

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: Human Resources

NUMBER: 02.F.05

AREA: Payroll

SUBJECT: Payroll Deductions

1. PURPOSE

This document provides direction for the payroll department when making deductions from employees' paychecks that are mandated by statutory provision.

2. POLICY

The University of Houston System allows only payroll deductions from paychecks of employees as are authorized or required by statutory enactment. Deductions that are statutorily authorized but not required may be offered at the discretion of the System. The component university's chief financial officers are responsible for providing recommendations to the Interim Vice Chancellor for Administration and Finance to add or discontinue any discretionary deductions.

3. VOLUNTARY DEDUCTIONS

Employees must submit the appropriate completed form with their original signature to the appropriate component university payroll office to authorize voluntary deductions from paychecks.

In the event that the employee submits an electronic voluntary deduction form, an electronic signature will suffice as authorization for such deduction.

4. PROCEDURES

The System Payroll Office will establish appropriate procedures for the administration of this policy.

5. REVIEW AND RESPONSIBILITY

Responsible Party: Associate Vice Chancellor for Finance

Review: Every three years on or before March 1

6. APPROVAL

Approved: Jim McShan
Interim Vice Chancellor for Administration and Finance

Renu Khator
Chancellor

Date: December 4, 2015

REVISION LOG

| Revision Number | Approval Date | Description of Changes |
|------------------------|----------------------|--|
| 1 | 09/04/1990 | Initial edition |
| 2 | 11/26/1990 | Revised phrasing in Sections 1.1 and 1.2. |
| 3 | 02/23/1996 | Revised Section 1.1 to add administrative memorandum information. Revised Section 2.1 to add deductions offered as the discretion of UH System, and component chief financial officers providing recommendations to the Chancellor to add or discontinue any discretionary deductions |
| 4 | 10/21/1998 | Revised Section 1.1 to address purpose of the SAM. Changed phrasing in Section 2.1 to reflect some information in Section 1.2, plus changing recommendations chain from Chancellor to Vice Chancellor for Administration and Finance. Added Section 3.1 on components establishing appropriate procedures, to be reviewed by each component's Director of Human Resources |
| 5 | 10/24/2003 | Revised SAM template to reflect current operation requirements. Removed incremental section numbers. Changed responsibility for establishing payroll policy to System Payroll Office in Section 3.0. Changed responsible party from Vice Chancellor for Administration and Finance to Associate Vice Chancellor for Finance. Changed review period from odd-numbered years on or before August 31 st to every three years on or before August 31 st . Added Vice Chancellor for Administration and Finance to approval cycle |
| 6 | 08/19/2004 | Revised SAM template to reflect current operation requirements. Added Section 3 on voluntary deductions; forms are forwarded to the System Payroll Office for processing |

| Revision Number | Approval Date | Description of Changes |
|-----------------|---------------|---|
| 7 | 12/03/2010 | Revised SAM template to reflect current operation requirements. Changed review period from every three years on or before August 31 st to every three years on or before March 1 st . Changed Vice Chancellor for Administration and Finance to Executive Vice Chancellor for Administration and Finance. Removed Section 7, Indexing Terms |
| 8 | 12/04/2015 | Changed SAM number from 03.D.05 to 02.F.05, and changed Section from Fiscal Affairs to Human Resources. Added new Revision Log. Changed title in Sections 2 and 6 to Interim Vice Chancellor for Administration and Finance. Added electronic signature on electronic forms for voluntary deduction to Section 3.0 |