

PAYROLL DEDUCTIONS

The Board authorizes, in accordance with the provisions of law or upon proper authorization on the appropriate form, that deductions be made from an employee's paycheck for the following purposes:

- A. Federal and State income tax
- B. Social Security and Medicare
- C. Public School Employees Retirement System
- D. Michigan Public School Employment Retirement System (MPERS) Tax Deferred Payment (TDP) plan
- E. Section 125 deductions (cafeteria plans), Flex Spending Account
- F. Direct deposit in a chartered credit union and/or bank
- G. Contributions to the South Lyon Educational Foundation
- H. Payment of group insurance premiums and/or portions of premiums
- I. Payment for benefits of qualified part-time employees who elect to participate in benefits provided to full-time staff
- J. Payment for additional benefits offered by plans for short term disability or life insurance (additional, spouse, and/or child)
- K. Court ordered judgments
- L. 403(b)/457 plans
- M. Any other deductions in accordance with law and approved by the Board.

In any case where the employee designates the agent, broker or company through whom the District shall arrange for the placement of contributions to the tax-deferred annuity contracts and/or custodial accounts, the agent, broker or company must execute a reasonable service agreement, an information sharing agreement, and/or other similar agreements as determined by the District's plan document(s). The agreements shall comply with all provisions of law and shall include a provision that protects, indemnifies, and holds the District harmless from any liability in accordance with provisions of the Internal Revenue Code and other applicable Federal or State law.

The Superintendent, or his/her designee, shall determine the appropriate amount of providers.

The District, by providing employees with payroll deduction services for a 403(b)/457 plan, is not providing any financial advice to employees, and is not vouching for the suitability of any investment or any provider. The District assumes no responsibility or liability for any investment decisions or losses with respect to employee tax-deferred annuity contracts and/or custodial accounts.

Employees shall notify the Business Office in writing if they wish to participate in such a program.

M.C.L.A. 380.1224, 408.477
Mich. OAG 7187 (2006)

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