

United Way of Morgan County

Payroll Deduction – Giving Made Easy

Payroll deduction is the easiest way for many to make an annual gift to United Way of Morgan County. Having a predetermined amount automatically set aside is helpful for personal and family budgeting and prevents a donor from having to write an annual check. This “budgeting” feature is the best selling point for payroll deduction and, statistically, allows most donors to give nearly four times more in support of vitally needed programs and services that enhance the quality of life for so many that live in Morgan County.

If payroll is managed in house, then it's just a question of adding a line-item to their own internal records. The only associated cost for the organization should be the time it takes to manually enter in the deduction information. United Way will regularly invoice companies who do payroll deduction, so all the company has to do is pay the bill from the payroll deduction fund.

If the company out sources its payroll, through a payroll company such as Paychex, they should ask about the cost of adding United Way deductions to the services they already provide. Many of these payroll companies do not charge a fee for charitable deductions.

How Payroll Deduction Works

Employees complete a pledge form (provided by United Way) indicating their total annual pledge to United Way of Morgan County. A copy of the completed form is provided to the company's payroll processor, two copies are provided to United way and a copy is retained by the donor.

The pledged amount is typically divided by the company's number of annual pay periods and deducted throughout the year. For example, if a company pays an employee 26 times annually and the employee pledges \$500 to United Way, each paycheck would be debited \$19.23 or 1/26th of their annual pledge. These funds are set aside by the company's payroll processor to be remitted to United Way of Morgan County (typically on a monthly or quarterly basis). Remittance reports should include the donors' name and the amount deducted. Payroll deduction typically occurs on a calendar year (January – December) based on pledges made during a fall campaign drive. Most current accounting software packages easily support this process.

With question regarding how to establish a payroll process or remit pledges of support, contact June Asher at United Way of Morgan County: 256-353-6643 ext. 300 or

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