

California State University, Chico

## Direct Deposit Program

If you are interested in enrolling in the State's Direct Deposit program, you should carefully review the information in this brochure. The information will provide you with answers to questions most frequently asked by employees considering Direct Deposit. Other questions can be directed to the Payroll Office at extension 6433.

### WHAT IS DIRECT DEPOSIT?

Direct Deposit is a program that allows for the automatic deposit of your net earnings in the financial institution of your choice.

### WHAT ARE SOME OF THE REASONS FOR ENROLLING IN DIRECT DEPOSIT?

- Avoidance of long lines at your financial institution on pay days.
- Convenient and consistent deposit of earnings in spite of business absences, vacations or illnesses.
- Security in the knowledge that paychecks cannot be lost, stolen or forged.
- Less risk of error due to a paycheck lost or misdirected by your financial institution.

### HOW DO I KNOW IF I AM ELIGIBLE FOR DIRECT DEPOSIT?

You are eligible for Direct Deposit if you meet the following conditions:

#### Instructional Faculty:

You have at least a one semester or more appointment

#### Non-Instructional Employees:

1. You have at least a continuous six-month appointment **and**
2. You have **10** hours of vacation. You may use CTO, excess hours, personal holiday and holiday credits in lieu of vacation hours to meet the eligibility requirements.

Note: If you are in multiple positions, only one of which is eligible, you may sign up for Direct Deposit, and *all* paychecks will be transmitted through this program.

#### Ineligible Employees:

1. Employees with less than a six-month continuous appointment
2. Student employees paid by the hour (in Student Assistant and Work Study classifications)
3. Graduate Assistants
4. Special Consultants
5. Extension, Summer Session, and Special Session faculty
6. Employees who do not meet the minimum leave balance

### WILL I BE ELIGIBLE FOR DIRECT DEPOSIT IF I WORK OUT OF STATE?

Yes. Payroll funds can be deposited to any financial institution within the United States as long as your institution is participating in the program for automated deposits. Check with your financial institution to find out if they will accept automated deposits.

### WHAT FINANCIAL INSTITUTIONS PARTICIPATE IN THE STATE'S DIRECT DEPOSIT PROGRAM?

Any financial institution that deposits through the Federal Reserve Bank System and is an active participant in the Direct Deposit Program may be used by an employee. Most financial institutions in the Butte County area are participants. It is important for you to verify with the financial institution of your choice whether or not it is a participant.

### **HOW DO I SIGN UP FOR DIRECT DEPOSIT?**

Individuals wishing to enroll in the program must complete a Standard Form (STD) 699, Direct Deposit Enrollment Authorization Form available at the Human Resources Office - Kendall Hall, Room 222.

### **WHAT IS THE BANK ROUTING NUMBER AND ACCOUNT NUMBER REQUESTED IN THE ENROLLMENT AUTHORIZATION FORM?**

These numbers are used to identify your financial institution and account. It is extremely important that this information be accurate; if it is not, the length of time to enroll in the program could be increased, or funds could be routed to the wrong account. We recommend that you verify your bank routing and account numbers with your financial institution before the Enrollment Authorization Form is submitted. Instructions have also been included on the reverse side (pink copy) of the form to assist you in identifying these numbers.

**Special Note To Credit Union Members:** A number of credit unions in California use a Depository Service company to process personal check transactions. The routing number for this Depository Service is printed on your personal checks and is not the routing number for your local credit union. To enter your correct routing number on the STD 699, be certain to contact your local credit union first and obtain the appropriate routing number.

### **WHAT HAPPENS AFTER I SUBMIT THE ENROLLMENT FORM?**

The Payroll Office will check your leave credits to verify your eligibility, complete the remainder of the form, and forward it to the State Controller's Office for processing. Once the State Controller's Office verifies that you have an active account at your designated financial institution, all paychecks you receive through the payroll system (e.g., regular pay, overtime, adjustments, etc.) will be made by Direct Deposit.

### **AFTER THE STATE CONTROLLER'S OFFICE RECEIVES MY FORM, HOW LONG WILL IT TAKE FOR THE CHANGE TO OCCUR?**

You can expect Direct Deposit of your paychecks to begin within **30 to 45** days after your form is received by the State Controller's Office. This time is necessary to verify that an active account exists with your financial institution. Financial institutions are given 20 days to respond. Once this verification has been completed, your next paycheck will be issued through Direct Deposit.

