

## FREQUENTLY ASKED QUESTIONS ABOUT DEFERRED NET PAY

### 1. How is DNP calculated and paid

Below is a chart illustrating a general example of DNP. Please note, DNP payout amounts are subject to change based on changes to wages, taxes, and deductions throughout the year.

	CURRENT AUG-MAY	DNP
GROSS (annual divided by 10)	\$10,000	\$10,000
DEDUCTIONS (retirement, taxes, deductions, health)	(\$5,000)	(\$5,000)
SUMMER PAY (DNP) DEDUCTION-16.67% OF NET PAY	\$0	(\$833.50)
NET RECEIVED	\$5,000	\$4166.50 (Aug-May)
DNP PAYOUT		\$4167.50 (June-July)
<b>Annual Net Pay</b>	<b>\$50,000 (Aug-May)</b>	<b>\$50,000 (Aug-July)</b>

*Employees can log into the Escape Employee Portal and estimate how their paycheck will look if they were to elect DNP by adding a deduction of 16.67% of their current net pay.*

### 2. Is it optional to elect DNP?

Yes-it is based on individual employee election.

### 3. Can I make changes to the DNP election?

Yes-employees can elect out of DNP and revert back to the 10-pay at the beginning of each fiscal year.

### 4. Can a distribution of the DNP be requested at any time during the fiscal year?

NO-DNP payouts can only occur during the months of June and July unless there is a termination or retirement midyear.

### 5. How is it paid out upon termination or retirement midyear?

The amount deferred in the fiscal year will be paid out on the last paycheck.

### 6. Are Faculty on Reduced Workload eligible?

Only Faculty who are working both semesters on reduced workload are eligible. For example if you are a 50% RDWL Faculty working one semester on and one semester off, you would not be eligible.