



United Way
serving Saint John,
Kings and Charlotte

How To Set Up Payroll Deductions

Payroll deduction is the most convenient way to contribute to your community through United Way. Payroll deduction benefits employees because it eliminates the expense of writing and mailing cheques to United Way and because it spreads their donations throughout the year. Payroll deduction also ensures that pledges are collected regularly and forwarded to recipient agencies on a timely basis.

Payroll Deduction Plan Set Up:

1. For organizations using United Way pledge forms, employees should forward the white original and yellow copy of the signed pledge form to the payroll department. Please separate and forward the original (white) copies of the pledge form to United Way of Greater Saint John..
2. Enter the pledges of all employees who authorize payroll deduction into your payroll system.
3. Begin deducting the authorized amount from employee's payroll on January 1st.
4. For first-time campaigns, you may offer this valuable service immediately and commence deductions on the next appropriate payroll, then conform to the January 1st United Way payroll cycle in the next campaign.
5. If you organization uses an automated payroll service, simply set up an additional deduction code. The United Way deduction code is similar to, and should be handled the same as, any other deduction codes you are currently using.
6. If your organization does not use an automated payroll service, simply deduct the amount from each employee the way you would other deductions.
7. Typically, payroll pledges run from the beginning of January to the end of December, but exceptions can be made and facilitated if needed. For first-time campaigns, exceptions are made immediately by contacting United Way with the total pledge amount for each employee so we can enter pledges to cover the year involved.
8. Please be prepared to respond to any pledge and payment inquires from United Way or its auditors.

How to Set Up Payroll Deductions (Cont'd.)

Monthly Payroll Deduction Remittances

It is your organization's responsibility to reconcile the payroll account and remit the total amount of employee deductions for each pay period.

Payroll remittances can occur weekly, monthly or quarterly, however, monthly is preferred for tracking purposes. United Way's commitment to its member agencies is to remit funds every month; therefore, our cash flow is stabilized by those organizations that send their funds to us monthly. If you are unable to forward payroll deductions on a monthly basis, please contact us to establish a payment plan that is more suitable for your organization.

When regularly forwarding payroll deductions to United Way, if possible, please send an accompanying spreadsheet, containing names of individuals and the amount each individual is contributing in the remittance period, by mail or email to sheila.unitedway@nb.aibn.com.

Payments can be made via cheque directly to our office or electronically (please contact us for any information you require if you would like to send payments electronically).

Year-End Tax Receipts

Employees who donate through the Payroll Deduction Plan are entitled to a Tax Receipt at the end of the year, reporting total charitable donations for the year. This can be provided in one of the following ways:

For most employers, the easiest way to provide a receipt for income tax purposes is to report charitable donations on his/her T4 slip at year-end. Most organization's payroll systems can handle this very easily. The United Way of Greater Saint John charitable business number (11927-8190-RR 0001) must be included on donor's T4 slips for Canada Revenue Agency (CRA) to process.

If your payroll system cannot report charitable donations on T4s, United Way will issue tax receipts after we have received your final payroll remittance for the year (typically in January of the following year). You will need to provide us with the name of each payroll donor and amount donated through payroll deduction for the year; we also need to total amount remitted by you to the United Way for the year. Tax receipts will be produced and mailed to your organization for internal distribution unless otherwise requested. Tax receipts will be issued by the end of February.

For more information contact:

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