

PAYROLL DEDUCTIONS

Chapter 10 Payroll Deductions

The following information is furnished regarding the various voluntary deductions authorized for School Board employees and the procedures to be utilized in processing these deductions.

Group Term Life Accidental Death and Dismemberment

The School Board of Miami-Dade County, Florida has a life and accidental death and dismemberment program with Metropolitan Life Insurance Company for all full-time employees. There is a Board paid plan (at no cost to the employee), and an optional plan, which may be purchased through payroll deductions. All plans are based on the employee's base salary rounded up to the next \$1,000 (employees represented by AFSCME have a minimum benefit of \$10,000).

The Board paid benefit is equal to one times the annual base salary rounded up to the next \$1,000.00, except for Managerial Exempt Personnel (MEP), Dade County School Administrators Association (DCSAA), Administrative Assistants to School Board Members and Confidential Exempt Personnel, which is two (2) times the annual base salary rounded up to the next \$1,000.00. An additional optional amount can be purchased through payroll deductions to bring maximum benefits to five (5) times the annual base salary. Each eligible employee's life insurance is updated once each year based on their salary in effect and their age on January 1. Bargaining Units #6 and #8 may also elect to cap their life insurance at \$50,000.00 to avoid taxation of board paid life insurance in excess of \$50,000.00.

NOTE: For information regarding costs for the optional plan, and a description of benefits, call the Employee Benefits Section, Office of Risk and Benefits Management.

Enrollment materials are provided to new employees by the Employee Benefits Department, Office of Risk and Benefits Management. New employees must complete the enrollment form for optional benefits and to designate a beneficiary. The enrollment form is to be returned to the Employee Benefits Section, Office of Risk and Benefits Management, within 31 days from the "date to employee" date printed on the form. Forms received late (after the 31 day eligibility period), may delay or void optional coverage and require proof of medical insurability. The Employee Benefits Section will forward the enrollment form to the Deduction Control Unit, Payroll Department, for processing.

Medical applications are available for the Employee Benefits Section, Office of Risk and Benefits Management.

Change in Beneficiary forms are available from the Deduction Control Unit.

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Health Benefits

The School Board of Miami-Dade County, Florida, provides tax-free health benefits to all full-time employees. For a detailed explanation of current benefits, refer to the Employee Benefit Notebook.

Coverage for eligible employees is effective on the first day of employment.

Enrollment materials are provided to new employees by the Employee Benefits Section, Office of Risk and Benefits Management. New employees must complete the enrollment form (even though they have no dependents or desire no coverage for eligible dependents). The enrollment form is to be returned to the Employee Benefits Department, Office of Risk and Benefits Management within 31 days from “date to employee” date printed on the form. All Health plans also allow the employee to purchase the same plan for their eligible dependents through salary reductions.

Inquiries regarding coverage under any fringe benefits should be directed to the Employee Benefits Section, Office of Risk and Benefits Management.

Vista Benefits

VISTA is the cafeteria benefits plan and the special account established by the School Board of Miami-Dade County, Florida that provides a flexible fringe benefits program for eligible full-time employees. VISTA allows the employee to choose the benefits that meet his/her individual family needs by selecting fringe benefits from a menu of benefits. It is made up to two (2) accounts:

EMPLOYER PAID: The School Board provides Health Insurance and Short-Term Disability, at no additional cost, to all full-time employees.

EMPLOYEE PAID: This is the VISTA fund established either pre-tax, by the employee’s tax-free dollars, or post-tax, through salary reductions. Benefits which can be selected include: Dependent Health Premiums, Long Term Disability, Term Life Insurance, Dental and Vision, Health Screening, Medical and Dependent Day Care Reimbursement Account, Long Term- Care, Legal and Hospital Income.

Employer paid VISTA benefits are effective the beginning of the calendar month following the employment date.

Employee paid VISTA benefits are effective the beginning of the month following the first salary reduction.

Enrollment materials are provided to new employees by the Employee Benefits Section, Office of Risk and Benefits Management. The enrollment form is to be returned to the Employee Benefits Department, Office of Risk and Benefits Management, within 31 days from the “date to employee” date printed on the form.

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Inquiries and additional information regarding the VISTA plan should be directed to FRINGE BENEFITS MANAGEMENT COMPANY.

Benefits for Eligible Dependents

Eligible dependents can have the same coverages the employee selects for the following benefits through salary reductions providing coverage is selected within the 31-day eligibility period or within 31 days of acquisition of a new dependent or during an "Open Enrollment" period: HEALTH, DENTAL, VISION, HOSPITAL INCOME, LONG-TERM CARE (Spouse Only), and LEGAL.

An eligible dependent is defined as:

- The employee's legal spouse.
- An employee's domestic partner (see enrollment booklet for eligibility criteria).
- An employee's own unmarried children.
- Children for whom the employee has been appointed legal guardian, stepchildren and legally adopted children are covered on the same basis as the employee's own unmarried children, provided they live in the employee's household and are primarily dependent on the employee for support. These unmarried children will be covered from birth to the end of the calendar year in which they reach age 25, provided they are dependent on the employee for support; or living in the employee's household; or enrolled full-time or part-time in an accredited school, college or university. Children of the employee's eligible domestic partner, are eligible for health insurance only.
- Disabled Children – Coverage may be kept in force beyond the age limit for any child who becomes totally disabled while covered under any of the plans.
- Grandchildren: A newborn child of a covered dependent is eligible from birth until the end of the month in which the child reaches 18 months of age. However, if the parent becomes ineligible during the grandchild's 18 months eligible period, coverage for both the parent and the child will terminate.

