

SUBJECT: General Guidelines
TITLE: Tom Green County Payroll Deduction Policy
POLICY: 1.0
APPROVED: 07/01/08 by Commissioners' Court

I. PURPOSE

Tom Green County provides guidelines for the submission of employee requests for voluntary payroll deductions to Commissioners Court, review of such requests, and the establishment of the agreements between the County and the organization.

II. BACKGROUND

Local Government Code §155.001 states (a) the commissioners court, on the request of a county employee, may authorize a payroll deduction to be made from the employee's wages or salary for:

- (1) payment to a credit union;
- (2) payment of membership dues in a labor union or a bona fide employees association;
- (3) payment of fees for a parking in a county-owned facility;
- (4) payment to a charitable organization; or
- (5) payment relating to an item not listed in this subsection if the commissioners court determines that the payment serves a public purpose.

Local Government Code § 155.003 states (a) Public funds may not be used to pay the administrative costs of making a deductions, except for a deduction relating to the payment of parking fees in a county-owned facility. (b) The credit union, labor union, or employees association for whose benefit a deduction is made shall pay any administrative costs for making the deduction. The commissioners court shall determine the amount of the administrative costs.

This procedure establishes the process for adding a payroll deduction for an employee association or charity to the deductions available to employees who receive paychecks via the Tom Green County Treasurer.

III. QUALIFICATIONS

1. 30% of number of budgeted positions
2. Employees' best interest to promote a common purpose.

IV. DEFINITIONS

A. Charitable Organization

V.T.C.A. Government Code §659.131 defines charitable organization as an organization that:

1. is organized for charitable purposes under the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes) or holds a certificate of authority issued under that Act;
2. is exempt from taxation under Section 501(a) of the Internal Revenue Code of 1986;

3. complies with all applicable federal nondiscrimination law including Chapter 21, Title 42, United States Code;
4. complies with all state statutes and rules related to charitable organizations; and
5. is not a private foundation.

B. Bona Fide Employee Association

An organization of employees, formed in good faith to promote a common purpose, see Texas Local Government Code §155.001 and § 155.061.

V. PROCEDURE

Step 1

A. County Employee

1. Provides written request to County Treasurer stating
 - a. Vendor Contact Information
 - b. Reason for request
2. County Treasurer will review and place on Commissioners Court agenda

Step 2

B. Entity Requesting Payroll Deduction

1. Compiles information required and forwards information to County Treasurer; who reviews request to determine if meets qualifications.
 - a. Provide information about the entity making the request
 - b. Provide form showing intent
 - c. Provide appropriate forms for authorization/cancellation
 - d. Must have local representative
 - e. Must provide all PR material
 - f. Must be available for minimum semi-annual meetings with employees as designated by the Human Resources Department
 - g. Must accept County Treasurers' issued semi-monthly payroll deduction check as payment, which includes employees participating and the amount paid
 - h. Must notify County Treasurer of any exceptions to semi-monthly deductions check
 - i. Must agree to be responsible for all refunds
 - j. Must agree to contact employee upon last payroll deduction to offer another means of payment if employee chooses
 - k. Any other forms or documentation as deemed necessary by County of Tom Green
2. Vendor must qualify under one of the following categories.
 - A. Bona Fide Employee Association
 1. Schedule of Membership dues to be deducted
 2. Number of Members.
 - B. Other Associations

1. Charitable Organizations - Nonprofit 501 (s)(c)
 - a) Domestic Corporation - Copy of certificate of incorporation.
 - b) Foreign Corporation - Copy of certificate of authority to transact business in Texas.
 - c) Schedule of deductions.

C. Insurance Agencies

1. Certificate of Authority issued by the State Board of Insurance.
 2. Certificate of Good Standing
 3. Schedule of Premiums
3. County Treasurer will review and place on Commissioners Court agenda

Step 3 – Various Office Requirements

C. County Treasurer

1. Receives information for application for payroll deduction from entity/County employee requesting deduction
2. Notifies
 - a. The Human Resource Department of potential deduction, for survey completion to meet minimum required employees
 - b. County Attorney of potential deduction, for completion of agreement
 - c. County Auditor of potential deduction, for preparation of budget/line item requirements
3. Places reviewed application on formal agenda for consideration by Commissioners' Court
4. Upon final approval by Commissioners Court County Treasurer will begin steps for payroll inclusion
5. Receives set up fees and completed agreement from entity
6. Processes deposit in accordance with internal procedures
7. Begins internal procedure for inclusion into payroll

D. Human Resources

1. Receives notification of survey verification on proposed request for payroll deduction from County Treasurer
 2. Submit survey within 10 working days of receiving notification
 3. Survey results will be submitted to County Treasurer within 15 working days of sending out survey
 4. Relay concerns or reservations regarding request, if any to County Treasurer
 5. Human Resources will set up employee notifications and will coordinate vendor/employee initial meetings and
 6. Human Resources will co-ordinate a minimum Semi- Annual Approved Payroll Deduction Vendor Fair (See Step 2 B1f)
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E. County Attorney

1. Upon request by County Treasurer, prepares agreement for payroll deductions between entity and County
2. Relay concerns or reservations regarding request, if any to County Treasurer
3. Forwards agreement to County Treasurer for inclusion with agenda request
4. Present during Commissioners Court for additional questions

F. County Auditor

1. Receives notification of potential payroll deduction from County Treasurer
2. Relay concerns or reservations regarding request, if any to County Treasurer
3. Prepares potential budget/line items necessary, and submits to County Treasurer to be included in agenda request

G. Commissioners Court

1. Upon initial appearance on agenda, votes to reject or approve
 - a. If rejected, states reason and gives direction to resubmit;
 - b. Rejected as final decision; or
 - c. Approved- County Treasurer begins steps necessary for inclusion with payroll
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