

FISCAL ACCOUNTABILITY RULES

RULE 10.10 – DIRECT DEPOSIT OF NET PAY

Purpose

All City employees shall have their net pay directly deposited to a bank, savings and loan, or credit union of their choice unless specifically exempted. Direct deposit is secure, convenient, and fast and provides assurance that your net pay will be in your account on payday. Direct deposit ensures no lost checks and reduces opportunities for theft and fraud.

Definitions

City employee is an Expending Authority, Officer, City employee, or Contractor.

Direct deposit is the automatic deposit, through electronic transfer of funds, of employees' net pay into a checking or savings account at a bank, savings and loan, or credit union of their choice.

Net pay is the amount of compensation due to the employee after taking an employees wages and compensation earned and deducting all voluntary and involuntary deductions.

Automated Clearing House (ACH) is the network, operated by the Federal Reserve Bank, which establishes procedures and guidelines regarding electronic transfer of funds.

Rules

1. As of January 1, 2010, all City employees shall receive their net pay via direct deposit through the ACH.
2. New City employees shall complete a [Direct Deposit Authorization Form](#) within 30 calendar days from their date of hire to establish direct deposit of net pay to the employee's bank account(s) at a financial institution. Depending on when the [Direct Deposit Authorization Form](#) is received the employee may receive their first paycheck via U. S. Mail.

City employees may choose to send, via direct deposit, a fixed dollar amount or a percentage of net pay to a secondary bank account by noting this on their [Direct Deposit Authorization Form](#). The City employee must provide valid transit routing and accounting numbers or a voided check with a letter from bank voiding the account.

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RULE 10.10 – DIRECT DEPOSIT OF NET PAY, CONTINUED

3. Under exceptional circumstances the Controller shall have the authority to exempt City employees from the direct deposit of net pay.
4. City employees that are specifically exempted from having their net pay directly deposited will receive their paychecks via U. S. Mail. The paycheck will be mailed to the home address in the City's HR system on the City's established paydays.
5. City employees that receive a paycheck will not be able request a stop pay and ask for the paycheck to be reissued for seven working days from the check issuance date in order to allow for sufficient mail time. The City will not reissue a check until the stop payment has been confirmed and finalized by the bank.

Procedures and Forms

The **Controller's Office** is responsible for any procedures and forms associated with this rule.