

**Future Teachers of Alabama Adviser
Teacher Stipend Grant—Fiscal Year 2022**

PROPOSED BUDGET SUMMARY

Revenue Code= 1254 Program Code= 3700 Fund Source= 1254

Function Code	Object Code	Description	Budget (Round to whole dollars)
_____	191	Supplements (See note below)	<u>417.00</u>
_____	192	Stipends (See note below)	_____
_____		Benefits: (As applicable)	_____
_____	230	Social Security (6.2%)	<u>26</u>
_____	240	Medicare (1.45%)	<u>6</u>
_____	220	Retirement (Tier I, 12.43%; Tier II, 11.32%)	<u>51</u>
_____	250	Unemployment Compensation (LEA individual rate)	_____
TOTAL			\$ <u>500.00</u>

SAMPLE E

has to = \$500

★ Budget (Round to whole dollars)

★ Take out the LEA portion first

★ Then figure amount teacher pays for benefits

Calculate the total benefit rates, first. It may vary on retirement and U.C.

	Rates	Calculated benefits
Social Security	.062	26
Medicare	.0145	6
Retirement	.1236	51
U.C.	.0002	0
Total	.2003	\$83

security, Medicare, retirement, and led other than those listed at the top. modifying the budget.

Divide the \$500 by 1.2003. (1+the total benefit rates)

This equals \$417. (The supplement amount)

Here's the algebra for it where X = the supplement amount.

$$\begin{aligned}
 X + .2003X &= 500 \\
 1.2003X &= 500 \\
 X &= 500 \text{ divided by } 1.2003 \\
 X &= 417
 \end{aligned}$$

Double check by adding \$417 plus the benefits to make sure It equals \$500. (\$417 + \$83 = \$500)

This is the normal process so the LEA won't have to use their own funds to cover their portion of the payroll taxes.