

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: University Advancement

NUMBER: 08.A.05

AREA: General

SUBJECT: Gifts by System Employees Through Payroll Deduction

1. PURPOSE

This administrative memorandum establishes guidelines, in accordance with [Section 51.947](#) of the 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 a fiscal-year 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 key development positions).
- b. Employees may sign up to participate in the payroll deduction program at any time during the year.
- 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. Each Office of Development will report all enrollment information to the System Donor and Alumni Records department, which will work with the appropriate payroll department to ensure proper recording of deductible amounts, gift designations, and other relevant information.

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 UH System at Sugar Land.
- 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 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 take place each month (12 months for the full year). Deductions for biweekly employees will take place once a month, during the first pay cycle of each month.
- c. One cost center will be established at the System level for each component university into which deductions will be deposited.
- d. One Fund 4 cost center will be established at each component university to receive transfers from the System cost centers.
- e. The Donor and Alumni Records department will receive an itemized list of deductions from the Payroll Department, process the gifts through the System donor/alumni information management system, and distribute allocation instructions to each component university.
- f. Each component university is responsible for transferring funds to appropriate designated cost centers, transferring funds to other component universities (if one or more of its employees designated a portion of their gift to another component university) and ensuring payment to other State of Texas public universities.

3. REVIEW AND RESPONSIBILITIES

Responsible Party: Associate Vice Chancellor for Finance
Associate Vice Chancellor for University Advancement

Review: Every two years, on or before March 1

4. APPROVAL

Approved: Michael Rierson
Vice Chancellor for University Advancement

Carl P. Carlucci
Executive Vice Chancellor for Administration and Finance

Renu Khator
Chancellor

Date: June 9, 2009