



# ADMINISTRATIVE REGULATION

## OFFICE OF THE CITY MANAGER

<b>Number</b>	302
<b>Responsible Department</b>	Finance – Payroll
<b>Established/Effective Date</b>	10/07/1982
<b>Latest Revision Date</b>	12/01/2023
<b>Next Review &amp; Reauthorization Date</b>	12/01/2025

### **SUBJECT: Payroll Deductions for Charitable Organizations**

1. **Purpose:** To establish a formal policy for providing access to payroll deductions for charitable organizations.
2. **Authority:**
  - 2.1. [Government Code, Section 1157.2](#) permits public employees to authorize such deductions, which the approval of the governing body, under such regulations as it may prescribe.
  - 2.2. [Huntington Beach Personnel Rule 14-14](#) allows employees to authorize certain payroll deductions, charitable contributions included.
  - 2.3. Authority granted to the City Manager under Section 401 of the Huntington Beach City Charter.
3. **Applicability:** This regulation applies to all departments and employees of the City.
4. **Definitions:**
  - 4.1. Charitable Organizations: An organization recognized as tax exempt under Section 23701(d) of the California Revenue and Tax Code and paragraph 3, subsection (c) of Section 501 of the United States Internal Revenue Code.
  - 4.2. Principal Combined Fund (PCF): A charitable organization as defined by 4.1 above whose principal fundraising function is to conduct workplace fundraising campaigns on behalf of itself and multiple other affiliated charitable organizations and designated by the City.
5. **Policy:**
  - 5.1. The City will administer and provide payroll deductions opportunities for City employees who desire to contribute to the Principal Combined Fund (PCF).
  - 5.2. Individual employees retain the right to direct their contribution, through the Principal Combined Fund Agency, to any affiliated or non-affiliated beneficiary and authorize biweekly payroll deductions from their wages for payment of charitable contributions.
  - 5.3. Charitable giving payroll deductions shall not be deducted from wages on a pre-tax basis (please consult with your tax advisor for more information).



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#### 6. Responsibilities:


- 6.1. Upon requests by employees, the Human Resources (HR) Department shall review and approve the Principal Combined Fund agency (such as United Way) designated by employees based on the geographic area to be served, the number of local charitable organizations affiliated with the fund, the percentage of administrative and fundraising costs, etc.

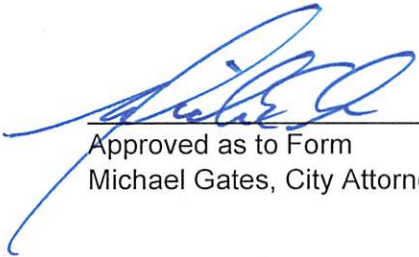
The HR Department shall maintain a copy in their personnel file for record keeping and forward it to the Finance Department – Payroll Division.

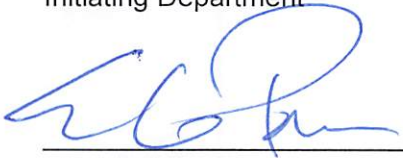
- 6.2. The PCF shall provide to all employees the list of all affiliated beneficiaries and provide any relevant information for employee's participation.
- 6.3. Employees must complete and submit a payroll deduction authorization form (via form(s) provided by the PCF agency) to initially contribute and/or change their annual contribution (e.g. amount of payroll deduction) to the HR Department.
- 6.4. The Finance Department – Payroll Division shall administer the payroll deduction upon receipt of the approved form.

#### *Distribution:*

All employees may access the Administrative Regulations via the [SurfNet](http://SurfNet) or City website: [www.huntingtonbeachca.gov/AR](http://www.huntingtonbeachca.gov/AR)

  
Sunny Han, Chief Financial Officer  
Initiating Department

  
Approved as to Form  
Michael Gates, City Attorney

  
Eric G. Parra  
Interim City Manager



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### Review Schedule

REVIEW DATE	DEPT. HEAD INITIAL	CITY MANAGER SIGNATURE