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## Payment Error?

If you believe the district made an error in calculating your retro amount, you should ask MPS to review it. (Your union does **not** have the individual payroll data necessary to check retroactive payments.)

### MPS Needs Your Records

You will need to provide the MPS Compensation Department with a precise record of the days you worked since July 1, 2007 - along with your pay category for **each date** - day-to-day, regular, special education cadre, or teacher vacancy.

One way to document your dates is to provide MPS with a copy of your paycheck statements. However, you will also need to identify your pay category for each biweekly pay period. If your category changed **within** a pay period, the date of the change needs to be noted.

### Send Request to MPS

Mail your review request and a copy of your documentation to: Al Correa; Compensation Department, Milwaukee Public Schools; P.O. Box 2181; Milwaukee, WI 53201-2181. (You may instead bring a copy of your records to Room 124 at the MPS central office at 5225 West Vliet Street.)

### Checking Takes Time

The MPS review will require some time because the district's electronic records of retro payments are in a summary format. MPS will examine paperwork - sheets which document your pay category and rate for the days in question during each pay period the past two years.

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## Retroactive Pay Information

Your May 29 paycheck included the retroactive salary amount for two **2.5%** raises applied to days worked during two time periods:

July 1, 2007 - June 30, 2008

July 1, 2008 - March 20, 2009\*

\*The new daily rates were implemented on the April 17 paycheck. Therefore, there is no retro pay on days worked since March 23, 2009 - the first day you were paid at the 2008-09 rate.

### Take-Home Pay - About 60%

Your take-home amount may have been less than you expected. The big reason: IRS requires MPS to uniformly withhold **25%** for federal income tax. (IRS considers retro pay "supplemental income.")

Along with the state income tax withheld, about **7%**, and the employee Social Security/Medicare contribution, **7.65%**, your retro payment is reduced by about **40%**. For example, if you earned \$500 in retro pay, your take-home amount would be about \$300.

### Complicated Calculations for Some

For many substitutes, calculating retro pay is complicated because two (or more) pay categories are involved: day-to-day, regular, special education cadre, and teacher vacancy. And two different rates are often applied within the same pay period. The result: retroactive pay must be calculated for each separate day - **not** by pay periods.

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## No Retro Pay for Days Already Paid at Teacher Vacancy Rate

Last school year, substitutes were retroactively paid the difference between their **substitute teacher contract** daily rate, and their 2007-08 **teacher salary schedule contract** rate, for days they worked in teacher vacancies.

The teacher contract was resolved when the vacancy payments were made. Substitutes received the full differential based on the 2007-08 teacher contract schedule. No retro pay is due for those days.

Likewise, this spring (the March 20 paycheck), substitutes in teacher vacancies for the first semester of this school year were paid the full differential based on their 2008-09 teacher salary schedule rate. No retro pay is due for those days.

To summarize, you should have **not** received retro pay on May 29 for any days you were paid at your teacher vacancy rate during Semester I & II of 2007-08 and Semester I of 2008-09.

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## Retro Pay Examples

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Below are examples of retro payments for the three daily rate categories in the contract.

### Day-to-Day

Suppose you were on day-to-day status the past two school years and worked the following days:

- ◆ 60 in 2007-08
- ◆ 50 in 2008-09 (Pre-March 23)

The gross amount of your retro pay would be **\$459**. After the deductions, your take-home pay would be approximately **\$275**.

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### Regular

Suppose you were on regular status the past two school years and worked the following days:

- ◆ 100 in 2007-08
- ◆ 80 in 2008-09 (Pre-March 23)

The gross amount of your retro pay would be **\$874.80**. After the deductions, your take-home pay would be approximately **\$524**.

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### Special Education Cadre

Suppose you were in the special education cadre the past two school years and worked the following days:

- ◆ 100 in 2007-08
- ◆ 80 in 2008-09 (Pre-March 23)

The gross amount of your retro pay would be **\$1,065.40**. After the deductions, your take-home pay would be approximately **\$639**.

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**Retro pay applies only to days paid at the substitute teacher contract rates *only* - not to days paid at teacher contract (vacancy pay) rates.**

## Calculating Your Retro Amount

The **A - D** steps below can help with your estimate payments.

**A.** To calculate the retro amount due to you for 2007-08, multiply the number of days you worked by the daily raise amount.

(This may require two steps. For example, if you worked some days at the day-to-day rate and others at the regular rate, you'll need to identify the number of days at each rate, and then multiply each by the appropriate raise amount.)

**B.** Do the same multiplication for days you worked in 2008-09 through March 20. (The last paycheck at your old daily rate was April 3.)

**C.** Add the **A + B** amounts.

**D.** Multiply the total by 0.60 - to estimate your take-home pay.

### Retro Pay on Day-to-Day Substitute Daily Rate

Time Period	Days You Worked	Raise Amount	Retro Amount
<b>A.</b> July 1, 2007 - June 30, 2008	_____	x \$2.85 =	_____
<b>B.</b> July 1, 2009 - March 20, 2009	_____	x \$5.76 =	_____
<b>C.</b> Add the <b>A + B</b> amounts for your pre-tax total			_____
<b>D.</b> Multiply <b>C</b> by 0.60 - for estimated take-home pay			_____

### Retro Pay on Regular Substitute Daily Rate

Time Period	Days You Worked	Raise Amount	Retro Amount
<b>A.</b> July 1, 2007 - June 30, 2008	_____	x \$3.34 =	_____
<b>B.</b> July 1, 2008 - March 20, 2009	_____	x \$6.76 =	_____
<b>C.</b> Add the <b>A + B</b> amounts for your pre-tax total			_____
<b>D.</b> Multiply <b>C</b> by 0.60 - for estimated take-home pay			_____

### Retro Pay on Special Education Cadre Rate

Time Period	Days You Worked	Raise Amount	Retro Amount
<b>A.</b> July 1, 2007 - June 30, 2008	_____	x \$4.07 =	_____
<b>B.</b> July 1, 2008 - March 20, 2009	_____	x \$8.23 =	_____
<b>C.</b> Add the <b>A + B</b> amounts for your pre-tax total			_____
<b>D.</b> Multiply <b>C</b> by 0.60 - for estimated take-home pay			_____

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### Estimated Amounts - Not Precise

Because of rounding, your estimated amount may not be exactly the same as MPS calculated, but should be fairly close.

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