



## How To Set Up a Payroll Giving Program

Payroll giving (a.k.a. “payroll deduction”) is the most convenient way to contribute to United Way.

Payroll giving is good for your employees because it eliminates the hassle of writing and mailing checks to United Way of Greater Nashua (UWGN) and it spreads their donations throughout the year.

### Setting Up a Payroll Giving Plan

1. Once you have collected your pledge forms to return them to UWGN, make a copy of the signed payroll giving pledges and forward them to your payroll department.
2. Complete the green Summary Card (for each batch of pledges), and forward one copy of the summary card with all original pledge forms to United Way of Greater Nashua. Keep one copy of the summary card for your records.
3. Enter into your payroll system the pledges of all employees who authorize payroll deduction.
4. Begin deducting the authorized amount from employee's payroll on January 1<sup>st</sup> (or whatever alternate date your company has selected). Remember that it is important to inform employees of the start date and make sure that you complete your next year's campaign prior to the anniversary of the pledges.
5. If your organization uses an automated payroll service, simply set up an additional deduction code with your payroll processor.
6. If your organization does not use an automated payroll service, simply deduct the amount from each paycheck in the same way that you process other deductions.

*(continued)*

## **Monthly Payroll Deduction Remittances**

1. It is the employer's responsibility to reconcile the payroll deduction account and to remit the total amount of employee deductions for each pay period to United Way of Greater Nashua on a monthly basis with a list of the employees and the amount of their pledge that is included with the remittance. Most companies either produce a report from their payroll system or compile this information in an Excel spreadsheet.
2. If there is a change in the pledged amount for a particular employee (e.g., an employee leaves your company, increases or reduces his/her pledge amount), please indicate this when you send in your monthly report.
3. If you prefer to remit through an electronic fund transfer (EFT), please contact the United Way Finance Department ([Cheryl@unitedwaynashua.org](mailto:Cheryl@unitedwaynashua.org)).

## **Year-End Tax Receipts**

Employees who donate through the Payroll Giving Plan are entitled to a tax receipt that reports total charitable donations for the year. For most employers, the simplest way to provide a receipt for income tax purposes is to report charitable donations on the employee's W-2 Form at year-end. United Way of Greater Nashua is a tax-exempt organization under section 501(c)(3) of the IRS code. Our Tax ID Number is 02-6015642.

If you have any questions, please contact UWGN Campaign Director Terri DeCarli ([terri@unitedwaynashua.org](mailto:terri@unitedwaynashua.org); 603-882-4011, x11).