**PAYROLL PRIMER**

***An HKEA guide on payroll procedures from Jim Daniels – Part Un***

August 31, 2017

The 2017 editions of the Payroll Primer are provided by the HKEA and me to help our members understand and authenticate their payroll statements. This first installment of the primer on payroll procedures will coordinate with today’s wonderful “third” check. The first payday is guaranteed by contract to be the first Thursday we work. That’s a big help since we are coming off a summer of no pay. What makes a “third” paycheck so wonderful is its minimal deductions. Only those deductions will be featured in today’s Primer. This school year there is a unique pay date schedule that is detailed in the next paragraph. Members who have moved off the Bachelors column to a higher degree status on the salary schedule in the last thirteen years should pay particular attention to another section about step placement on the bottom of the second page. Financial benefits are but the start of the benefits enabled by your full contract which can be found at

<http://www.rsd17.org/district/documents/2014/Region%2017%202015-18%20Final%20w%20correction%20on%20A-3%204.7.15.pdf>

Use today’s Primer to verify the accuracy of today’s payroll statement as we start a new school year. You can expect Part Deux of the Primer on the next payday, Thursday September 7th. That edition will review the different payroll math of that “regular” check. When questions arise about any of these paychecks you should contact the district’s payroll specialist, Amber White, [Awhite@rsd17.org](mailto:Awhite@rsd17.org) or 860-345-4534, and/or me at [jfdaniels@comcast.net](mailto:jfdaniels@comcast.net) or 860-345-4912. The next pay date being next week on Thursday September 7th is not a typo. For various reasons this stutter step in our pay date schedule was again enacted for this school year. After September 7th paychecks will occur every two weeks. It is important to note that consistent with negotiations for the current contract there will no longer be an advancement of pay dates that occur during school holidays or vacations. Back in the day of physical paychecks such advancement was necessary but universal electronic deposit has made that a relic of the past. You will receive a biweekly statement of your pay and deductions at an e-mail address you have specified. In the absence of an e-mail address you will be given a hard copy. November will be a three paycheck month with a wonderful “third check” on November 30th. There will be three pay dates in May but only one check in June on June 14th. So in total there will be the usual 22 pay dates. This causes a twist at the end of the school year. The 22 paydates have to be 20 “regular” checks and two “third checks” to correctly deduct such things as health insurance or retirement . Again, there are wonderful “third” checks on August 31st and November 30th, so the check on May 31, 2018 will be treated as a “regular” check. That check will be functioning as the second “regular” check for June in addition to the one on June 14, 2018. Clear? It’s a bit convoluted, but entirely proper and the money is flowing in a way consistent with past years and the contract. During *calendar* year 2017 there will be 22 pay dates just like *calendar* year 2016. See the pay date schedule at <http://www.rsd17.org/staff/documents/Payroll%20Schedules%202017-2018%20FY18%20Teachers.pdf>

Understand that each new year prompts the need for a new complete review of this statement. Few numbers will be the same as last school year – there can be new salaries, new deductions, etc. Furthermore, some of the sections of this primer have new, more extensive information. What follows are the names and descriptions of check line items. Each is headlined in the same manner with a box showing the abbreviation used on the statement and a description of the teachers who should expect to see this listed on their individual check. The text that follows each box gives the details of that item’s implementation.

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| **Abbreviation** | **teachers for whom that item is relevant** |

Individual teachers can verify the accuracy of today’s check on a line by line basis with this document. Any issues that are spotted can be dealt with early in the school year. All entries have a dollar value for this check and a year to date column. The year to date is on a calendar year basis and covers from January 1, 2017 through today’s check. Federal tax, state tax, and Medicare (if applicable) are deductions that by law are made from every check. They will be the only deductions from today’s check.

Legally, you should consider the content of this primer as general background information and not as endorsements by me or the HKEA of any mentioned institutions or financial procedures. You should consult your private financial advisor for information customized to your circumstances in all financial matters before you make decisions.

