

**EL MONTE UNION HIGH SCHOOL DISTRICT (EMUHSD)**  
**Payroll Section**

**FAQs: HOW IS PAYROLL FOR A MONTHLY EMPLOYEE PROCESSED?**

The following is a general explanation of how the 25<sup>th</sup> Earned Salary Advance (ESA) and the 10<sup>th</sup> Regular Salary Payroll is processed for an EMUHSD Classified monthly salary employee with a basic payroll status.

**1. When do Monthly Employees get paid for the current “Pay Period” cycle?**

As a monthly employee, your earnings pay period begins on the 1<sup>st</sup> and ends on the last day of the month (i.e. 1/1/20 – 1/31/20).

Your monthly salary for this pay period is paid to you on the 10<sup>th</sup> of the following month (i.e. Pay period of 1/1/20 – 1/31/20 is paid on 2/10/20). Additionally, you have the benefit of receiving a portion of your salary as an Earned Salary Advance (ESA) on the 25<sup>th</sup> of the current pay period,(i.e. 1/25/20), which will be deducted from your pay on the 10<sup>th</sup> (i.e. 2/10/20).

**2. What is an Earned Salary Advance?**

A portion of your monthly salary is advanced to you on the 25<sup>th</sup> of the month as an Earned Salary Advance (ESA). It is only a partial “advance” of your monthly salary. For example, the ESA on 1/25/20 is an advance of your monthly salary which is due to you on 2/10/20 (for the pay period of 1/1/20 – 1/31/20).

**3. Who receives an Earned Salary Advance?**

Regular monthly Classified employees will receive an Earned Salary Advance (ESA). The ESA is intended for employees that are scheduled to work the full month.

Employees out on Industrial Injury and/or receiving Workers’ Compensation may not be eligible for the ESA. Also, some employees may not receive an ESA due to their hire date or separation date.

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**4. How is my 25<sup>th</sup> ESA gross and net pay calculated?**

The payroll system calculates the Earned Salary Advance (ESA) by taking your monthly salary, then subtracts any pre-tax reductions scheduled to be taken from your monthly salary, and it divides the result in half to come up with the ESA amount.

**Sample of Monthly Salary Employee working January 2020, whose gross monthly salary is \$5,000.**

Monthly Salary \$5,000 – \$400 STRS/PERS – \$400 TSA – \$200 Medical Insurance Premium = \$4,000 divided by 2 = \$2,000 ESA gross

The ESA gross amount, less taxes, will equal your net pay issued on the 25<sup>th</sup> of the month. 25<sup>th</sup> ESA gross \$2,000 - \$400 Federal/State Tax – \$153 OASDI/Medicare = \$1,447 net pay

**Calculation Earned Salary Advance (ESA) Pay, January 25, 2020**  
**(Earnings Pay Period 1/1/20-1/31/20):**

<i>Monthly Salary</i>	<i>\$5,000.00</i>
<i>Scheduled Pre-Tax Reductions for February 10, 2020:</i>	
<i>STRS/PERS Retirement</i>	<i>-\$ 400.00</i>
<i>Tax Shelter Annuity</i>	<i>-\$ 400.00</i>
<i>Medical/Dental Insurance Premium</i>	<i>-\$ 200.00</i>
<i>*Projected Gross Salary</i>	<i>\$4,000.00</i>
ESA Gross Pay (*Projected Gross Salary Divided by Two)	\$2,000.00
Less Taxes (Federal, State, Social Security and Medicare)	-\$ 553.00
ESA Net Pay January 25, 2020	\$1,447.00

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**5. How is my monthly salary pay on the 10<sup>th</sup> calculated?**

The payroll system takes your gross monthly salary, less the Earned Salary Advance (ESA, advanced to you on the 25<sup>th</sup> of the previous month), subtracts the actual pre-tax reductions, minus taxes and other voluntary deductions to arrive at your net 10<sup>th</sup> pay.

**Continue sample of Monthly Salary Employee working January 2020, whose gross monthly salary is \$5,000.**

Monthly gross salary \$5,000 – \$2,000 ESA – \$400 STRS/PERS – \$400 TSA – \$200 Medical Insurance Premium – \$250 Federal/State Tax – \$214 OASDI/Medicare – \$86 Union Dues – \$100 Credit Union = \$1,350 net pay

**Calculation Monthly Salary Pay, February 10, 2020**  
**(Earnings Pay Period 1/1/20-1/31/20):**

Gross Monthly Salary for January 2020 Earnings Pay Period	\$5,000.00
Less ESA Gross (January 25, 2020)	-\$2,000.00
Less <u>Actual</u> Pre-Tax Reductions for February 10, 2020:	
STRS/PERS Retirement	-\$ 400.00
Tax Shelter Annuity	-\$ 400.00
Medical/Dental Insurance Premium	-\$ 200.00
Less Taxes (Federal, State, Social Security and Medicare)	-\$ 464.00
Less Voluntary Deductions (After Taxes):	
Union Dues	-\$ 86.00
Credit Union	-\$ 100.00
Net Pay February 10, 2020	\$1,350.00

In this example the employee’s monthly salary for the January 2020 earnings period is \$5,000. Employee will receive an advance on January 25, 2020 in form of a \$2,000 Earned Salary Advance (ESA) payment. On February 10, 2020 the employee’s salary of \$5,000 is paid, less the \$2,000 advance received on January 20, 2020.

The employee’s aggregate gross salary earnings for January 2020 is \$5,000 (\$2,000 from January 25, 2020 and \$3,000 from February 10, 2020). The employee’s aggregate net pay for the January 2020 earnings period is \$2,797 (\$1,447 from January 25, 2020 and \$1,350 from February 10, 2020).