

5-13 Garnishment of Pay

Pursuant to N.C.G.S 95-25.8, Withholding of Wages, an employer may withhold or divert any portion of an employee's wages when:

1. N.C.G.S 95-25.8(a)(1)-The employer is required to do so by state or federal law. (Example: income taxes, FICA and court ordered garnishment.)
2. N.C.G.S 95-25.8(a)(2)-The amount of a proposed deduction is known and agreed upon in advance and the written authorization is : (a) signed on or before the pay day in which the deduction will be made, (b). Includes the reason for the deduction, and (c) states that actual dollar amount or percentage of wages that are to be withheld.

The garnishment of pay is a means of collecting monies that are owed to the college or an external organization. This could involve either a voluntary or involuntary reduction of an employee's monthly pay.

A. DEBT IS TO AN EXTERNAL ORGANIZATION. The college also receives demands for garnishment from external organizations. The type of debt this includes is taxes, student loans, child support, alimony, and payment of ambulance services in certain North Carolina Counties. These organizations are typically the NC Department of Revenue, County Tax Authorities, and the Internal Revenue Service, court orders for child support, and Federal and State Agencies. The college is required to comply with the demands from these organizations. The notification to the employee, any appeal provisions, the amount to be garnished, the effective date of the garnishment and ending dates are all handled by the external organization. The college only has the responsibility to garnish the pay as directed. Employees continuing to dispute the debt are to communicate with the external organization.

B. DEBT IS TO THE COLLEGE. There are various situations where employees may owe the college money. Examples of when an employee may owe the college are loss or destruction of college equipment and property, overpayment, or theft. Garnishment of pay will generally be the last resort of making collection.

The following process will be used when it is determined that an employee owes the college money:

1. The employee will be notified of the debt in writing. The notification will advise as to the nature of the debt, the amount of the debt and offer repayment options. An agreement between the employee and the college must be established on the debt repayment. The employee will also be advised that they can dispute the debt or request a waiver for a portion of or the entire debt. Employees should be provided a reasonable timeframe to respond. Disputed debts or requests for waiver will be submitted to the Chief Financial Officer in writing with justification.
2. If an employee disputes the debt or requests a waiver, the Chief Financial Officer will advise the employee of the decision within thirty (30) days of receipt of the request. Appeal of any decisions by the Chief Financial Officer will be forwarded to the college President for final determination.
3. Deductions for the college's benefit are limited to the following:
 - a. In non-overtime workweeks, wages may be reduced to the minimum wage level but cannot go below the minimum wage, and
 - b. During overtime workweeks, wages may be reduced to the minimum wage level for the first 40 hours; however, NO deductions can be made from the full time and one-half overtime wages (based on the employee's regular rate of pay).
4. Deductions for the employee's benefit are not limited.
5. The employee will be provided confirmation when the debt is paid in full.