**In the Earnings section of the paycheck…**

|  |  |
| --- | --- |
| **Specific Teaching area (like Art Teacher Salaries)** | **All teachers** |

This is your regular salary for being a teacher. It should be your 2017/2018 salary divided by 22 or 26 depending on which payment plan you selected. Selecting 26 payments for the year results in a balloon check on the last pay date of the school year that has a gross salary amount that is exactly five times the gross salary of the earlier checks of that school year. The following table is the 2017/2018 salary schedule. As specified by the membership approved contract there will be step advancement this year. However, the cost of that increment was so large that the contract settlement did not have any increased money for teachers “on max” for this school year. Those “max” teachers will be receiving the same *gross* salary as they did last year. This balances the earlier years of the contract when teachers “on max” received the largest absolute salary increases when there was a “freeze on step”. The economics of late 2014 when the contract was negotiated created a low total number of dollars to spend on teacher salary increases. Therefore, different years treated different groups of teachers more generously. However, the total change over the entire contract evens out those individual year’s differences to create a balanced, even, fair three year change that was judged as appropriate by the vote of HKEA members at the ratification meeting.

A consequence of the step advancement combined with no increase for those “on max” is that the *salary* *numbers* on the 2017/2018 salary schedule are the same as the *salary* *numbers* on the 2016/2017 salary schedule. This is not a typo. Teachers not on max get a bigger gross salary when the move up, but the *salary* *numbers* on the salary schedule don’t have to change to make that happen. Instead the *years of experience numbers* change from last school year to this school year. This fair, balanced, and teacher endorsed approach is correctly displayed through salary schedules with salary values and years of experience in the contract and in this Primer.

Be sure to look up your salary based on completed years of experience at the start of this school year. That step should be the next alphabet letter compared to last school year for teachers not on “max” last school year and the same alphabet letter (K) for those who were on “max” last school year.. An exception would be if your recognized years of experience are between 13 and 20 inclusive and you are advancing off the BA column for this school year. Here a twist in the salary schedule that has been in existence for 13 years enhances your salary. Note that the BA column and the advanced degree columns have different number of years of experience for these years of experience and newly achieved greater degree status. The salary figure from the grid should agree with your individual contract you signed for this school year.

Once you get the salary figure for the year you merely divide it by 22 or 26 and you should have the number that appears under “Amount” for this pay period. This should be accurate to within a penny (due to rounding).

Any teacher who has advanced from the BA column while at HK for school years 2006-07 to the present should triple check that their placement is consistent with the years of completed service to the right on the chart – those being the years of completed experience for all advanced degree statuses. Any questions or concerns about such placements should be directed to me at [jfdaniels@comcast.net](mailto:jfdaniels@comcast.net) or 860-345-4912.

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| --- | --- | --- | --- | --- | --- | --- | --- |
| ***2017/2018 SALARY SCHEDULE*** | | | | | | | |
| ***Bachelor Degree*** | | |  | ***BA + 30, MA, MA + 30 Degree*** | | | |
| **Step** | **Completed Years of Experience as of 9/1/16** | **Bachelor** |  | **Completed Years of Experience as of 9/1/16** | **Bachelor**  **+ 30** | **Master’s** | **Master’s**  **+ 30** |
| A | 0-2 | $48,079 |  | 0-2 | $49,004 | $49,477 | $52,110 |
| B | 3-6 | $50,132 |  | 3-6 | $51,847 | $52,012 | $54,790 |
| C | 7-8 | $52,425 |  | 7-8 | $54,260 | $54,844 | $57,790 |
| D | 9 | $55,469 |  | 9 | $57,472 | $58,121 | $61,244 |
| E | 10-12 | $57,845 |  | 10-11 | $60,782 | $61,498 | $64,811 |
| F | 13-14 | $60,632 |  | 12 | $64,195 | $64,986 | $68,498 |
| G | 15 | $63,713 |  | 13-14 | $67,963 | $68,834 | $72,606 |
| H | 16-17 | $66,520 |  | 15 | $71,663 | $72,547 | $76,783 |
| I | 18 | $69,853 |  | 16-17 | $75,839 | $76,854 | $81,372 |
| J | 19-20 | $73,498 |  | 18 | $80,305 | $81,400 | $86,055 |
| K | 21+ | $76,240 |  | 19+ | $85,234 | $86,330 | $91,252 |

**LEVEL SEQUENCE**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **BA Step Movement** | |  | **Advanced Degree Step Movement** | |
| **2016-2017** | **2017-2018** |  | **2016-2017** | **2017-2018** |
| A | B |  | A | B |
| B | C |  | B | C |
| C | D |  | C | D |
| D | E |  | D | E |
| E | F |  | E | F |
| F | G |  | F | G |
| G | H |  | G | H |
| H | I |  | H | I |
| I | J |  | I | J |
| J | K |  | J | K |
| K | K |  | K | K |

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| **Lead Teacher ,Dept Chair HKHS, etc.** | **Teachers in leadership positions** |

As long as administrators have filed the necessary paperwork, additional pay for additional leadership work should be in today’s paycheck. You can verify your pay for leadership by dividing the various contractual amounts for your position by the proper 22 or 26 payments. Refer to Article XXVIII of the contract.

