

SECTION: FINANCES

TITLE: PAYROLL DEDUCTIONS

ADOPTED: February 8, 1999

REVISED:

# PENN MANOR SCHOOL DISTRICT

615. PAYROLL DEDUCTIONS	
1. Purpose	The Board may, at its discretion, act on behalf of individual employees to deduct a certain amount from the employee's paycheck and to remit an equal amount to an agent designated by the employee. It is the intent of this policy to designate those purposes not otherwise mandated by law for which the Board is willing to act on behalf of the employee.
2. Authority SC 513	No deduction may be made from the wages of an employee except for federal or State income tax, PA unemployment, county tax, municipal or school taxes, social security and School Employees' Retirement Fund without proper authorization by the employee.
3. Guidelines	<p>The district shall deduct, from the salaries of those teachers who request such deductions in writing, dues for the Penn Manor Education Association, the PSEA and the NEA, as provided in the collective bargaining agreement.</p> <p>Payroll deductions, when authorized in writing by the employee, may be made for dependent's insurance coverage.</p> <p>Payroll deductions are authorized for payments of premiums for tax sheltered annuity programs provided the request from the employee is in writing and the carrier of the program is approved by the Board. The district shall limit to twelve (12) the number of companies for which it shall process payroll withholding for tax sheltered annuity payments for its employees.</p> <p>Payroll deductions may also be made, when properly authorized, for credit union and United States Government Bonds.</p> <p>Absences not covered by authorized leave shall cause a deduction in wages equal to the prorated daily rate for that employee.</p>

Tax Sheltered Annuities

The Penn Manor School District recognizes the employee's right to tax shelter income under the applicable federal regulations and laws. The district also recognizes the importance of having clear guidelines regarding the administration of tax shelter programs on behalf of the employee.

The Administrative Assistant for Business will be responsible for establishing guidelines for companies and agents dealing with the Penn Manor School District.

All inquiries by companies seeking approval as a tax sheltered company shall be asked to submit the request in writing to the Administrative Assistant for Business.

Requests for approval should indicate whether or not the company has a client or clients presently employed by the Penn Manor School District and are seeking approval to meet with employee groups. Companies must have a minimum of five (5) employees requesting payroll deductions before approval will be considered.

If the Administrative Assistant for Business confirms that a company has a minimum of five (5) clients working for the Penn Manor School District, the request for approval will be submitted to the Board for its approval.

If the company does not have a minimum of five (5) clients employed by the Penn Manor School District and is seeking an opportunity to speak with employees, these requests will be submitted to the respective employees for their review and consideration.

All companies requesting to provide tax sheltered annuities must sign a hold harmless agreement with the Penn Manor School District prior to being considered for approval by the Board.

All annuity contracts or policies furnished in connection with approved plans will be implemented in such a manner as not to discriminate in favor of or against any employee of the Penn Manor School District.

Employees must sign a salary reduction agreement with the Penn Manor School District prior to tax sheltered deductions being made.

Submission of withheld monies to the company will be made according to the Penn Manor School District's schedule of payments.

There shall be no limitation as to the number of companies operating within the Penn Manor School District provided that all of the above criteria have been met.

