

COMPENSATION

Payroll Period

Exempt staff are paid on a semi-monthly basis. Paydates will be the 15th of each month and the last day of each month. If a paydate falls on either a Saturday or Sunday, the paydate will be the Friday prior.

Hope College does not provide bonuses, commissions, or other incentive payments to individuals or organizations.

Payroll Information

Automatic Checking and Savings Accounts

Hope College's flexible payroll system allows an employee a variety of automatic checking and savings deposit options. It is possible to have your check split between several kinds of accounts or have it all deposited into one. Contact the Payroll/Human Resources Office for an enrollment blank if you wish to participate.

Each institution has its own rules and regulations regarding this service and it is wise to contact several to find the program that best meets your needs.

Credit Union

Through a payroll deduction plan, it is possible for Hope College employees to become members of the Nu Union Credit Union (formerly OCSECU). The Credit Union is located at 340 120th Avenue and offers many services to its members. Brochures describing these services are available in the Human Resources Office.

FICA/MQFE

Under Federal law, the College deducts Social Security taxes from your paycheck. This deduction is made according to the prevailing percentage rate up to a specified yearly amount as set by the Federal government. The amount is matched by College funds and deposited at regular intervals with the government.

Federal and State Income Taxes

Federal and State taxes are also withheld from your semi-monthly earnings and deposited with Federal and State governments at regular intervals. Deductions for these taxes are based on your gross salary in relationship to your marital status and the number of exemptions you claim.

Unemployment Compensation

The College is also required to participate in the Unemployment Compensation Insurance program. This cost (premiums and benefits) is entirely that of Hope College.

Exempt Status / Overtime

All College employees are covered by the Federal Fair Labor Standards Act. The FLSA categorizes employees into "Exempt" or "Non-Exempt" employees. "Exempt" employees are paid on a salaried basis and must meet certain job duties and minimum salary tests. "Exempt" employees are not subject to overtime regulations of the FLSA and generally have more flexibility in their work schedule. Administrative supervisors may approve discretionary time off for exempt staff that have been required to work an excessive number of hours beyond their normal assignment.

INVEST Retirement Program

All employees who worked at least 1000 hours during the previous benefit year and are expected by the College to do so during the existing benefit year will be eligible to participate in the retirement program. The College contributes 10.5% of salary in a 403(b) defined contribution plan (INVEST plan). The amount received at the time of retirement is based on the amount of money accumulated in the individual's account. Information regarding current investment vehicles are available in Human Resources.

Flexible Benefit Plan

Eligible Hope employees (those who worked at least 1,365 hours during the previous benefit year and are expected by the College to do so during the existing benefit year or have worked or are expected by the College to work at least 1,365 hours during the existing benefit year) may participate in the College sponsored tax savings plan for medical/dental and dependent care expenses. During open enrollment each year, employees are given the option to participate in this plan. New employees may also enroll during the first month of employment. Enrolled employees agree to a fixed payroll deduction each pay period and receive the benefit of lower federal, state and FICA taxes. Employee deductions go into their personal flexible spending account. Each payroll cycle an employee may submit a reimbursement form to receive tax free reimbursement for eligible expenses covered by the terms of the plan. The payroll deduction amount cannot normally be altered during the plan year (except for major changes in family status) and any year-end balance in the account must be forfeited to the College per IRS rules. Medical and dental amounts are limited to a \$10,000 maximum per year. Dependent care amounts are limited to \$5,000 each calendar year (\$2,500 if married and filing a separate return). Careful planning by employees should make the forfeiture risk minimal and the typical employee "saves" about 30-40% of the cost of eligible expenses due to the tax savings. The employee share of College health insurance premiums are paid through Part "A" of the plan on a tax-free basis. Voluntary dental insurance premiums paid through payroll deduction are also eligible for pre-tax payment through the FLEX plan.