### **HOW WILL I KNOW IF THE STATE HAS SENT MY PAYCHECK TO MY FINANCIAL INSTITUTION?**

You will receive a Direct Deposit Advice (DDA) from your area Attendance Coordinator. The notice will be distributed with the main payroll or it may be picked up at Cashiering.

### **CAN I HAVE MY PAYCHECKS DEPOSITED TO EITHER MY CHECKING OR SAVINGS ACCOUNTS?**

Yes. Either account is eligible. However, you must designate only one account to receive your funds. If you want a portion of your paycheck deposited into another account(s), you must make arrangements with your financial institution for a transfer of funds.

### **CAN I HAVE MY PAYCHECKS DEPOSITED DIRECTLY TO MY SPOUSE'S ACCOUNT?**

No. The account to which your paycheck is deposited must carry your name. It can be held in joint status, as long as your name is on the account.

### **WHAT IF I LATER CHOOSE TO TRANSFER MY DIRECT DEPOSIT TO ANOTHER ACCOUNT OR FINANCIAL INSTITUTION?**

To transfer your Direct Deposit, complete and submit a new enrollment form. Within **30 to 45** days, your Direct Deposit will be redirected to your new account and/or new financial institution. **IMPORTANT: you must keep your old account open until your first paycheck is deposited into your new account.** Once a deposit is made to the new account, the old account can be closed. If your old account is closed before you notify the State Controller's Office of the change, the paycheck will be rejected by the financial institution and a payroll warrant will not be issued until the paycheck returns to the Controller's Office.

**WHAT HAPPENS IF A PAYCHECK IS REJECTED BY MY FINANCIAL INSTITUTION BECAUSE OF A PROBLEM WITH THE ACCOUNT?**

If a paycheck is rejected by your financial institution because of an invalid account number, the State Controller's Office will notify your Payroll Office, take you off the Direct Deposit program, and issue a payroll warrant. The payroll warrant will be issued 9 to 17 working days after the State Controller's Office receives the returned paycheck from your financial institution.

**WHAT HAPPENS IF I AM OVERPAID THROUGH DIRECT DEPOSIT?**

If you receive an overpaycheck through Direct Deposit, the State has the option of either recovering the funds directly from the account you designated for Direct Deposit or recovering the funds from future paychecks. If the State chooses to recover the overpayment from future salary warrants, it may be necessary to remove you from Direct Deposit.

**AM I THE ONLY ONE WHO CAN CANCEL MY DIRECT DEPOSIT AUTHORIZATION?**

No. The Payroll Office may remove you from Direct Deposit under the following conditions:

- You no longer meet eligibility requirements; or
- Your Direct Deposit paycheck is returned (e.g., due to a closed account or invalid routing number); or
- You have requested a disability benefit; or
- It is necessary to recover/prevent an overpayment; or
- Your attendance pattern could result in an overpayment; or
- It is necessary to issue you a salary advance; or
- Under certain bankruptcy conditions.

You will be notified by the Payroll Office if you are removed from the program.

**IF I HAVE MORE THAN ONE POSITION, WHAT HAPPENS TO MY PAY?**

All salary payments (not travel or moving etc.) that you receive will be deposited into your designated account, regardless of the number or type (civil service or California State University) of positions you have, provided you meet eligibility requirements. Be certain to complete and submit only one enrollment form even if you have more than one position.

**IF MY FUNDS ARE NOT DEPOSITED ON THE REGULAR SCHEDULED DATE, WHOM SHOULD I CONTACT?**

If your funds are not available on the designated date and time, you should do one of the following:

1. If you have received your Direct Deposit Advice, first contact your financial institution to be certain there is no delay in posting at that institution. Usually the problem can be resolved at this level.
2. If your financial institution has not received your funds, or they were rejected due to a change in your account number, contact the Payroll Office (ext. 6433).
3. If you have not received your Direct Deposit Advice, contact your area Attendance Coordinator or the Cashier's Office.

**WHAT IF MY SALARY OR PAYROLL DEDUCTIONS CHANGE?**

Your Direct Deposit Advice will indicate the change in your gross salary or deductions, and the new net salary will continue to be sent to your financial institution without interruption.

**WHAT IF I TERMINATE MY EMPLOYMENT WITH CSU, CHICO?**

If you leave this campus to work for another State agency in another location, your Direct Deposit will remain in effect unless you cancel it by completing a "Change" Direct Deposit Enrollment Authorization form for a new financial institution.

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