "Participant" from the drop-down menu and click the **LOGIN** button.

After login, click on **Request a Distribution** in the Transactions menu near the top of the page and follow the prompts to request your distribution.
You may also download a form from the website. Contact BENCOR at (866) 296-9712 for assistance.

Will I have to pay taxes and/or a penalty if I decide to take my money out now?

Income taxes are imposed for the year of withdrawal. Income taxes are deferred in the case of a rollover to an IRA or other eligible retirement plan, although rollovers to a "ROTH" IRA are currently taxable. There also is a 10% IRS penalty on cash withdrawals from the 401(a) or 403(b) part of the Plan unless taken after your retirement and you are at least age 55 in the year that you retire. If you are younger than age 55 in the year that you retire, the 10% penalty applies to any cash withdrawal taken before you reach age 59-1/2. The District School Board of Collier County has chosen to "make whole" those employees who are subject to this penalty if they request all of their funds in cash within 90 days of separation from employment. This normally would require a reimbursement of 2.35% (10% penalty minus 7.65% previous savings on Social Security and Medicare taxes). However, individuals who have met their FICA salary limit before retiring would receive an 8.55% (10% penalty minus 1.45% Medicare savings) reimbursement for amounts over the FICA limit. To apply for this reimbursement, you must submit a written request to the School District no later than 90 days after your date of separation. This request must indicate that you are invoking the "hold harmless" provision of the Special Pay Plan. You must include a copy of the check you received from BENCOR and any backup documentation BENCOR provided to you with this check. You must send this written request Payroll Department, Collier County Public Schools, 5775 Osceola Trail, Naples, FL 34109, payroll@collierschools.com.

Whom do I contact to get information on investing or if I need other financial advice?

Contact Bain Howe, BENCOR, at (239) 689-3554 or email bhowe@bencorrep.com.

What if I have other questions?

Contact BENCOR at (866) 296-9712 to receive information regarding the BENCOR Special Pay Plan.