

Mount Vernon Community School District

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Promoting Excellence in Academics, Arts, and Athletics

From: Matt Burke

Re: Payroll and benefits information

Monthly Payroll

Everyone in the district is paid once per month on the 20th day of the month and your first paycheck is on September 20th. If the 20th is on a Saturday, you are paid on the 19th. If the 20th is on a Sunday, you are paid on Monday the 21st.

Direct Deposit

You are required to have your monthly pay directly deposited into your bank accounts. You can have up to two bank accounts via direct deposit. Using direct deposit, you can have a fixed amount (or a percentage) of your check deposited into one bank account and the remainder deposited into another bank account. Your monthly payroll direct deposit slip will be emailed to the email address of your choice.

School Benefit

In addition to the contract salary, most full-time equivalent employees receive a monthly school benefit that is paid with each check. The monthly school benefit for half-time employees is half of the full-time amount. The monthly school benefit is automatically included in your gross pay. \$500 is the standard monthly amount for a full-time employee.

IPERS Membership

IPERS (Iowa Public Employee Retirement System) is the retirement system for Iowa government employees and all school employees must participate.

Each month 5.95% of your pay will be withheld from your paycheck and sent in to IPERS in addition to an 8.93% contribution by the school district. This money will be deposited into your retirement account at IPERS.

Long-Term Disability

The school provides a long-term disability benefit to all full-time employees. There is no cost to the employee for this benefit. You must sign at the very bottom line of the enclosed Mercer Administration Form to be eligible for this benefit. For new employees starting work at the beginning of the school this coverage normally begins October 1. Employees starting work after that date, will have different date for beginning long-term disability coverage.

Tax Sheltered Annuity – Retirement Savings Plan

Most of the faculty in the school district have a 403b Tax Sheltered Annuity (TSA) set up through the State of Iowa 403b RIC plan. You may already have started contributing to retirement plans in some way. As the enclosed Pre-Tax Payroll Deductions document indicates, contributions to an annuity reduces your federal and state income taxes. If you have not already started retirement savings in some manner, I would strongly encourage you to start something now. And a \$25 monthly contribution to a TSA would be a good start. See the Annuity Provider Summary for a list of providers in which you can set up a plan.

Group Health Insurance

The school district has a group health insurance plan that uses Wellmark Blue Cross Blue Shield Insurance and is administered by Mercer. This plan is available to all employees that are half-time or full-time equivalent. The plan is set up to use pre-tax dollars to pay for your health insurance and therefore reduce your taxes. See the health insurance summary for more information on all four plans. The more detailed booklet for the plans are on the school website under Staff and then Forms For Staff. You are not required to participate in this plan. For new employees starting work at the beginning of the school year, health insurance coverage normally begins on October 1.

Flexible Spending Savings Plan – Health Care and Dependent Care Expenditures

Flexible spending is a way to save money on your out of pocket expenses for medical, dental, vision, and dependent care. The savings varies but the average savings is about 30% of the cost of those expenses. The flexible

spending plan year runs from September 1 through August 31 and then you have up to 90 additional days after August 31 to submit your expenses for reimbursement. The only period to sign up for this option runs from July 1 to August 24. The amounts are withheld from your paycheck and then you file for reimbursement from the plan administrator. The savings to you comes from a reduction of payroll taxes. The reimbursement checks are mailed to your home or you can elect to have the funds electronically deposited to your bank account. If you have unspent contributions at the August 31 plan year end, you can carry over up to \$500 into the next plan year. The following website had information regarding this option to save money.

<http://www.advantageadmin.com/>

Faculty July and August payroll

Salaried faculty members have the option of receiving their July and August paychecks included in their June payroll check in one lump sum.

Mount Vernon Schools Foundation

The Mount Vernon Schools Foundation supports the academic activities of the Mount Vernon Schools through donations from alumni, community, and school employees. Mount Vernon School employees can support the Foundation through a payroll deduction. We ask that each employee considering giving at least \$1 per month to the Foundation to support student academics and be a symbol of the school district mission. Employee donations to the foundation are tax deductible and each employee's name is posted in the Foundation materials going out to the alumni and the community.