

INTERPRETING THE PARTS OF A SAMPLE TEACHER PAY STUB

see reverse for how to match a pay stub with the Negotiated Agreement's salary schedule

Below is a sample pay stub for a teacher who:

- o taught full-time and was in the MS lane at step 2 under the 2017-2018 salary schedule
- o received an extra-duty increment of \$2,250
- o participated in the district insurance, with a single HealthChoice High option, HealthChoice dental option, and VSP vision option
- o NOTE: a teacher who belongs to the BEA/OEA/NEA will have BEA dues come out of the October check and OEA/NEA deductions begin with the November check

	Gross	FWH	SWH	FICA	Vol Ded	Net	Fringe	Taxable Wages
Current:	3,044.15	213.37	63.00	229.54	45.30	2,492.94	223.38	2,998.85
Contract YTD:	3,044.15	213.37	63.00	229.54			223.38	2,998.85
Calendar YTD:	3,044.15	213.37	63.00	229.54				2,998.85
Gross Salary Calculation for Pay Period: 17091								
Salary:\$34,279.80 / 12 + \$0.00 / 12 + \$2,250.00 / 12								
Flex Benefit:	571.04	Flex Benefit was used to offset (reduce) deductions						
TR Deduction:	1.60	(TR Deduction Total: \$13.71 - TR Credit: \$12.11)			TR Fringe:	215.02	(TR Fringe Total: \$215.02 - TR Credit: \$0.00)	
Other Voluntary Deductions:			Other District Paid Fringes:					
CHE	INS-C-HC-HIGH EMP ONLY	571.04	267	UNUM - LONG TERM DISABILI		4.83		
DEO	DENTAL-HC EMP ONLY	34.30	353	METROPOLITAN LIFE		3.53		
VVE	VISION-VSP EMP ONLY	9.40						

HOW TO ARRIVE AT THE "Net" AMOUNT

The amount of the check or direct deposit is the first entry under "Net", which is arrived at by taking Gross (gross salary), subtracting FWH and SWH (federal and state income tax withholding), subtracting FICA (Social Security and Medicare payroll taxes), and subtracting Vol Ded (voluntary deductions shown on the stub).

For the sample pay stub:

3,044.15	Gross
- 213.37	FWH
- 63.00	SWH
- 229.54	FICA
- 45.30	Vol Ded
= 2,492.94	Net

FLEX BENEFIT

Teachers who participate in the district insurance will receive 571.04 in the Flex Benefit section during the 2017 calendar year, and 594.90 during the 2018 calendar year.

A teacher who does NOT participate in the district insurance will instead receive a "in lieu of insurance" payment of \$69.71 per month of additional taxable salary added into the Gross figure.

Voluntary Deductions:

For the sample teacher, a \$571.04 deduction for an employee-only HealthChoice High option health premium offset by \$571.04 for the state flexible benefit allowance, a \$34.30 HealthChoice dental premium, and a \$9.40 VPS vision premium. Deductions that may show up here include annuity deductions, American Fidelity deductions, increased UNUM disability coverage deductions, increased MetLife life insurance deductions, payments to credit unions, and garnishments.

Taxable Wages

Wages for income tax purposes are the gross salary minus non-taxable items such as retirement and annuity contributions and Section 125 deductions, with taxable amounts not in gross salary added back in, such as the state flexible benefit.

For the sample pay stub:

3,044.15	Gross
-571.04	Health Premium
-34.30	Dental Premium
-9.40	Vision Premium
-1.60	TR Deduction
+571.04	Flexible Benefit*
= 2,998.85	Tax-Wages

Gross Salary

The Gross is calculated by taking the usual amount for a certain step and lane in the salary schedule and dividing that by 12. Then any extra duty increments or stipends are added. Other adjustments to Gross that may not appear in the stub calculation summary are that teachers not taking district insurance will have their state flexible benefit taken as salary and thus added to Gross. Also, if the HB1873 offset exceeds the TRS contribution, "TR Credit Sal" will be added into Gross.

The sample teacher received \$34,279.80 in salary spread out over 12 months plus a \$2,250.00 increment spread out over 12 months.

District Paid Fringes:

The sample teacher's fringes are a \$215.02 employee retirement contribution paid for by the district, \$4.83 for the basic long-term disability coverage, and \$3.53 for life insurance (that amount changes to \$2.60 for those without spousal/dependent coverage).

MATCHING THE NEGOTIATED SALARY SCHEDULE TO A SAMPLE TEACHER PAY STUB

see reverse for how to interpret the parts of a sample teacher pay stub

Below is a sample pay stub for a teacher who:

- o taught full-time and was in the MS lane at step 2 under the 2017-2018 salary schedule
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THE RELEVANT LINES FROM THE NEGOTIATED SALARY SCHEDULE (the current year's schedule is on the Employment page of the district website)

Year	Salary	District Paid Retirement	TOTAL SALARY	District Paid Long Term Disability	District Paid Group Life Ins.*	Total District Compensation
2	\$34,279.80	\$2,580.20	\$36,860.00	\$57.96	\$42.36	\$36,960.32

FINDING THE SALARY SCHEDULE AMOUNTS IN THE PAY STUB

- The salary of \$34,279.80 shows up in the Gross, divided by 12 to get a monthly rate. (The added terms in the sample pay stub's gross are extra duty increments.)
- The \$2,580.20 District Paid Retirement is divided by 12 to show up as the "TR Fringe Total" amount of \$215.02.
- The \$56.97 for long-term disability is divided by 12 to show up as a \$4.83 fringe.
- The \$42.36 life insurance would be divided by 12 to show up as a \$3.53 fringe.

TR Deduction & TR Credit Sal

State statute §70-17-108.2 provides a ["TRS offset" reduction in a teacher's normal 7% retirement contribution that varies with experience](#). The district pays for a teacher's retirement on their base salary, but the teacher pays the 7% contribution on extra duty increments and fringe benefits. The TR Deduction is what is left over, if any, when the monthly amount of the offset is subtracted from the teacher-paid contribution. If the teacher-paid contribution is less than the offset, then the overage will show up as a "TR Credit Sal" item in the Gross Salary which increases the teacher's take-home pay.

SHOW ME THE MONEY – WHERE IS MY STATE FLEXIBLE BENEFIT?

Teachers NOT participating in the state health insurance plan will receive the state flexible benefit as \$69.71 per month of additional taxable salary throughout the school year, and that amount will be added into the Gross.

Teachers who participate in the plan will receive a set amount per month during each calendar year, which typically changes each calendar year. As the sample stub says, "Flex Benefit was used to offset (reduce) deductions." This means that the Vol Ded amount, which affects the Net, has been adjusted. Adding up the TR deduction and other voluntary deductions listed in the lower lines of the stub and then subtracting the state flexible benefit yields the Vol Ded amount. For the sample pay stub, non-retirement deductions add up as follows: $571.04 + 34.30 + 9.40 + 1.60 = 616.34$; then one increases the take-home pay by subtracting the state flexible benefit (\$571.04 for the sample stub) to obtain $616.34 - 571.04 = 45.30$.