



1. How does my company set up payroll deduction?

Set-up a Deduction Code in your accounting software for the United Way payroll deduction.

- a. Use a code name that easily describes the deduction (such as UWay).
- b. Select a general ledger liability account for entries to post. We recommend you create a distinct account for this deduction.
- c. If you choose to include this deduction on the employee's W-2, select Box 14 and select a code to describe the deduction (such as UWay). The IRS does NOT require this deduction to be included on the W-2 but providing this information will assist your employees with their tax return preparation.
- d. Select a calculation option that allows the deduction to be entered on individual timesheets. This is recommended since each employee deduction amount is different.
- e. This deduction is an "after tax" deduction and does NOT decrease taxable earnings.

Reporting and payments:

- f. Determine a payment schedule for deductions to be sent to the United Way. We recommend either after each pay period or monthly.
- g. Run a payroll deduction report for the chosen payment schedule. Please include the following information to allow United Way to properly record payments and recognize donors:
 - i. Company Name
 - ii. Deduction Period, i.e., January 1, 20XX through January 31, 20XX (if monthly)
 - iii. Employee Full Name
 - iv. Employee Deduction Amount
 - v. Employee ID (if your organization has many employees with similar names, this may be needed to record their payment properly)
 - vi. The report can include one or all of the following:
 1. Employee email address
 2. Employee telephone number
 3. Employee home address
 4. Annual pledge amount
- h. If you would like United Way to send a reminder bill, please contact Carol Brandner at (509) 783-4012.
- i. Prepare a check to:

United Way of Benton and Franklin Counties
401 North Young Street
Kennewick, WA 99336
- j. If you are interested in sending electronic payments, please contact Carol Brandner at (509) 783-4102.
- k. Provide a contact name and phone number so questions can be resolved.

2. **When should payroll deductions start coming out of employee paychecks?**

Payroll deductions can start coming out of employee paychecks whenever the company chooses. This may start immediately after the pledge is made, the beginning of the next pay period, or on January 1st. **After choosing one of the three options please let your United Way representative know, so they can alert finance when to expect the first payment.**

3. Where does our company's corporate gift or match go?

Many companies designate their corporate gifts or matches to United Way's Cornerstone Program. The purpose of the Cornerstone Program is to secure corporate funding for the United Way of Benton and Franklin Counties' (UWBFC) administrative, fundraising, and uncollectible pledge costs so that 100% of donor contributions made through the United Way will be available for community services and programs.

UWBFC's administrative and fundraising costs are 15.5%. Our extensive use of volunteers allows overhead costs to be among the lowest of major charities and lower than most agencies in our community. Due to the success of Cornerstone last year, more than 65% of our administrative, fundraising and uncollectible pledge costs were covered by Cornerstone contributions, making more funding available for community services and programs. As a result of the huge support of Cornerstone by local companies, about 95 cents on other dollars donated went directly to community services and programs.

Some companies select to designate their corporate contributions or matches to Community Solutions and/or one or more of the major focus areas: Education, Health, Safety, Self-Sufficiency.

If you need assistance or have questions about the above information, please contact your United Way representative or Finance Director Lauri Roberts at lroberts@unitedway-bfco.com (509) 783-4102.