NOTE: The definition of a dependent in a Dependent Day Care Reimbursement Account is not the same as the above definition. Please refer to the Reimbursement Account description in your Employee Benefits Information Notebook.

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Securing Dependent Coverage after Initial Eligibility:

Newly acquired dependents are automatically eligible for the above coverages. Employees must submit a written application within 31 days of the event of acquisition (birth, adoption, marriage). Application forms for Change of Family Status are available from the Fringe Benefits Management Company. If you do not elect dependent coverage within 31 days of acquisition of a new dependent, they can be added during Open Enrollment.

Effective Dates of Dependent Coverage for ALL Benefits:

- Dependent coverage for new employees becomes effective the beginning of the month following the first salary reduction.
- Dependent coverage following an "Open Enrollment" period usually becomes effective on January 1st of each plan year.
- Dependent coverage for newborns becomes effective on the date of birth.
- Dependent coverage for adopted dependents becomes effective on the date of adoption.
- Dependent coverage for a new spouse becomes effective the beginning of the month following the first salary reduction.

Dropping Dependent Coverage:

Restrictions apply to dropping coverage for dependents who remain eligible. You may NOT drop eligible dependents except at the end of the calendar year. You may do this during the fall "Open Enrollment" period to stop reductions the following January. Dependents no longer eligible (over-age, deceased, divorced) should be dropped as soon as possible since claims will not be paid for ineligible dependents.

Inquiries regarding eligibility for changes, or additions/deletions of dependent coverage should be directed to the Employee Benefits Section, Office of Risk and Benefits Management.

Inquiries regarding salary reduction amount per pay period and when reductions begin, stop or change, should be directed to the Deduction Control Unit, Payroll Department.

Tax Sheltered Investment Plans

The School Board of Miami-Dade County, Florida permits full-time and part-time hourly employees to participate in up to two (2) tax sheltered investment plans selected from the list of qualified companies.

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Applications and all required forms must be submitted by an agent or broker/dealer on the employee's behalf to the Office of Risk and Benefits Management, for approval and forwarded to the Deduction Control Unit, Payroll Department, for processing.

The Office of Risk and Benefits Management will accept an application at any time when the employee feels that it is to his/her advantage to participate in the program. An employee is allowed to make **ONLY ONE CHANGE IN AMOUNT (START, RESTART, INCREASE, DECREASE)** during a calendar year. Applications will be processed according to cut-off schedules to commence salary reductions.

A cancellation can be accomplished at any time during the calendar year with at least 30 days notice to the Office of Risk and Benefits Management before taking effect.

An employee can "transfer" his/her current salary reduction from an existing company to another plan offered by another qualified company at any time according to cut-off schedules. An "exchange" of cash values of an existing contract for the cash values of another contract insured by another qualified company can be done at any time according to cut-off schedules. Transfers and/or exchanges can be done twice in a calendar year.

More detailed information regarding the Board's tax sheltered investment program and a list of qualified companies is available from the Office of Risk and Benefits Management.

Union and Professional Dues

Dues for unions and professional organizations which are approved for payroll deductions must be transacted through the union or organization. These transactions include both enrollments and cancellations.

Credit Union

Deductions are authorized for deposit to an employee's account with the South Florida Educational Federal Credit Union. All transactions, including cancellations, must be arranged directly with the Credit Union.

Direct Deposit - Automated Clearing House Network

The School Board of Miami-Dade County has a program that will allow employees to authorize payroll deposits into their checking or savings accounts.

Any employee who has a checking or savings account with a bank or financial institution, which participates in the Automated Clearing House Network and is a member of the Federal Reserve System, is eligible to participate.

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Payroll checks for participants in this direct deposit program will automatically be credited to his/her personal checking or savings account each pay period.

In lieu of a paycheck, participants receive an Advice Statement which reflects the same information that would have been shown on the paycheck stub.

Authorization forms for this program are available from the Deduction Control Unit.

United States Savings Bonds

All full-time School Board employees are eligible to purchase United States Savings Bonds through payroll deductions.

Bond amounts available for purchase are \$100, \$200 and \$500. Deduction amounts are listed on the United States Savings Bond Application, which is available from the Deduction Control Unit. An employee may have a maximum of three Savings Bonds accounts.

Applications must be received in the Deduction Control Unit at least ten (10) working days prior to the paydate for the payroll deduction to be effective for that paydate.

If revisions (changes) are desired at a later date, a Change Form may be obtained by calling the Deduction Control Unit. Change forms must be received for processing at least ten (10) working days prior to the paydate for the change to be effective for that paydate.

United States Savings Bonds will be mailed, by the Federal Reserve Bank, to the employee's home address from 4 to 6 weeks after the complete purchase price has been deducted.

Deduction amounts and/or bond amounts cannot be changed until the completion of an existing bond purchase cycle. Cancellations from the Savings Bond program may only be requested at the end of the bond purchase cycle. **Savings Bonds will be purchased automatically until the employee requests cancellation by submitting a Bond Cancellation Form to the Deduction Control Unit.**

Florida Prepaid College Program

Full-time employees who are participating in the Florida Prepaid College Program and making **monthly** payments are eligible to use the payroll deduction plan to make payments to this program.

Employees may transfer their monthly payments to biweekly payroll deductions by completing a Payroll Deduction Authorization form available from the Deduction Control Unit.

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There are 20 scheduled biweekly payroll deductions during each calendar year.

Brochures about the program and enrollment applications can also be obtained from the Deduction Control Unit or from the Florida Prepaid College Program.