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| **Longevity Pay** | **Veteran teachers in this district** |

Region 17, like the majority of districts, recognizes the dedication of teachers to their district. This happens in the form of longevity payments that will be made on all pay days. The total annual payments will be as follows:

$700 for teachers on the maximum step (K) who also have 10-14 completed years of experience in Region 17 as of September 1, 2017. These years need not be consecutive – you could teach 8 years in Region 17, leave to raise a family, and teach 2 more years in Region 17 for a total of 10 years and thus qualify.

$875 for teachers on the maximum step (K) who also have 15-19 completed years of experience in Region 17 as of September 1, 2017. These years need not be consecutive – you could teach 8 years in Region 17, leave to raise a family, and teach 7 more years in Region 17 for a total of 15 years and thus qualify.

$1000 for teachers on the maximum step (K) who also have 20 or more completed years of experience in Region 17 as of September 1, 2017. These years need not be consecutive – you could teach 8 years in Region 17, leave to raise a family, and teach 12 more years in Region 17 for a total of 20 years and thus qualify.

The longevity stipends listed should be divided by 22 or 26 according to the payment option you have selected.

**In the Taxes section of the paycheck…**

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| **Connecticut State Withholding** | **All teachers** |

This is the deduction for Connecticut income tax withholding. It will be higher today than on future “regular” checks since there are no tax deferred or tax free deductions made from today’s check. Today’s deduction is based on your gross salary and the number of declared dependents. This deduction (though not in the same dollar value) will appear on every check. No overall statement can be made about the size of this deduction since those gross salaries and dependent counts vary so much from teacher to teacher.

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| **Medicare** | **Only those teachers who are liable for Medicare – those who permanently started employment with this district after March 31, 1986 – our veteran teachers!** |

Due to the interaction of state and federal law Connecticut teachers hired after March 31, 1986 are liable for Medicare taxation and thus can possibly earn eventual personal Medicare coverage. Note: more veteran teachers can become separately eligible for Medicare coverage through non-district employment or through ten years of marriage to a spouse or ex-spouse if that spouse or ex-spouse is Medicare eligible. The individual deduction should be 1.45%. Today’s deduction may be higher than future “regular” check deductions since there are no tax deferred or tax free deductions on today’s check. To calculate your Medicare tax on today’s “third” check take 1.45% of the total earnings for the pay period listed at the top of the statement - multiply by its decimal equivalent .0145. That should be the listed Medicare deduction on today’s check. This should be accurate to within a penny due to rounding.

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| **Federal Withholding Tax** | **All teachers** |

This is the deduction for federal income tax withholding. Beyond that see the comments for state income tax withholding. This deduction will appear on every check.

**In the Deductions section of the paycheck…**

There should be no deductions on today’s “third” check.

**In the Direct Deposits section of the paystub …**

All teachers now are contractually required to have direct deposit of the net pay of their check. Various financial institutions will be listed depending upon your own selection.

**In the Check Summary section of the paystub…**

This will summarize the check’s ebb and flow of money. Each of the sections (Earnings, Taxes, and Deductions) will be listed. The net or “take home” pay will be then calculated. That amount will be directly deposited in the financial institution you have chosen. You should verify that the financial institution has received this first paycheck, especially if you just changed direct deposit institution for this school year.

Well that’s it for Part Un of the Paycheck primer. The second check will be issued on September 7th. Part Deux of the Payroll will be published on that date.

Save your payroll statements!

**Final Thoughts**

**When changes occur – birth of child, pregnancy leaves, marriage, etc.** Midstream changes are a tricky area and require wholesale recalculations of salaries and deductions. When a paycheck has a change in your salary or deductions it should be accompanied by a written explanation of the associated calculations as determined by the Central Office. If they are not included then those calculations and explanations should be requested of the payroll specialist Amber White [Awhite@rsd17.org](mailto:Awhite@rsd17.org). Such changes that deserve careful scrutiny would occur if you alter the number of family members on health care, come back after unpaid leave, or have other substantial revisions to your employment status. Be sure to contact me if something seems amiss, [jfdaniels@comcast.net](mailto:jfdaniels@comcast.net).

Jim Daniels, HKEA