

CONTRIBUTION DEDUCTIONS
FOR FUND-RAISING ORGANIZATIONS

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CONTRIBUTION DEDUCTIONS
FOR FUND-RAISING ORGANIZATIONS

I. INTRODUCTION

This chapter sets forth the policies and guidelines applicable to payroll deductions from employee wages for contributions to community charitable fund drives and campus fund-raising campaigns. In addition, the chapter details the procedures established for administering these deductions.

The policy authorizing payroll deductions for contributions to community charitable organizations was adopted by The Regents in September 1961. In May 1976, The Regents amended this policy to include payroll deductions for campus fund-raising campaigns. Based on this amendment, the President issued "Guidelines for Payroll Deductions for Employee Contributions for Charitable Drives and Campus Fund-Raising Campaigns." In May 1997, The Regents authorized the President to approve payroll deductions from an employee's wages for contributions to more than one campus fund-raising campaign. In December 1997, the President issued revised Guidelines, which incorporated this Policy change and related procedures.

II. POLICY AND GUIDELINES

A. COMMUNITY CHARITABLE FUND DRIVES

The following rules govern deductions for community charitable fund drives:

- 1) Chancellors and Department of Energy Laboratory Directors are authorized to approve payroll deductions from employee wages for charitable contributions to the principal combined charitable fund drive for their campus or Laboratory location.
- 2) A Chancellor or Department of Energy Laboratory Director may request that, in lieu of the contributions described above, the President approve a single payroll deduction for one major combined fund drive, which provides that employee contributions be divided into specific amounts for both the principal community fund drive agency and a separate agency or group of agencies in the campus or Laboratory area.

Each such agency shall furnish evidence that it qualifies, under applicable Federal and State law, as an organization to which tax-deductible, charitable contributions can be made.

- 3) Only one campus-wide community charitable fund drive, as described in either 1) or 2) above, may be established for payroll deduction and the campus or Laboratory shall be reimbursed by or on behalf of the agency or agencies for machine time, supplies, and other administrative costs involved.
- 4) Payroll deductions under 1) and 2) above may be established for a specific period or for an indefinite period, and must be entirely voluntary, must be authorized by the employee in writing and, subject to payroll deadlines, may be terminated at any time upon written request of the employee.

B. ON-CAMPUS FUND-RAISING CAMPAIGNS

The following rules govern deductions for on-campus fund-raising campaigns:¹

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- 1) The Chancellor may request that the President approve payroll deductions for employee contributions to one or more on-campus fund-raising campaigns. Each request shall state the campaign goal, the duration of the campaign and the specific program(s) or purpose(s) for which the funds raised will be used.

To utilize employee payroll deductions, each on-campus fund-raising campaign must meet a student, teaching, research, employee, or other campus development need that cannot be funded from other sources adequately.

- 2) A campaign may include one or more programs or purposes, or a combination thereof, in which case, an employee may be permitted to specify the amount of the deduction to be applied to each program or the purpose selected.

¹ These rules shall also apply to any Laboratory-based fund-raising campaigns.

II. POLICY AND GUIDELINES (Cont.)

A. COMMUNITY CHARITABLE FUND DRIVES (Cont.)

- 3) The above payroll deductions may be established for a specific period or for an indefinite period, and must be entirely voluntary, must be authorized by the employee in writing, and, subject to payroll deadlines, may be terminated at any time upon the written request of the employee.
- 4) The campus shall be reimbursed by or on behalf of the campaign for machine time, supplies, and other administrative costs related to payroll deduction.

III. PROCEDURES

The following procedures apply to both community fund drives and on-campus fund drives, unless otherwise indicated.

A. DEDUCTIONS

- 1) Campuses and Laboratories may elect either to accept deduction forms only at the time solicitation drives are launched initially or to accept them throughout the year.
- 2) Deductions may be set up with ending dates that coincide with the term of the solicitation drive.
- 3) Each deduction must be at least \$1.00 per month.
- 4) Deductions will be scheduled for the same checkwrite as other repetitive deductions.
- 5) Deductions may not be skipped, and no retroactive deductions can be taken to compensate for deductions not taken because of insufficient earnings, etc.

B. ESTABLISHMENT OF DEDUCTIONS

1. Forms Processing

Responsibility

Functions

- 1) Employee

Complete deduction authorization form.

III. PROCEDURES (Cont.)

C. CANCELLATION OF DEDUCTIONS (Cont.)

- 4) Since a pledge of contributions is a matter between the employee and the fund-raising organization(s), accounting officers are not responsible for collecting deductions the employee cancels or drops. Accounting officers are not required to notify an organization of deduction cancellations; however, they may provide the organization with a copy of the deduction dropout listing.

D. REIMBURSEMENT OF ADMINISTRATIVE COSTS

The Payroll Coordination Office establishes the administrative cost formula and rates for processing deductions and informs the payroll offices at the campus and Laboratory locations, as necessary. The administrative costs for payroll deductions are described in Accounting Manual chapter P-196-23, Payroll: Deduction-Cost Reimbursement.

E. REMITTANCE TO THE FUND-RAISING ORGANIZATION

The campus or Laboratory accounting office should remit deductions monthly, unless otherwise agreed upon with the fund-raising organization. Copies of the deduction registers and, if applicable, the deduction dropout listing, should be sent with the remittance. A statement showing the deduction for the reimbursement of administrative costs also should be enclosed with the remittance.

For fund-raising campaigns covering more than one program or purpose, when the employee is permitted to specify the allocation of his or her contribution, the fund-raising organization is responsible for ensuring that employee contributions are apportioned correctly.

F. ACCOUNTING CODES

The following accounts have been established for the payroll deduction liabilities:

Community campaigns	115280
On-campus campaigns	115283

The payroll deduction codes to be used are as follows:

Community Campaigns	53
On-Campus Campaigns	54

IV. RESPONSIBILITIES

A. VICE PRESIDENT--FINANCIAL MANAGEMENT

The Vice President--Financial Management is responsible for informing the campus and Laboratory accounting offices of any developments with respect to policies, guidelines, etc. concerning deductions for contributions to fund-raising organizations.

B. ACCOUNTING OFFICERS

Accounting officers are responsible for ensuring that the policies, guidelines, and procedures for effecting payroll deductions for contributions to fund-raising organizations, as set forth in this chapter, are observed by their respective campuses or Laboratories.

V. REFERENCES

The Regents, Minutes authorizing the establishment of Payroll deductions for charitable contributions, September 22, 1961.

The Regents, Minutes concerning payroll deductions for Educational Opportunity Programs, May 19, 1972. The Regents, Minutes authorizing the President to approve payroll deductions for charitable contributions from employees' wages, May 21, 1976.

President David S. Saxon, Memorandum to Chancellors, Laboratory Directors on Guidelines for Payroll Deductions for Employee Contributions for Charitable Drives and Campus Fund-Raising Campaigns, June 29, 1976.

The Regents, Amendment to policy of May 21, 1976, authorizing the President to approve payroll deductions for charitable contributions to more than one campus fundraising campaign, May 16, 1997.

V. REFERENCES (Cont.)

President Richard C. Atkinson, Memorandum to Chancellors and Laboratory Directors on Guidelines on Payroll Deductions for Employee Contributions for Charitable Drives and Campus Fundraising Campaigns, December 23, 1997.

Historical note: Accounting Manual chapter first published 7/1/70. Revised 8/1/72, 11/20/74, 2/1/79, 7/1/80, 3/31/96, 9/30/97, 3/31/98, and 12/30/00; analyst--Abdul Abdurahman.