

Policy 5-402: Payroll Deductions

Revision 10. Effective date: October 11, 2011

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I. **Purpose and Scope**

A. Purpose.

To set forth the policy governing payroll deductions.

B. Scope.

[reserved]

II. **Definitions**

The following definitions apply for the limited purposes of this policy and any associated regulations.

- A. Employee organization - a voluntary nonprofit association or organization, or a local campus unit or chapter of such an association or organization, the membership of which is predominantly composed of university employees, which exists for the primary purpose of promoting and protecting the interests of

its members in the terms, conditions, rights and responsibilities associated with their employment by the university.

- B. Processing charges - a one-time or periodic charge, including but not limited to a fee to be added to each voluntary payroll deduction, to assist in defraying the cost of processing voluntary payroll deductions.

III. Policy

- A. Mandatory Deductions - The university is required by law to make certain deductions from employee's gross earnings, including income taxes and social security taxes. In addition, for certain benefit programs which require payments by participants, the university may specify payroll deduction as the only acceptable method of payment.
 - B. Voluntary Deductions - Clerical, administrative, and data processing expenses are associated with each payroll deduction made. In an effort to minimize such costs and assure optimal use of the university's data processing resources, voluntary payroll deductions will be made available to employees without charge only in circumstances which are regarded by the university as supportive of or beneficial to the university's goals and objectives, including fringe benefit programs for university employees.
 - C. Processing Charges - When voluntary payroll deductions are made available primarily as a convenience to employees of the university, a processing charge may be imposed.
 - D. Scheduling of Deductions - Payroll deductions ordinarily will be distributed in equal amounts to each paycheck issued during the period of time for which the deductions are authorized.
 - E. Amount of Voluntary Deductions - Voluntary payroll deductions in the amount of less than one dollar per paycheck, exclusive of authorized processing charges, or for less than six successive payroll periods, are not authorized. Each voluntary payroll deduction must be for an equal amount during each pay period.
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Sections IV- VII are for user information and are not subject to the approval of the Academic Senate or the Board of Trustees. The Institutional Policy Committee, the Policy Owner, or the Policy Officer may update these sections at any time.

IV. Policies/ Rules, Procedures, Guidelines, Forms and other Related Resources

A. Policies/ Rules.

1. Rule R5-402A: Eligibility Standards for Voluntary Deductions

B. Procedures, Guidelines, and Forms. [*reserved*]

C. Other Related Resources. [*reserved*]

V. References

A. [*reserved*]

VI. Contacts

The designated contact officials for this Regulation are

- A. Policy Owner(s) (primary contact person for questions and advice):
Compensation Analyst
- B. Policy Officer(s): Vice President for Human Resources or designee

See Rule 1-001 for information about the roles and authority of policy owners and policy officers.

VII. History

Revision History.

A. Current version. Revision 10.

1. Approved by -- Academic Senate October 3, 2011, and Board of Trustees October 11, 2011, with effective date of October 11, 2011.
2. Editorial Revisions
 - a. Editorially revised April 21, 2023 to move to current regulations template.

B. Previous versions.

1. Revision 9. Effective Date. July 1, 1978

C. Renumbering

1. Renumbered from Policies and Procedures Manual 2-60.1