

# **Procedure Title: Payroll and Payroll Deductions**

**Impact:** Employees

**Responsibility:** Payroll and Human Resources

**Effective Date:** 03/08/2004

**Revised Date:** 02/26/2025

**Reviewed Date:** 02/26/2025

**Relates to Policy:** 3.02.19

**Legal Citation(s):**

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## **I. PAYROLL**

NIC processes payroll biweekly (every two weeks) as indicated on the published payroll calendar.

All employees are required to enroll in direct deposit within 30 days of their hire date.

NIC utilizes an electronic time-keeping system for payroll. Employees are required to utilize this system to enter time accurately and timely in accordance with published payroll guidelines.

## **II. MANDATORY DEDUCTIONS**

All new and rehired employees will complete the required tax withholding forms as part of their employment paperwork prior to beginning work. If applicable, they will complete benefit elections through the online benefits enrollment system.

In accordance with federal and state laws, the following may be withheld from the salaries and wages of NIC employees:

- A. Federal income tax
- B. Social Security tax
- C. Medicare tax
- D. State income tax
- E. Retirement (as applicable)
- F. Any legally mandated payroll garnishments (as applicable)

### **III. VOLUNTARY DEDUCTIONS**

Upon appropriate authorization from the employee, NIC shall deduct from the salary or wages of the employee those items which the Payroll Department is authorized to make. These deductions may include, but are not limited to the following:

- A. Employee benefit-related deductions such as insurance, supplemental retirement, and tax-advantaged medical accounts
- B. Charitable donations facilitated by the college
- C. Other elective deductions

### **IV. WAGE AND TAX STATEMENTS (W-2)**

Employee Wage and Tax Statements (Form W-2) will be distributed to all employees on or before the 31st of January each year. Active employees have the option to receive W-2s electronically or through US mail.

Employees are responsible to ensure their mailing address and legal name, as maintained by Human Resources, are accurate and updated within three months of a change. When leaving the employment of NIC, it is the employee's responsibility to confirm that their mailing address is accurate to ensure that the W-2 is mailed to the proper location the following January.