

REVISED POLICY - VOL. 28, NO. 1PAYROLL DEDUCTIONS

For those employees not covered by the terms of a negotiated agreement, the School Board authorizes that certain deductions may be made from an employee's paycheck upon receipt of proper written authorization on the appropriate form. Subject to I.C. 22-2-6-2 and other applicable law, deductions may be made for:

- A. Federal, State, and local income tax;
- B. Social Security and Medicare (FICA);
- C. Indiana State Teachers Retirement Fund or Public Employees Retirement Fund;

(X) county local option income tax;

(X) Section 125 deductions (cafeteria plans);

(X) Section 403(b) deductions;

(X) Section 457(b) deductions;

(X) U.S. Savings Bonds;

(X) savings in a chartered credit union;

(X) contributions to charitable or nonprofit organizations;

(X) payment of dues to labor organizations of which the employee is a member;

X() payment of group health or life insurance premiums for a plan in which at least ten (10) percent of the ~~Corporation~~Career Center employees participate;

(X) ~~purchase of merchandise from the Corporation~~Career Center-other

Employees shall notify the ~~Corporation~~Career Center's administrative offices in writing if they wish to participate in this payroll deduction program. Any payroll deduction agreement provided by an employee must otherwise comply with all of the provisions of applicable law and may be terminated as said law provides upon notice given in writing by either party.

To the extent permitted by law, the Board also declares its willingness to enter into an agreement with any of its employees whereby the employee agrees to take a reduction in salary with respect to amounts earned after the effective date of such agreement in return for the Board's agreement to contribute such withheld amounts to an employee benefit plan described in section 403(b) or 457(b) of the Internal Revenue Code, which has been made available by the ~~Corporation~~Career Center ("403(b) or 457(b) Plan"). Such contributions will be subject to the terms and conditions of the employee's salary reduction agreement and the ~~Corporation~~Career Center's administrative guidelines that are adopted from time to time with respect to the 403(b) or 457(b) Plan, including the following:

- A. Amounts withheld at an employee's election for contribution to a 403(b) or 457(b) Plan will only be forwarded to a company/vendor that has been previously approved by the board and continues to remain on the Board's approved list of vendors.
- B. An employee must complete a standard salary reduction agreement that has been pre-approved by the ~~Corporation~~Career Center.
- C. By providing employees with payroll deduction services for contributions to a benefit plan, the Board is not providing any financial advice to employees.
- D. The Board does not guarantee the return or quality of any tax-sheltered annuity, mutual fund, or other investment selected by an employee, and it is intended that the Board and the ~~Corporation~~Career Center shall have no liability whatsoever for any investment alternative offered by an approved vendor or selected by an employee.

BOARD OF SCHOOL TRUSTEES

FINANCES

~~SCHOOL~~CAREER CENTER CORPORATIONCAREER CENTER6520/page 3

- E. All costs incurred in the administration of the 403(b) or 457(b) Plan and corresponding investment fees shall be paid from the assets of the applicable 403(b) or 457(b) Plan.

(+) ~~Other~~

I.C. 22-2-6-2

Internal Revenue Service Code Section 403(b)

© NEOLA ~~2012~~2015