

BEND-LA PINE SCHOOLS

Administrative School District No. 1

Deschutes County, Oregon

ADMINISTRATIVE REGULATION

Name: Voluntary Payroll Deductions

Section: Fiscal

Code: DLB-AR

VOLUNTARY PAYROLL DEDUCTIONS

A. SECTION 125 PLANS

Voluntary payroll deductions are available for IRS Section 125 Plans required by employee group collective bargaining agreements, memorandum of agreements, or individual contracts and adopted by the Board of Directors. The minimum and maximum that may be withheld for the medical reimbursement plan is identified in the contract with the Section 125 provider.

B. DESCHUTES UNITED WAY

Voluntary payroll deductions are allowed for the Deschutes United Way campaign. The District recognizes that United Way provides a coordinated community effort to support carefully screened IRS Section 501(c)(3) entities that impact lives in the community. In addition, United Way provides an opportunity for donors to designate contributions to any IRS Section 501(c)(3) entity. Therefore, district employees provide voluntary support for the annual United Way campaign and are permitted to make a presentation annually at employee staff meetings.

C. ALL OTHER VOLUNTARY PAYROLL DEDUCTIONS

1. Permitted Voluntary Deductions

a. Voluntary deductions are allowed for IRS Section 403(b) Tax Sheltered Annuities.

b. Voluntary deductions are allowed for non-profit, IRS Section 501(c)(3) entities. A copy of the entity's approved non-profit tax status is required to be on file in the Business Office.

c. Voluntary deductions are not allowed for entities other than IRS Section 125, 403(b), 457 (deferred compensation) and 501(c)(3).

2. Minimum Number of Employees required for 403(b) and 501(c)(3) deductions.

a. New entities must present a minimum of fifty (50) employee contracts to qualify as an additional voluntary payroll deduction.

b. Current entities that have a minimum of twenty-five (25) employee contracts may continue to add employee contracts.

c. Current entities that have less than twenty-five (25) employee contracts may only add employee contracts if the added contracts would bring the total for the entity to a minimum of twenty-five (25).

3. As an exception to item C.2 above, the district may add 403(b) entities as needed to ensure a range of investment choices for employees. For example, if the current available vendors do not offer a "no-load" mutual fund as an investment option, the district may choose to add a vendor to the active list that offers such an option.

4. Minimum Monthly Amount and Minimum Periods of Voluntary Deduction.

a. The minimum monthly amount for a voluntary payroll education is \$10.

b. The minimum period for a Section 501(c)(3) deduction is six (6) months.

Reviewed / Approved by Cabinet: 5/19/2008, 12/7/09