

Understanding Payroll for Teachers

The payroll system can be difficult to understand. This document will outline some of the main points and the method used to calculate your pay. If you have any specific questions, you should contact the payroll department at the school board.

The employer can provide your pay and leave information online through a program called "insite portal." The advantage of insite portal is that the records for pay can go back more than a year. If you would like to use insite, contact your school board for the switch. You will no longer receive a hard copy of your pay stub if you switch to the online version.

Some main points about your pay:

-- **You are usually paid a week and a half after service. You will always get 26 pays in a full year starting in September.**

-- It is true, teachers **do not** get paid for the summer. You also do not get paid for any holidays.

-- Your pay is calculated on a daily rate. If you take your yearly salary and divide it by 195 or 196 or 197 depending on the number of days worked in the year, you will get your daily pay.
In 2010-2011 the days worked is 197.
In 2011-2012 it is 196.

-- Your daily pay should stay the same except when you get pay increases.

-- Everyday you work, 24.23% (this number changes depending on how many days are worked that year; in 2011-2012 it will be 24.65%) of your day's pay is transferred to your own personal "bank" which payroll calls "education deferred balance." The money transferred to the bank is not taxed at this time. The banked pay is used to pay you on holidays such as Family Day, Remembrance Day, March Break, Christmas Break, Summer break, etc. When the money gets transferred to Earnings, it gets taxed at that time.

The following is a more detailed breakdown of how the pay system works using the insite portal.

This is the general guide to what your pay stub may look like.

HOURS/DAYS AND EARNINGS				TAXES	
----- Current -----					
Description	Rate	Hours/Days	Earnings	Description	Current
ET-Regular Pay	315.14	10.00	3151.37	CIT	497.48
ET-Deferred Pay Day		0.00	0.00	CPP	112.01
ET-Sick Taken		0.00	0.00	EIE	56.10
ET-Recoverable		0.00	0.00	Total	665.59
ET-Leave of Absence Paid		0.00	0.00		
ET -Acting Admin Pay		0.00	0.00		
Total		10.00	3151.37		
BEFORE-TAX DEDUCTIONS		AFTER-TAX DEDUCTIONS		EMPLOYER PAID BENEFITS	
Description	Current	Description	Current	Description	Current
Teacher Deferred Earns Adj.	763.58	Auto Insurance	65.00	TSF Pension Fund	174.31
TSF Pension Fund	174.31	Health Plan EE	46.91	Health Plan ER	46.91
PEITF Union Dues	35.82	Home Insurance	36.58	Dental Plan ER	18.77
Total	973.71	Long Term Disability EE	26.43	Group Life ER*	6.61
		Dental Plan EE	18.77	Dependant Life ER	2.95
		Group Life EE	6.61	AD&D Insurance ER	.75
		Optional Insurance	3.95	* Taxable	
		AD&D Insurance EE	.75		
		Total	205.00		
TOTAL GROSS	CIT TAXABLE GROSS	TOTAL TAXES	TOTAL DEDUCTIONS	NET PAY	
Current	3151.37	2187.22	665.59	1178.71	1307.07
BANKS		NET PAY DISTRIBUTION			
Smoothing	YTD	Advice #			
Red Circle Vac Hrs		Total	1307.07		
Red Circled Work \$					
Education Deferred Balance	2465.94				

Job Title	Academic Teacher				
Pay Rate	62082.00 Annually				
HOURS/DAYS AND EARNINGS				TAXES	
	----- Current -----				
Description	Rate	Hours/Days	Earnings	Description	Current
ET-Regular Pay	315.14	10.00	3151.37	CIT	497.48
ET-Deferred Pay Day	0.00	0.00	0.00	CPP	112.01
ET-Sick Taken	0.00	0.00	0.00	EIE	56.10
ET-Recoverable	0.00	0.00	0.00	Total	665.59
ET-Leave of Absence Paid	0.00	0.00	0.00		
ET -Acting Admin Pay	0.00	0.00	0.00		
Total		10.00	3151.37		

This is your yearly salary

If you take your yearly salary and divide by 197, you will get your daily pay.

ex. $\$62\,082.00 / 197 = \315.14

These are your deductions before taxes are taken off. You are not charged tax on your Pension contributions or your Union dues. You do not pay tax on your deferred earnings until you take them out and use them as earnings.

