POLICY

WATCHUNG BOROUGH BOARD OF EDUCATION

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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 employee's participation in a summer payment plan;
- 3. Tax sheltered annuities or custodial accounts, N.J.S.A. 18A:66-127;
- 4. Payments to a credit union, N.J.S.A. 40A:19-17; and
- 5. Bona fide organizational dues, N.J.S.A. 52:14-15.9e.

Contributions shall be made in accordance with law 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.

Any full-time employee desiring participation in a tax-sheltered annuity shall request same, in writing, to the business office for the plan and to the tax-sheltered annuity agent for the private plans. Private plans shall be limited to those companies which are recognized by the Board of Education. The Board reserves the right to limit the number of companies to be used by employees.

The individual staff member is responsible for determining that the voluntary deductions requested are legally permissible.



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An employee who wishes to pay into a tax sheltered annuity or mutual fund offered by a firm not approved by this Board for payroll deductions must make his/her payment individually.

No Board employee shall withhold or pay to another or purchase or have assigned, other than by court order, any compensation for the services rendered by an employee of this district.

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: 19 October 2016

