

6520 PAYROLL DEDUCTIONS

The Board of Education shall, in accordance with law or employee authorization, make deductions from an employee's paycheck and remit the amounts deducted to the agent designated by the employee.

Deductions will routinely be made as required for Federal income tax, social security and medicare; New Jersey income tax, unemployment assistance, and other miscellaneous taxes; and by the New Jersey Division of Pensions.

Deductions may also be made, provided they have been duly authorized by the employee in writing, for contributions on the employee's behalf for:

1. The payment of premiums for group life, accidental death or dismemberment, hospitalization, medical, surgical, major medical, health and accident, and legal insurance plans, N.J.S.A. 18A:16-13;
2. The purchase of United States Government bonds, N.J.S.A. 18A:16-8;
3. The employee's participation in a summer payment plan for repayment to the employee over the summer months or by payment upon the death or termination of the employee, if earlier, N.J.S.A. 18A:29-3;
4. Tax sheltered annuities or custodial accounts, N.J.S.A. 18A:66-127;
The Board will consider the approval of only those plans to which ten (10) or more employees of the district subscribe. At no time will the district exceed five (5) plans, consistent with both Internal Revenue Code section 403(b) and 457(b). When the number of subscribers falls below five (5), the plan option may be terminated after notification is given to the employees affected. Should a tax-sheltered annuity or custodial account be closed, the district will offer guidance and information to the employee focused upon enrollment in an alternative tax-sheltered annuity or custodial account
5. Payments to a credit union, N.J.S.A. 40A:19-17;
6. An approved charitable fund raising campaign, N.J.S.A. 52:14-15.9c; and
7. Bona fide organizational dues, N.J.S.A. 52:14-15.9e.



POLICY

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Contributions shall be made as soon as is reasonably possible after the funds have been deducted from an employee's salary. No contribution shall be made on behalf of an employee until the amount contributed has been deducted from the employee's salary.

N.J.S.A. 18A:16-9; 18A:66-19; 18A:66-30;
18A:66-78; 18A:66-128

N.J.S.A. 43:3C-9

N.J.S.A. 52:14-15.9; 52:18A-107 et seq.

N.J.S.A. 54:8A-9

N.J.A.C. 6A:23-2.8; 6A:23-2.10

Adopted: 26 July 2010

