

Oak Ridge Schools – Payroll Information for New Employees

Pay Periods

All new teachers, teacher assistants, counselors, principals, office and clerical personnel, and other administrators are paid semi-monthly through electronic deposit of pay. New teachers will receive 24 pays and teacher assistants will receive 22 pays during the fiscal year beginning August 15. Normal pay dates are the fifteenth and thirtieth of each month. When a payday falls on a weekend or there is no thirtieth day, employees receive pay on Friday or the last workday of the month.

Employees have access to their payroll information through a Skyward application, Employee Access. Each employee will receive a user name and password for this process.

All employees are required by Board policy to participate in direct deposit. A direct deposit form must be completed with a voided check attached. There will be no exceptions to this requirement.

Employees have the responsibility to ensure that Human Resources has the correct mailing address on file.

New employees must complete a W-4 Withholding form for federal income tax purposes. This form is used to determine the amount of tax withheld from pay. Employees, whose spouses are also working, should evaluate the effect of combined incomes when completing the W-4 form.

Tennessee Consolidated Retirement System (TCRS)

Full time licensed employees must enroll in the Tennessee Consolidated Retirement System. This is a state administered contributory plan for teachers and other licensed staff. Employees contribute 5 or 7% (excluded from FIT) of gross pay depending on the plan chosen. This amount is automatically deducted through payroll. Part-time licensed employees have an option to join TCRS. Non-licensed full time employees must also enroll in TCRS but only after a six-month probationary period. The non-licensed TCRS plan is also administered by the state but is funded entirely by the employees and Board of Education. TCRS offers online access so members can view account status at all times.

Tax Sheltered Annuity (TSA)

Oak Ridge Schools offers 403(b) annuity programs through four (4) approved vendors. The approved vendors are listed on the website along with their contact information. Income deferred to these programs is not taxable for federal income tax purposes but is taxable for Social Security and Medicare. The system does not endorse any particular company. Employees should work with their representative to be sure amounts deferred to annuities or other investments under a 403(b) program conform to IRS requirements.

To access the 403(b) vendor information on the Oak Ridge Schools website, please visit www.ortn.edu. Select *Business and Support Services Forms* then *Retirement Forms* to access the Annuity listings for detailed vendor information and forms.

State of Tennessee 401K Plan

This plan has been made available to school district employees by the state in 2014 providing access to an additional voluntary tax-deferred option to supplement the defined benefit retirement plan offered through the Tennessee Consolidated Retirement System (TCRS). A 401(k) plan is a retirement savings plan designed to allow eligible employees to supplement any existing retirement and pension benefits by saving and investing before-

tax dollars through voluntary salary deferral. Contributions and any earnings on contributions are tax deferred until money is withdrawn. Distributions are usually taken at retirement, when many participants are typically receiving less income and may be in a lower income tax bracket than while working. Distributions are subject to ordinary income tax and if taken before age 59 ½, may be subject to an additional 10% federal early withdrawal penalty.

Empower retirement was chosen by the Tennessee Treasury Department to provide administrative, educational and communication services about the 401(k) plan. Todd Wilson is our Retirement Plan Counselor. You may reach him via email todd.wilson@empower-retirement.com for more information.

Section 125 – Cafeteria Plan

The schools provide a cafeteria type plan, which allows employees to shelter tax-free contributions for health insurance as well as expenses for un-reimbursed medical and dependent care. Contributions to these programs are not subject to federal income tax or Social Security and Medicare withholding. Additional tax sheltered programs are available from Educational Benefits, Inc., (EBI), current sponsor for all 125 plan provisions except health insurance, which is administered by the state. Please be aware that the Schools do not sponsor or recommend participation in particular programs offered by EBI. Any choice to participate in such programs is made solely at the employee's discretion.

Supplemental Pay

Licensed staff members, eligible to receive supplemental pay for in-service or other extracurricular activities, will be paid such supplemental funds with their regular pay. Employees, who receive career ladder monies or work summer school, will receive separate pay for these services. A pay schedule for summer school is established when the summer school schedule is completed. Regular career ladder payments are not scheduled until the receipt of state funding and the Human Resource Director approves the list of payees.

Employees serving as both teachers and coaches receive coaching supplements as part of the regular pay. The supplements are added into the total contract amount and factored into the regular pay period amount.

Payroll Deductions

In addition to standard benefit deductions such as health, dental, vision and life insurance which are made from September to June, employees may also choose special deductions for Knoxville Teachers Federal Credit Union, United Way, and the Oak Ridge Foundation program. All regular employees and immediate family members are eligible for membership in the Knoxville Teachers Federal Credit Union, which is managed independently of the Schools. Active and retired school employees and members serve on the Board of Directors. There is a credit union branch located in the School Administration Building as well as other branches throughout Knox and Anderson Counties and all provide an array of services to members.

Benefit Eligibility

To be eligible for Board paid benefits, employees must be actively employed. Employees should familiarize themselves with the Board policies for staff. The policies are available on the school website. Employees who anticipate taking unpaid leaves, such as maternity, professional or sabbatical leave should work with Human Resources to meet leave requirements and discuss benefit issues.