

# 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 teaches full-time and is in the BS lane at step 10 under the 2013-2014 salary schedule
- o receives extra-duty increments of \$3,050 and \$500
- o participates in the district insurance, with a single Health Choice High option; a Delta Dental option; and Vision United option
- o elected to have an American Fidelity disability policy deducted on an after-tax basis

## Gross Salary Calculation for Pay Period: 12091

(35297.22 / 12) + (3050 / 12) + (500 / 12)

Sts/Exem T-0	Gross	Fwh	Swh	Fica/Med	RetDed	VolDed	Net	RetFringe	Tax-Wages
Current:	3,259.48	307.02	103.00	246.15	0.00	100.50	2,502.81	199.20	3,217.66
Contract YTD:	3,259.48	307.02	103.00	246.15					
Calendar YTD:	27,986.94	2,574.69	855.00	2,112.22					25,579.87
<b>Voluntary Deductions:</b> ***Note: Your Flex Benefit was used to offset (reduce) Deductions*** <b>Flex Benefit Amt: 463.99</b>									
T01 TEACHER RETIREMENT CONT				21.29	CHE	INS-C-HIGH EMP ONLY C			463.99
YRS EXP 10 HB 1873 STATE CO				-21.29	DDE	DENTAL-DELTA EMPLOYEE ONLY C			33.64
AF2 AF DISABILITY				58.68	VUE	VISION-UNITED EMP ONLY C			8.18
<b>District Paid Fringes:</b>									
T01 FRINGE RETIREMENT				221.40	267	UNUM - LONG TERM DISABILI			4.83
353 METROPOLITAN LIFE				3.53	sof	SALARY REIMBURSEMENT			-22.20

## HOW TO ARRIVE AT THE "Net" AMOUNT

The amount of the 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/Med (Social Security and Medicare payroll taxes), subtracting RetDed (which appears if the State Retirement Offset shown in the online salary schedule is less than the TRS contribution shown as "TEACHER RETIREMENT CONT"), and subtracting VolDed (voluntary deductions shown on the stub).

For the sample pay stub:

3,259.48 Gross  
 - 307.02 Fwh  
 - 103.00 Swh  
 - 246.15 Fica/Med  
 - 0.00 RetDed  
 - 100.50 VolDed\*  
 = 2,502.81 Net

### \* HOW PLAN PARTICIPANTS CAN FIND THEIR STATE FLEXIBLE BENEFIT:

For teachers taking district insurance, the state flex benefit adjusts the VolDed amount. Adding up all of the non-retirement deductions listed in the lower lines of the stub and then subtracting the flex benefit yields VolDed. For the sample pay stub, non-retirement deductions add up to: 58.68+463.99+33.64+8.18 = 564.49 Subtracting the state flexible benefit (463.99 for the sample stub) yields 564.49 - 463.99 = 100.50 and thus boosts the teacher's take-home pay.

## HOW TO GET Tax-Wages

Tax-Wages for income tax purposes is 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 retirement offset and state flexible benefit.

For the sample pay stub:

3259.48 Gross  
 -21.29 TRS Contribution  
 -463.99 Health Premium  
 -33.64 Dental Premium  
 - 8.18 Vision Premium  
 +21.29 Retirement Offset  
 +463.99 Flexible Benefit\*  
 = 3217.66 Tax-Wages

## HOW TO GET Gross Salary

The Gross item 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 (as shown in the online salary schedule) exceeds the TRS contribution, "sof SALARY REIMBURSEMENT" will appear as a fringe and be added into Gross.

The sample teacher received \$35,297.22 in salary spread out over 12 months plus a \$3,050 increment spread out over 12 months and a \$500 increment spread out over 12 months. Additionally, the 22.20 for "sof SALARY REIMBURSEMENT" was added to arrive at the gross salary.

## Voluntary Deductions:

For the sample teacher, deductions are a \$463.99 deduction for an employee-only Health Choice HI option health premium offset by \$463.99 for the state flexible benefit allowance, a \$21.29 teacher retirement contribution which is then offset by a \$21.29 credit due to House Bill 1873, a \$33.64 deduction for dental coverage, a \$8.18 deduction for vision coverage, and then a \$58.68 deduction for a disability policy.

