

SALARY DEDUCTIONS

Code **DKB** Issued **10/08**

Purpose: To establish the basic structure for deductions from salaries of employees.

All deductions from salary, except for deductions required by law, are subject to board approval and are voluntary on the part of the individual employee. The district requires that voluntary deductions be authorized in writing by the employee on a form supplied by the district.

The following payroll deductions are required by law.

- Social Security
- state and federal income tax
- state retirement

The following additional payroll deductions are allowed by law and are approved by the school board.

- extended family benefits for health insurance
- tax sheltered annuity plans which meet board established criteria
- employee credit unions
- deductions for state-authorized group survivor monthly income insurance programs and term life insurance

The district will maintain and operate any 403(b) programs pursuant to a written plan. The written plan will contain all the material terms and conditions for eligibility, benefits, applicable limitations, the contracts available under the plan, the time and form under which distributions may be made, and other optional features as appropriate. The district will generally open these programs to all employees and provide notification on an annual basis.

Part-time teachers working 15-30 hours per week qualify for state health and dental insurance.

The district will consider deductions for charitable organizations only after each organization submits evidence that it has a current 501(c)(3) classification with the Internal Revenue Service.

The district will not make deductions for any organization which is chartered by Section 501(c)(4)(5) or (6) of Title 26 U.S. Code.

The district will not make deductions for any organization that has a parent or subsidiary organization which fails to meet the requirements herein.

The district will not make any deductions if the proceeds of the deduction would be for the benefit of a labor organization.

Adopted 8/13/91; Revised 10/10/00, 8/10/04, 10/14/08, ^

Legal references:

- A. Federal regulations:
1. 26 CFR 601.201 - Rulings and determination letters.

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B. S. C. Code, 1976, as amended:

1. Section 8-11-91 - Deductions for charitable contributions.
2. Section 8-11-92 - Qualifying criteria for charitable organizations.
3. Section 8-11-93 - Minimum level of employee participation required (lesser of 10 percent or 200 employees).
4. Section 8-11-98 - Deductions for payment to credit union.
5. Section 59-25-45 - Health and dental insurance.