

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: University Advancement

NUMBER: 08.A.05

AREA: General

SUBJECT: Gifts by System Employees Through Payroll Deductions

1. PURPOSE

This administrative memorandum establishes guidelines, in accordance with [Section 51.947](#) of the [Texas](#) Education Code, for gifts to the University of Houston System, System support organizations, and other State of Texas public universities by System employees using a payroll deduction program. These guidelines do not include the [State Employee Charitable Campaign](#) (SECC).

2. POLICY

2.1. Timing of Program: The payroll deduction program for all component universities will be conducted on an ongoing basis.

2.2. Enrollment

- a. Each component university will conduct its own enrollment. Each Office of Development is responsible for providing marketing direction and for confirming gift allocation parameters under the general oversight and guidance of the Vice Chancellor for University Advancement through the Development Executive Staff (a committee represented by component university chief development officers and other leadership development positions).
- b. Employees may sign up to participate in the payroll deduction program at any time during the year by establishing a deduction through Employee Self Service (PASS) or contacting the Office of Development at their component university.
- c. Employees may discontinue participation in the payroll deduction program at any time by giving written notice to the payroll department at their component university or by discontinuing the deduction through Employee Self Service (PASS).
- d. University of Houston - Clear Lake, University of Houston - Downtown, and University of Houston - Victoria work with their own payroll departments to create the payroll deduction. The payroll deduction pledge information is then sent to Donor and Alumni Records (DAR) to assist in

recording subsequent gifts in the System donor/alumni information management system.

- e. At the University of Houston ~~Main~~-Central campus, the Donor and Alumni Records department receives payroll deduction information from various sources:
 1. Employee Self Service (PASS) notifies DAR of employee-created deductions by e-mail.
 2. Solicitation response devices are received through regular or interoffice mail.

In the second instance, the Donor and Alumni Records department is responsible for sending the deduction information to the payroll department and recording subsequent gift information in the System donor/alumni information management system.

2.3. Gift Levels and Designations

- a. The minimum contribution amount through the payroll deduction program is \$2.00 per month (\$24.00 annually) per designation. For example, if an employee wishes to support both general scholarships and the library, a minimum gift of \$4.00 per month (\$48.00 annually) is required.
- b. Employees may designate all or a portion of their gift to any component university. For example, a UH main campus employee may split their gift between the UH Library and the UHD College of Business.
- c. Employees may designate all or a portion of their gift to a System support organization so long as the support organization is in full compliance with rules adopted by the System under [Section 2255.001](#) of the [Texas](#) Government Code.
- d. Employees may designate all or a portion of their gift to another State of Texas public university.

2.4. Payroll Deduction Process

- a. Deductions are made on an after-tax basis. They are not tax deferred.
- b. Deductions will be taken once a month and will continue for the period of time set by the donor. Deductions for biweekly employees will be taken during the first pay cycle of each month.

- c. One cost center will be established at the System level into which payroll deductions will be recorded for all campuses.
- d. Funds will be transferred to the component university bank account or System endowment bank account for non-endowed and endowed contributions, respectively, by way of an electronic funds transfer.
- e. The Donor and Alumni Records department will receive an itemized list of deductions from the Payroll Department. Gifts are processed and distributed through the System donor/alumni information management system. It is the responsibility of Donor and Alumni Records to process, reconcile, and communicate the payroll deduction information to the appropriate areas of each component university.

3. REVIEW AND RESPONSIBILITIES

Responsible Party: Vice Chancellor for University Advancement

Senior Associate Vice Chancellor for Finance

Review: Every two years on or before March 1

4. APPROVAL

Approved: Eloise Stuhr
Vice Chancellor for University Advancement

Jim McShan
Interim Senior Vice Chancellor for Administration and Finance

Renu Khator
Chancellor

Date: July 27, 2015

REVISION LOG

Revision Number	Approval Date	Description of Changes
1	01/16/2001	Initial version
2	06/09/2009	Applied revised SAM template to meet current documentation standards. Changed title by removing "UH." Language change from "UH System" to "component universities" throughout document. Added information on participating in payroll deduction program throughout the year and Employee Self Service (PASS). Rewrote Section 2.4 to reflect current operating requirements. Added the AVC for University Advancement and the AVC for Finance as responsible parties; changed the review period to every two years on or before March 1 st . Removed Section 5.0, Indexing Terms
3	10/19/2011	Applied revised SAM template and added new Revision Log. Changed Section 2.1 to document payroll deduction program to take place for an ongoing basis; rewrote Section 2.2d and added Section 2.2e to reflect current operating requirements. Rewrote Section 2.4, including the removal of Section 2.4f documentation
4	07/27/2015	Added information to Section 2.2.b regarding payroll deductions through PASS or contacting the Office of Development at the component university. Changed the example for Section 2.3.b from UH System at Sugar Land to UHD College of Business. Made minor redline changes to Sections 2.2.d and 2.2.e
<u>5</u>	<u>TBD</u>	