

Policy Code: 7640 PAYROLL DEDUCTIONS

The school finance officer shall make only those salary deductions authorized by the Superintendent and/or required by federal and state law:

1. federal income taxes (federal requirement);
2. state income taxes (state requirement);
3. federal social security taxes (state requirement);
4. North Carolina State Retirement System contributions (required by [G.S. 135-8](#));
5. ~~court-ordered~~ child support **or other court-ordered** payments;
6. federal, state, and local government garnishments;
7. ~~health insurance premiums authorized by state law (authorized by [G.S. 115C-340](#));~~
7. tax sheltered (deferred) annuities, 403(b) option offered by the board (authorized by [G.S. 115C-341](#)), and/or 403(b) option offered through the North Carolina Public School Teachers' and Professional Educators' Investment Plan (authorized by [G.S. 115C-341.2](#));
8. Supplemental Retirement Income Plan of North Carolina, 401(k) (authorized by [G.S. 135-93](#));
9. **North Carolina 457 Plan (authorized by [G.S. 143B-426.24](#));**
10. flexible benefits plan (authorized by [G.S. 115C-341.1](#));
11. North Carolina State Employees Credit Union deductions (authorized by [G.S. 115C-342](#));
12. group ~~life~~ insurance premiums (authorized by [G.S. 115C-340, -342](#));
13. ~~group dental insurance premiums (authorized by [G.S. 115C-340, -342](#));~~
13. **A 12-month pay option for 10- and 11-month employees (authorized by [G.S. 115C-302.1\(b\)](#) and [-316\(a\)\(2\)](#));**
14. **dues or contributions to employees' associations that meet the minimum membership requirements as described in [G.S. 143B-426.40A\(g\)](#);**
14. other deductions as may be **required by law or** approved by the board (additional possible deductions include dues for employees' associations **not meeting the minimum membership requirements described in statute or donations to charities**); and
15. ~~deductions to~~ **recoupment of** advancement or overpayment of wages.

School personnel must notify the central payroll department in writing of any additions, deletions, or other changes to payroll deductions at least 30 days before the effective date of the change.

Nothing in this policy precludes the school system from reducing the amount of an employee's wages in order to adjust for overpayment and/or to assure accuracy in the cumulative wages paid to the employee, provided that the reduction does not result in the employee's wages falling below the federal minimum wage. Any employee receiving inaccurate wages shall promptly report the inaccuracy to his/or her supervisor.

LEGAL REF: [G.S. 115C-302.1\(b\)](#), [-316\(a\)\(2\)](#), [-339 to -342](#); [Ch. 135-8](#), [-93](#); [143B426.24, -426.40A](#)g), (i)

ADPOTED: February 7, 2005; May 12, 2020; **June 7, 2022**