BEFORE-TAX DEDUCTIONS

Description	Current
Teacher Deferred Earns Adj.	763.58
TSF Pension Fund	174.31
PEITF Union Dues	35.82
Total	973.71

This number represents how much money you have placed in your personal "bank" during this pay period. It is 24.23 percent of your daily rate. The money goes into the educational deferred balance for the days you don't get paid (holidays, etc.).

AFTER-TAX DEDUCTIONS

Description	Current
Auto Insurance	65.00
Health Plan EE	46.91
Home Insurance	36.58
Long Term Disability EE	26.43
Dental Plan EE	18.77
Group Life EE	6.61
Optional Insurance	3.95
AD&D Insurance EE	.75
Total	205.00

These are your regular deductions for your share of group insurance, personal insurance, etc. They are all taken out after you pay tax on your salary.

	TOTAL GROSS	CIT TAXABLE GROSS	TOTAL TAXES	TOTAL DEDUCTIONS	NET PAY
Current	3151.37	2187.22	665.59	1178.71	1307.07
BANKS					
		YTD			
Smoothing					
Red Circle Vac Hrs					
Red Circled Work \$					
Education Deferred Balance		2465.94			

Income tax, EI and CPP

This is your pay that is taxed after your union dues, pension and deferred pay are taken out.

This is your gross pay. Daily rate x 10

This number represents all the deductions for your insurance, pension, union and deferred earnings.

This is the balance in your "bank" which is all the money put away for your summer pay and all holidays. When there is a day in the pay cycle for which you are not paid, the money comes out of here. This amount is only shown as year to date total.

This is your final pay which would be deposited into your bank account.

The next example is for a pay period in which you are taking money out of the deferred balance "bank."

example #2

In this example there was a holiday. Money was taken from deferred balance bank to pay for the day. It is less than the regular day's pay of \$315.14 because there isn't any deferred pay taken out of it. Regularly, there is 24.23% taken out.

HOURS/DAYS AND EARNINGS			
	----- Current -----		
Description	Rate	Hours/Days	Earnings
ET-Regular Pay	315.14	8.00	2521.10
ET-Deferred Pay Day	238.78	1.00	238.78
ET-Deferred Payout		0.00	0.00
ET-Recoverable		0.00	0.00
ET-Sick Taken	315.14	1.00	315.14
ET -Acting Admin Pay		0.00	0.00
Total		10.00	3075.02

BEFORE-TAX DEDUCTIONS	
Description	Current
Teacher Deferred Earns Adj.	687.22
TSF Pension Fund	214.90
PEITF Union Dues	35.82
Total	937.94

This teacher was sick one of the days. This should not effect the final total. This money is not taken out of your deferred balance.

The amount that went into the deferred bank is less than the last example because there were only 9 days of pay with one day being taken out of your deferred "bank."

Points to remember:

Your net pay could vary slightly from week to week, there are many circumstances which may cause a slight change.

Circumstances that could effect what your net pay (the amount deposited in your bank) are:

- Step increases.
- Negotiated salary increases.
- In the fall when you have paid the full amount required for CPP or EI.
- In January when you have to start paying CPP and EI again.
- If it is the third pay of the month, your group benefits will all be paid for that month.
- Any changes to your group benefit rates.
- Any personal deductions (insurance, Canada Savings Bonds, etc.).
- You only pay EI (1.73%) on the days you work. When you are paid out of your deferred balance, you shouldn't pay EI on that amount. *This is the main reason you will see slight differences.*

At the end of the school year, the money in your deferred bank will be paid out to you. This amount will be different from your last pay for a few reasons:

- If you received any pay increases or step increases there is a difference because when you paid into the deferred bank balance you paid in at a lower rate.
- You also don't pay EI on the days that you don't work.
- Your CPP contribution may be maxed out.

What to check to make sure your pay is correct?

Make sure your pay rate correctly reflects what your annual salary should be at the time. Is it accurate for the right step? Are you getting credit for the correct certification you have?

You can find this information under the HR Personal tab. There you will find your profile that will show what step and salary grade you are paid. Reference this amount with the memorandum of agreement.

If you divide that yearly salary by 197 or 196 or 195 depending on the year, you should get your daily rate.