



Department of Business Services

389 St. Clair Avenue
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www.gpschools.org

To: All Grosse Pointe Staff Members

From: Lisa Abbey, Deputy Superintendent Business and Operations

Re: ORS 3% refund payment

Date: February 12, 2018

IMPORTANT MEMO FOR CURRENT EMPLOYEES – UPDATE 3% REFUND

Certain employees will be receiving a refund for 3% Healthcare contributions paid to Office of Retirement System (ORS). Generally, this includes anyone actively employed by the District between July 2010 and September 2012 and currently employed by the District.

The district has received the funds and a list of the individuals and the amount of their refund check. In addition, the ORS has sent emails to all individuals with the amount of the refund and interest that will be issued.

Please note the following important facts to aware of for this payment:

- The district will make the payment on March 2, 2018. If you currently have direct deposit this will be made to your bank account. If you do not have direct deposit a check will be issued.
- The district did not take taxes out on the 3% during the July 2010 to September 2012 period, therefore we are required to deduct taxes and FICA on this payment.
- The district is treating the “refund” as a supplemental pay and taxes will be at a flat 22% as required by IRS regulations.
- Deductions for garnishments or other required deductions will be made to this payment.
- The District will allow changes to any tax deferred deduction currently in place at this time. The special form for this one-time deduction is attached. Please email the form to: orsrefund@gpschools.org by Wednesday February 21, 2018.

We understand this is a short turn around time for tax deferred changes, but we want to issue the refund to current employees as soon as possible. You can always change your tax deferred deductions in future payrolls.



**The Grosse Pointe
Public School System
Department of Business Affairs**
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403(b)/457 Special Employee Contribution Election
Healthcare Contribution Refund

I hereby elect my employer, The Grosse Pointe Public School System, to contribute a portion of my ORS Healthcare Contribution Refund to the following current tax-deferred 403(b) or 457 plan:

Employee Name:
403(b)/457 Product Provider:
Contribution Amount: <input type="radio"/> Exact Amount (Please specify the amount you want contributed. It must be less than the total refund, as it is subject to FICA and Medicare withholding) _____ <p style="text-align: center;">OR</p> <input type="radio"/> Maximum Possible (Equal to Net Pay)

The contribution will be made by wire to plan administrator TSA Consulting Group for distribution to the tax-deferred account identified above as soon as administratively feasible, but no more than 15 days following the pay date.

I understand that if I elect an exact amount and it exceeds the net pay, the contribution will default to the value of my net pay.

I understand and agree that this is a one-time only election and is included in the annual contribution limits set forth by Internal Revenue Codes 403(b) and 457.

I do not have any other elective deferrals, voluntary salary reduction contributions, or non-elective contributions with any other employer.

I hereby certify the 403(b) or 457 account identified above is established with one of the district-approved vendors.

Employee Signature: _____ **Date:** _____

Please scan your completed form to orsrefund@gpschools.org