## District Paid Fringes:

The sample teacher's fringes are a \$221.40 employee retirement contribution paid for by the district, -\$22.20 for salary reimbursement since the state retirement offset exceeds the TRS contribution, \$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 teaches full-time and is in the BS lane at step 10 under the 2013-2014 salary schedule
- o receives extra-duty increments of \$3,050 and \$500
- o participates in the district insurance, with a single Health Choice High option; a Delta Dental option; and Vision United option
- o elected to have an American Fidelity disability policy deducted on an after-tax basis

## Gross Salary Calculation for Pay Period: 12091

(35297.22 / 12) + (3050 / 12) + (500 / 12)

Sts/Exem T-0	Gross	Fwh	SwH	Fica/Med	RetDed	VolDed	Net	RetFringe	Tax-Wages
Current:	3,259.48	307.02	103.00	246.15	0.00	100.50	2,502.81	199.20	3,217.66
Contract YTD:	3,259.48	307.02	103.00	246.15					
Calendar YTD:	27,986.94	2,574.69	855.00	2,112.22					25,579.87
Voluntary Deductions: ***Note: Your Flex Benefit was used to offset (reduce) Deductions***Flex Benefit Amt: 463.99									
T01 TEACHER RETIREMENT CONT				21.29	CHE	INS-C-HIGH EMP ONLY C			463.99
YRS EXP 10 HB 1873 STATE CO				-21.29	DDE	DENTAL-DELTA EMPLOYEE ONLY C			33.64
AF2 AF DISABILITY				58.68	VUE	VISION-UNITED EMP ONLY C			8.18
District Paid Fringes:									
T01 FRINGE RETIREMENT				221.40	267	UNUM - LONG TERM DISABILI			4.83
353 METROPOLITAN LIFE				3.53	sof	SALARY REIMBURSEMENT			-22.20

## THE RELEVANT LINES FROM THE NEGOTIATED SALARY SCHEDULE (an updated 2013-2014 schedule is online at <http://www.bps-ok.org/bea>)

Year	Salary	District Paid Retirement	TOTAL SALARY	District Paid Long Term Disability	District Paid Group Life Ins.*	Total District Compensation
10	\$35,297.22	\$2,656.78	\$37,954.00	\$57.96	\$31.20	\$38,043.16

## FINDING THE SALARY SCHEDULE AMOUNTS IN THE PAY STUB

How do we match this up to the pay stub? The salary of \$35,297.22 shows up in the Gross Salary Calculation, divided by 12 to get a monthly rate. (The added term in the sample pay stub's gross salary calculation is an extra duty increment) The \$2,656.78 District Paid Retirement is divided by 12 to show up as the \$221.40 FRINGE RETIREMENT item in the sample pay stub, while "RetFringe" is calculated by taking that \$221.40 and subtracting the \$22.20 SALARY REIMBURSEMENT. The \$57.96 for long-term disability is divided by 12 to show up as a \$4.83 fringe. The \$31.20 life insurance is divided by 12 to show up as a \$2.60 fringe (\*NOTE that the life insurance fringe changes to \$3.53 per month for those with spouse/dependent coverage).

## 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 2013-14 school year, and that amount will be added into the Gross figure.

Teachers who participate in the plan will receive \$463.99 per month during Fall 2013-2014. But where is that money in the pay stub? As the sample stub says, "Your Flex Benefit was used to offset (reduce) Deductions." This means that the VolDed amount, which affects the Net pay, has been adjusted. Adding up all of the non-retirement deductions listed in the lower lines of the stub and then subtracting the state flexible benefit yields the VolDed amount. For the sample pay stub, non-retirement deductions add up as follows: 463.99+33.64+8.18+58.68 = 564.49; then one increases the take-home pay by subtracting the state flexible benefit (\$463.99 for the sample stub) to obtain 564.49 – 463.99 = 100.50