

POLICY

**NORTHVALE
BOARD OF EDUCATION
FINANCES**

**PAYROLL DEDUCTIONS
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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 purchase of United States Government bonds, N.J.S.A. 18A:16-8;
3. The employee's participation in a summer payment plan for repayment to the employee in one (1) installment in July or by payment upon the death or termination of the employee, if earlier, N.J.S.A. 18A:29-3;
4. Tax sheltered annuities or custodial accounts, N.J.S.A. 18A:66-127;
5. Payments to a credit union, N.J.S.A. 40A:19-17;
6. An approved charitable fund raising campaign, N.J.S.A. 52:14-15.9c; and
7. Bona fide organizational dues, N.J.S.A. 52:14-15.9e.
8. Mentor teachers.
9. Flexible Spending Accounts for Dependent Care as per annual board approval.

Contributions shall be made as soon as is reasonably possible 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.



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The Board will permit the remittance of funds for annuities and mutual funds only to those insurers and custodial accounts authorized by law and expressly approved by this Board.

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.

The Board of Education wishes to provide members of the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System the opportunity to make tax deferred contributions under the United States Internal Revenue Code. On the written approval of an employee, contributions deducted from the employee's wages and remitted directly to TPAF or PERS, as appropriate, will be designated as employer contributions, paid by the Board on behalf of the employee. No employee may receive the contributed amount directly.

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: September 28, 1998
Revised and Approved: May 15, 2017

