



Roland W. Burris

Comptroller
State of Illinois

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201 State House
Springfield, Illinois 62706
217/782-6000

PAYROLL BULLETIN
(3-87)

TO: All State Agencies, Departments, Boards, Commissions
and Universities

SUBJECT: Prepaid Legal Insurance and Project Mercy Charity Deductions

PREPAID LEGAL INSURANCE

There may be some insurance companies which will try to offer prepaid legal insurance to State of Illinois employees through payroll deduction. Deductions for this type of insurance are in violation of the State Salary and Annuity Withholding Act, and requests for payroll deduction should be denied even if the insurance company has a payroll deduction code established to sell life and health insurance to State Employees. If it is known that an employee is currently having a payroll deduction for prepaid legal insurance, it should be discontinued immediately. A revocation of payroll deduction authorization is not necessary. House Bill 551, which provides for deductions for legal insurance, has been introduced in the General Assembly.

PROJECT MERCY CHARITY DEDUCTIONS

Effective immediately, the charity deduction code 801 assigned to Project Mercy is revoked because they have not attained the required number of deductions as mandated by statute. In order to allow agencies to comply with this, we will allow deductions through the issue date of April 30, 1987. Any warrants written representing deductions to Project Mercy with an issue date after April 30, 1987 will be returned to the vouchering agency. Each agency will have to cancel the warrant(s) for redeposit on a Warrant Action Request Form C-50. Invoice Voucher Form(s) C-13 or List Voucher Form(s) C-14 and Schedule C-11 must be prepared to refund the deductions back to the employees. These vouchers must be charged to the same personal services expenditure authority account the employees were paid from at the time the deductions were made. They should be prepared in the same manner as any other commercial voucher and sent to the Comptroller's Office.

If you have any questions regarding this Payroll Bulletin, please contact Dan Steven or Nancy Smith at (217) 782-4758.

Sincerely,

Larry D. Roth

Director of State Accounting