INFORMATION ABOUT MANDATORY PAYROLL DEDUCTIONS

**DIRECT DEPOSIT:** McHenry County College (MCC) processes its payroll transactions via direct deposit. Upon hire, employees complete a Direct Deposit Authorization Form and may deposit their paycheck to any financial institution. All employees of McHenry County College must participate in direct deposits.

**SURS:** MCC employees participate in the State University Retirement System of Illinois or SURS. SURS provides retirement, disability, death, and survivors’ benefits to all participants and beneficiaries. Participation is required of all MCC employees and deductions will be taken each pay period. Deductions are 8% before taxes (9.5% for Police Officers). Employees are exempt from paying Social Security.

**MEDICARE:** All employees of McHenry County College contribute 1.45% of gross earnings to Medicare. This contribution is matched 100% by MCC.

**COMMUNITY COLLEGE HEALTH INSURANCE PLAN FOR RETIREES:** Health, dental and vision benefits are available for retired full-time employees of MCC who are vested in SURS and receive a SURS annuity, as well as their spouses and dependents. This program is partially funded through a mandatory payroll deduction of 0.5% of gross earnings of all active full-time employees of Illinois Community Colleges.

**STATEMENT CONCERNING YOUR EMPLOYMENT IN A JOB NOT COVERED BY SOCIAL SECURITY**

Your earnings from this job are not covered under Social Security. When you retire, or if you become disabled, you may receive a pension based on earnings from this job. If you do, and you are also entitled to a benefit from Social Security based on either your own work or the work of your husband or wife, or former husband or wife, your pension may affect the amount of Social Security benefit you receive. Your Medicare benefits, however, will not be affected. Under the Social Security law, there are two ways your Social Security benefit amount may be affected.

**Windfall Elimination Provision**

Under the Windfall Elimination Provisions, your Social Security retirement or disability benefit is figured using a modified formula when you are also entitled to a pension from a job where you did not pay Social Security tax. As a result, you will receive a lower Social Security benefit than if you were not entitled to a pension from this job. The amount is updated annually. This provision reduces, but does not totally eliminate your Social Security benefit. For additional information, please refer to the Social Security publication, “Windfall Elimination Provision.”

**Government Pension Offset Provision**

Under the Government Pension Offset Provision, any Social Security spouse or widow(er) benefit to which you become entitled will be offset if you also receive a Federal, State or local government pension based on work where you did not pay Social Security tax. The offset reduces the amount of your Social Security spouse or widow(er) benefit by two-thirds of the amount of your pension.

For example, if you get a monthly pension of $600 based on earnings that are not covered under Social Security, two-thirds of that amount, $400, is used to offset your Social Security spouse or widow(er) benefit. If you are eligible for a $500 widow(er) benefit, you will receive $100.00 per month from Social Security, $500 - $400 = $100. Even if your pension is high enough to totally offset your spouse or widow(er) Social Security benefit, you are still eligible for Medicare at age 65. For additional information, please refer to the Social Security publication, “Government Pension Offset.”

**For More Information**

Social Security publications and additional information, including information about exceptions to each provision, are available at [www.socialsecurity.gov](http://www.socialsecurity.gov). You may also call toll free 1-800-772-1213, or, for the deaf or hard of hearing, call the TTY number 1-800-325-0778, or contact your local Social Security office.