

KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM
BUSINESS PROCEDURES MANUAL

Procedure 5.5
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Effective: April 1, 2009

Supersedes: Business Procedure 5.5 dated September 15, 2002

Applies To: System Office and Colleges

Procedure Responsibility: Payroll

Deductions

5.5.1 – General Deductions

5.5.2 – Charitable Deductions – Outside Organizations

5.5.3 – Charitable Deductions –KCTCS Related Organizations

5.5.4 – Establishing New Deductions

Section 5.5.1 – General Deductions

Employees shall complete the KCTCS Authorization for General Deduction form (BA92) or a KCTCS Approved Vendor Form to set up deductions that are not included in the employee benefit package. The general deduction MUST be one that has been preauthorized by the standing KCTCS Deduction Team (KCTCS Executive Director of Business Services, the KCTCS Director of Payroll, and the KCTCS Executive Director of Human Resources). The instructions for completing an authorized deduction are as follows:

- A. The employee must complete and sign the approved authorization form.
- B. The employee shall submit the signed form to their college payroll office. Forms for Kentucky Education Association (KEA) and American Federation of Teachers (AFT) deductions should be sent directly to the organization for approval.
- C. College payroll will enter the employee's deduction information with the exception of AFT and KEA. For AFT and KEA a copy of the form is to be submitted to KCTCS Payroll for entry once approved by the organization.
- D. Deductions will be withheld on the appropriate paycheck.

Section 5.5.2 – Charitable Deductions – Outside Organizations

KCTCS provides a designated organization for KCTCS employees who wish to have charitable contributions withheld from their paychecks. KCTCS' business practice is not to withhold charitable contributions from an employee's paycheck other than for the designated organizations or other organizations directly related to KCTCS (KCTCS, its colleges and officially recognized foundations that are directly related to KCTCS).

Outside, non-related organizations that desire to solicit KCTCS employees should work with KCTCS and the KCTCS Deduction Team in establishing payroll deductions.

Section 5.5.3 – Charitable Deductions –KCTCS Related Organizations

Employees can make charitable contributions to KCTCS, its colleges, and their officially recognized foundations by way of payroll deductions.

- A. Employees must complete a gift payroll deduction authorization card, which can be obtained from their local college institutional advancement office or at the system level the KCTCS Office of Institutional Advancement.
- B. Employees should return the signed form to the office where it was obtained. Upon return of the completed signed form, the local office will coordinate the establishment of the deduction with the appropriate payroll office.
- C. The appropriate payroll office will enter the deduction information into KCTCS' administrative enterprise resource system human resource module.
- D. The college/system institutional advancement office will enter the information into KCTCS administrative enterprise resource system advancement module. For additional detail on this process, please consult with your local institutional advancement office.

Section 5.5.4 – Establishing New Deductions

Requests to establish payroll deductions for new organizations should be sent to the attention of KCTCS Payroll. The KCTCS Deduction Team will review the requests for approval. The primary criteria for establishing new deductions will be in determining how the deduction will benefit all KCTCS employees. The request should include name of the organization, purpose of the organization, accessibility of organization, and a statement regarding membership specifications. A written reply to the organization will be sent within 30 calendar days after receipt of the request. This policy does not include charitable organizations -see section 5.5.2 above.

Whenever possible, KCTCS urges vendors to establish bank draft (automated clearing house – ACH) as the preferred means for deduction payments for employees.

KCTCS imposes a flat \$75 per month charge for outside organizations who are set up for payroll deductions. There is an additional charge of \$.10 per deduction per paycheck. These fees are subject to change at KCTCS' discretion.

End of Procedure