



TEXAS TECH UNIVERSITY

Operating Policy and Procedure

OP 69.05: Payroll Deduction Designated to Texas Tech for Charitable Contributions

DATE: April 22, 2015

PURPOSE: The purpose of this Operating Policy and Procedure (OP) is to set forth policies and procedures related to the processing and management of payroll deductions for charitable donations (gifts) to Texas Tech University and Texas Tech University Health Sciences Center.

REVIEW: This OP will be reviewed in March of even-numbered years by the managing director of Payroll Services and Human Resources and the director of Financial Services, Office of Institutional Advancement, with substantive changes forwarded to the chief of staff to the president and associate vice president for administration.

POLICY/PROCEDURE

1. Background

The 76th regular session 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.

2. General

- a. Effective September 1, 2000, faculty and staff of Texas Tech are eligible to contribute charitable donations (gifts) to Texas Tech University and Texas Tech University Health Sciences Center via payroll deductions. A minimum deduction of \$2.00 per pay-period per designated purpose will be required to substantiate the processing of the contribution.
- b. Deductions designated as charitable donations (gifts) to Texas Tech may be restricted as to use to a specific unit of Texas Tech 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.

3. Authorizations and Change of Deduction

- a. Employees may obtain a deduction authorization form from the Office of Institutional Advancement, Financial Services Department, Box 45025, Lubbock, Texas 79409-5025, Accounting.AdvancementServices@ttu.edu, 806-742-1520, 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 to an established Banner FOP that is designated to receive gifts.

- b. After the forms have been reviewed by the Office of Institutional Advancement Financial Services Department, a *Miscellaneous Deductions Form* will be completed and submitted via fax directly to the employee's respective TTU/TTUS or HSC Human Resources Department by the Office of Institutional Advancement, Financial Services Department. Forms will not be accepted by the Human Resources departments without prior review and approval by the Office of Institutional Advancement.

4. **Effective Date of Authorization Forms**

Deduction amounts are per pay period. Deductions start the first of the month following the month the form is signed and submitted to the Office of Institutional Advancement, Financial Services Department. Deductions must end on the first of the month following the month the deduction ends.

5. **Frequency of Deductions**

An authorized deduction will be submitted to the employee's respective Human Resources Department as an amount to be deducted each pay period 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. **Salary or Wages to Support a Deduction**

The employee is solely responsible for ensuring that the employee's salary or wages are sufficient to support an authorized deduction.

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.

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.

The university is not liable or responsible for any damages or other consequences resulting from an employee authorizing an incorrect contribution deduction amount.

7. **Cancellation or Change of Deductions**

- a. An employee may cancel the deduction for contributions at any time by sending written notice directly to the Office of Institutional Advancement, Financial Services. An employee should not contact their respective Human Resources Department to cancel a contribution. The email address to send written notifications of cancellation is Accounting.AdvancementServices@ttu.edu.
- b. The notice of cancellation will become effective the first workday of the month following the month in which the Office of Institutional Advancement, Financial Services Department, receives the notice and submits the *Miscellaneous Deductions Form* indicating the cancellation to the employee's respective Human Resources Department.
- c. An employee may have only one Texas Tech charitable deduction in effect at any time. 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 Institutional Advancement requesting the new total deduction amount. The Office of Institutional Advancement will then submit any changes in amounts to the employee's respective Human Resources Department.

- d. The employee is responsible for ensuring that cancellation requests or change forms are properly completed and submitted in time to meet the deadline.

8. Acknowledgement of Charitable Contribution by Texas Tech

The Office of Institutional Advancement will issue an *Official Gift Receipt* at year's end for the previous calendar year's charitable contributions. The receipt will support the employee's calendar year gift to Texas Tech, 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.

9. Transmittal of Funds to the Office of Institutional Advancement

Payroll Services will automatically post the deductions to the Banner clearing account designated by the Office of Institutional Advancement. The posting will occur when the payroll processing is complete for the cycle in which the deduction is scheduled. The clearing account will be reconciled daily by the Office of Institutional Advancement, Financial Services Department.

The Office of Institutional Advancement, Financial Services Department, retrieves deduction reports through Banner ePrint after each payroll/processing run.

10. Right to Change Policy

Texas Tech reserves the right to interpret, change, modify, amend, or rescind this policy, in whole or in part, at any time without consent of employees.