

How the FRS Changes Impact Your Paycheck

Effective July 1, 2011, Florida Retirement System members **must** contribute **3%** of their salary as retirement contributions, on a pre-tax basis (the salary is reduced by the amount of the employee contribution before determining the federal income tax deduction). Therefore, effective with any paychecks you receive which have an issue date of 7/1/2011 or greater will contain employee contributions on all eligible earnings for the Florida Retirement System. Members participating in the **Deferred Retirement Option Program (DROP)** and **re-employed retirees** who are not allowed to renew membership will not be required to make 3% contributions.

Which earnings are eligible for employee contributions to FRS?

Generally speaking, anything you are paid which is considered 'for work performed' is eligible for FRS. Eligible for FRS means you are paying 3% in contributions on the earnings received **and** you are receiving FRS credit for the earnings. Examples below which are frequently paid include but are not limited to:

- Regular salary earnings and supplements which are added to your base salary
- Supplements paid year round such as Glades supplements grade chairperson, team leaders, athletic directors, just to name a few
- Seasonal supplements for coaching
- Additional earnings such as overtime, extra periods, planning periods, work outside the classroom, extra duty days, workshop trainers and tutoring
- Annual leave payouts

Which earnings are NOT eligible for employee contributions to FRS?

Certain earnings are not considered eligible for credit by the Florida Retirement System. The following are those most commonly received by employees:

- Bonuses
- Merit pay
- Earnings for workshops attended
- Terminal sick leave payouts

The Florida Retirement System has made available a 'Take Home Pay Calculator' on their website to assist employees with determining what their take home pay will look like. To use the calculator, please visit their website at www.myfrs.com On the left side of their home page is a section on the 2011 Legislation. Click on the link to the 'Take Home Pay Calculator' for assistance and contact phone numbers.