# September 1, 2023

# Dear Employee:

Your notice of separation has been received in the Human Resources Department. Please review the following information.

## **Reserve Pay** – 10 Month Employees

- Separations during the school year Your reserve pay will be paid out to you in one lump sum after your last regular pay is processed.
- Separations at the end of the school year Your reserve pay will be paid bi-weekly throughout the summer.

**Unused Annual Leave Payout** – If you have accumulated unused annual leave, it will be paid out to you through payroll after final regular pay (unless you qualify for Special Pay Plan).

**Unused Sick Leave** – If you leave to work for another Maryland Public School System, your unused sick leave may be transferred upon request from your new employer. Otherwise, unused sick leave is not paid out unless you have 15 or more years of service. (See Leave Payout Plan).

#### **Leave Payout**

If you are retiring – Leave payouts of less than \$1,000 will be paid via payroll within 30 – 45 days from your retirement date. If your leave payout is \$1,000 or more, it will be paid as an employer contribution to the 403(b) Special Pay Plan. Federal and State taxes are deferred, and no FICA applies. Funds may remain with the Special Pay Plan, rolled over to another tax-deferred plan or IRA, or taken as a cash distribution (subject to federal and state taxes). IRS limits apply when determining the amount of the leave payout eligible to be submitted to the Special Pay Plan.

If you are resigning with 15 years of AACPS experience – If you have accumulated unused sick leave, it is eligible to be paid out. However, if you intend to work for another Maryland Public School System, your unused sick leave may be transferred upon request from your new employer. To initiate the processing of your leave payout, notify the Payroll department at <a href="mailto:payroll@aacps.org">payroll@aacps.org</a>. Leave payouts of less than \$1,000 will be paid via payroll within 30 – 45 days from request. If your leave payout is \$1,000 or more, it will be paid as an employer contribution to the 403(b) Special Pay Plan. Federal and State taxes are deferred, and no FICA applies. Funds may remain with the Special Pay Plan, rolled over to another tax-deferred plan or IRA, or taken as a cash distribution (subject to federal and state taxes). IRS limits apply when determining the amount of the leave payout eligible to be submitted to the Special Pay Plan.

If you are resigning with less than 15 years of AACPS experience – If you have accumulated unused annual leave, it will be paid out to you through payroll after final regular pay.

### **Extension of Healthcare Benefits**

- 12-month employees' healthcare benefits will terminate at the end of the month when employment ends.
- 10-month employees' healthcare benefits usually terminate at the end of the month in when employment ends. If you provided early notice of your separation (by April 15), you are eligible to have your healthcare benefits continue through August 31.

- Employees paid over 26 pays receiving summer (reserve) pay will have healthcare premiums deducted from any summer pay for the period you are covered.
- Employees paid over 22 pays; have already paid for benefits through August 31 and will receive a refund for any deductions taken.

If you participated in a Flexible Spending Account (FSA), participation ends on the last day of employment, and you have 90 days to submit claims after employment ends.

MetLife will send you an offer to convert or port your AACPS-provided life insurance upon separation. You have 31 days from the date of separation to port or convert. If you are enrolled in Unum Long-Term Care Program and wish to continue coverage, please contact Unum at (800)227-4165 to bill you directly.

Be advised that you will receive information regarding COBRA directly from our COBRA Administrator, VOYA. VOYA will send information to your home address regarding continuing healthcare benefits once your active benefits have ended. You have 60 days to enroll. COBRA rates are listed on the AACPS website at www.aacps.org/staff/benefits/healthcare/cobra.

### **Maryland State Retirement**

- Employees who leave AACPS and are members of the Maryland State Pension System may continue active membership if employed with another Maryland School System or participating member.
- Employees who leave AACPS to work for an employer not participating in the Maryland State Pension System may retain their vested pension benefits and apply for a pension when eligibility requirements have been met. Non-vested employees may request a refund of non-vested monies upon separation. To request a refund/disbursement, please contact Maryland State Retirement at 410-625-5555 or 800-492-5909.

#### Supplemental Retirement Plans 403(b)/457(b)

- Deductions to your Supplemental Retirement Plan cease at your employment termination date, therefore, will not be deducted from any summer pay.
- To initiate a withdrawal, rollover, or take a complete distribution after your termination date, you can initiate a "Severance of Employment Certificate" through the Retirement Manager website at <a href="https://www.myretirementmanager.com">www.myretirementmanager.com</a>.

Unified Talent profiles for those that resign will convert to inactive status after separation. It is important that you print your Unified Talent transcripts for your records.

To encourage openness and candor, AACPS utilizes Human Systems Development's (HSD) ExitRight to provide a consistent and confidential outlet for surfacing turnover causes. HSD is an external company, and the data gathered by ExitRight is combined into periodic reports for AACPS to understand turnover and improve the retention of employees. Specific employee information is not included in the reports.

Thank you for your dedicated service to Anne Arundel County Public Schools.

Sincerely,

Jessica S. Cuches, Esquire

Chief Human Resources Officer

C: Official Personnel File