



**Angelo State University**  
**Operating Policy and Procedure**

**OP 50.04: Payroll Deduction Designated to Angelo State University for Charitable Contributions**

**DATE:** November 30, 2016

**PURPOSE:** The purpose of this Operating Policy and/or Procedure (OP) is to set forth policies and procedures related to the processing and management of payroll deductions for charitable donations (gifts) to Angelo State University.

**REVIEW:** This OP will be reviewed in November every five years, or as needed, by the vice president for finance and administration and the vice president for development and alumni relations with recommended revisions forwarded to the president by December 15 of the same year.

**POLICY/PROCEDURE**

The 76th regular session year of the Texas Legislature passed House Bill 368, which allows employees to authorize a payroll deduction for a contribution to an institution of higher education to support the programs of the institution.

**1. General**

- a. Effective September 1, 2007, faculty and staff of ASU are eligible to contribute charitable donations (gifts) to ASU via payroll deductions.
- b. Deductions designated as charitable donations (gifts) to ASU may be restricted as to use to a specific unit of ASU or to the discretion of a particular member of the staff. However, such restricted gifts are acceptable only if they are applicable to existing programs and uses. The donor must state any such restrictions in writing.

**2. Authorizations and Change of Deduction**

- a. Employees may obtain a deduction authorization form from the Office of Development and Alumni Relations, ASU Station 11023, San Angelo, Texas 76909, and return the completed form to the same office. The forms will be reviewed for completeness and verification that the employee's purpose for the gift is an existing program or eligible use.
- b. After the forms have been reviewed and processed by the Office of Development and Alumni Relations, they are immediately forwarded to the payroll services department. Forms will not be accepted by the payroll services department without prior review and approval by the Office of Development and Alumni Relations.

### **3. Effective Date of Authorization Forms**

- a. An employee's contribution deduction will be effective the first workday of the month following the month in which the payroll services department receives an approved authorization form. Deduction authorization forms must be received by the 15th day of the month to be processed for the following month.
- b. Authorization forms submitted to change the amount of the deduction become effective the first of the month indicated on the authorization form. If an authorization form received by payroll services is not able to be processed for the month indicated by the employee, payroll services will notify the employee and the Office of Development of the change. For example, on authorization forms indicating the month to begin as March, the deduction would be taken on March 25<sup>th</sup> for employees paid semi-monthly and April 1<sup>st</sup> for employees paid monthly.

### **4. Salary or Wages to Support a Deduction**

- a. The employee is solely responsible for ensuring that the employee's salary or wages are sufficient to support an authorized deduction.
- b. If the employee's salary or wages are not sufficient to cover the entire authorized deduction, then no part of the deduction may be made.
- c. If there is not sufficient salary to support the deduction, the deduction may not be made up by deducting from subsequent payments of salary or wages to the employee.
- d. The university is not liable or responsible for any damages or other consequences resulting from an employee authorizing an incorrect contribution deduction amount.

### **5. Frequency of Deductions**

An authorized deduction will be submitted to the payroll services department as an amount to be deducted each month in which the employee receives pay. The deduction will be ongoing until cancelled or until the stop date designated by the employee has been reached.

### **6. Cancellation or Change of Deductions**

- a. An employee may cancel the deduction for contributions at any time by sending written notice directly to the payroll services department. An employee should not contact the Office of Development and Alumni Relations to cancel a contribution.
- b. The notice of cancellation will become effective the first workday of the month following the month in which the payroll services department receives the notice.
- c. The payroll services department will report notifications of cancellations to the Office of Development and Alumni Relations.
- d. If the employee wishes to increase the amount deducted to include additional designated purposes or to decrease the amount deducted to exclude previously designated purposes, a new deduction authorization form must be processed through the Office of Development and Alumni Relations requesting the new total deduction amount.

[Minor revisions: November 30, 2016]

- e. The employee is responsible for ensuring that cancellation requests or change forms are properly completed and submitted in time to meet the deadline, 15th day of the month.

**7. Acknowledgement of Charitable Contribution by Angelo State University**

The Office of Development and Alumni Relations will issue an *Official Gift Receipt* in January of each year for the previous calendar year's charitable contributions. The receipt will support the employee's calendar year gift to ASU, net of refunds, and/or adjustments. Verification of the monthly payroll charitable deduction will appear on the employee's check stub each month. No monthly gift receipts will be issued.

**8. Transmittal of Funds to the Office of Development and Alumni Relations**

The payroll services department will automatically post the deductions to the ASU Foundation clearing account designated by the Office of Development and Alumni Relations. The posting will occur when the payroll processing is complete for the cycle in which the deduction is scheduled.

A detailed report of the following will be sent to the Office of Development and Alumni Relations after each payroll/processing run:

- a. Employee name
- b. Employee CID
- c. Contribution deducted amount
- d. Check date (date of record)