POLICIES AND PROCEDURES
Mandatory Employee Direct Deposit
ISUPP 2600

POLICY INFORMATION
Policy Section: Finance
Policy Title: Mandatory Employee Direct Deposit
Responsible Executive (RE): Chief Fiscal Officer
Sponsoring Organization (SO): Office of the Controller
Dates: Effective Date: March 26, 2018
Revised: N/A
Review Date: March 2021

I. INTRODUCTION

This ISUPP establishes and communicates Idaho State University’s (University) policy on how it will issue payments of employees’ earnings. This policy applies to all University employees. Prior to the issuance of this policy, employees could elect to have their pay issued via direct deposit to a financial institution of their choice or by paper check. This policy aims to maximize the use of direct deposit payments, minimize the issuance of paper checks, and thus reduce costs while providing employees with reliable and timely receipt of their earnings.

II. POLICY STATEMENT

The University will issue payment of all employees’ earnings by direct deposit to the employees’ designated bank account. In accordance with state and federal requirements regarding direct deposit of payroll, the employee may designate an eligible financial institution of his/her choice to receive the direct deposit payment of earnings. The following requirements and deadlines apply:

A. Individuals employed prior to the effective date of this policy who are receiving their pay by direct deposit shall continue to be paid by direct deposit. No action is required.
B. Individuals who were employed prior to the effective date of this policy and have received their pay by paper check shall be required to have their earnings deposited directly into an account at an eligible financial institution of their choice unless an exemption is granted. No later than thirty (30) days after the effective date of this policy, these employees must provide the Payroll Office with the name and account information of the eligible financial institution where the direct deposit of their earnings will be received by completing the payroll direct deposit form.

C. Individuals hired on or after the effective date of this policy shall be required to receive their earnings by direct deposit unless an exemption is granted and, within thirty (30) days of their hire date, must provide the Payroll Office with the name and account information of the eligible financial institution that will receive their direct deposits by completing the payroll direct deposit form.

The University Controller and the Payroll Supervisor have authority to grant exemptions from the direct deposit requirement. An employee may request an exemption by completing a Direct Deposit Personal Exemption Request Form (see Attachment A). An employee whose request is denied may appeal to the University’s Vice President of Finance and Business Affairs whose decision will be final.

III. RELATED LAWS

A. Idaho Code §45-608

B. State of Idaho, Office of the State Controller Mandatory Direct Deposit Policy
   https://www.sco.idaho.gov/
Idaho State University Payroll Office
Direct Deposit Personal Exemption Request Form

Section I (to be completed by employee)

Employee Name (Please Print) _______________________________ Work Phone _______________________________

Job Title _______________________________ Last four digits of Social Security Number _______________________________

Policy
It is the Policy of Idaho State University (ISU) that all employees paid by the ISU Payroll Office be required to participate in Direct Deposit to receive payroll related payments. The Policy in its entirety is available for review on the ISU Payroll Web site. http://www2.isu.edu/finserv/payroll.shtml

Personal Exemption Request
I request that I be exempted from the requirement that I participate in Direct Deposit and instead be paid by paper check for the following reason (select one):

[ ] I currently do not have a checking or savings account at an eligible financial institution and I am unable to obtain an account. Attached is a letter from an eligible financial institution to this effect.

[ ] I request that ISU consider an exemption for the reasons set forth in the attached letter.

Employee Acknowledgement
For payments not received by Direct Deposit, all paper checks will be mailed by the ISU Payroll Office on the employee's designated payday. Any employee receiving his/her pay by paper check shall be required to provide a valid mailing address to ISU Payroll Office or the Office of Human Resources.

By signing below, I acknowledge having been provided a copy of the referenced Direct Deposit Policy, understand the risks associated with mailing a paper check and hereby submit my request for exemption for the reason stated above supported by the appropriate documentation.

Signature of Employee _______________________________ Date _______________________________

Section II (to be completed by ISU Payroll Office)

Reviewed By (Name and Title of Payroll staff reviewing request) _______________________________ Date _______________________________

Phone _______________________________

Mail form to the ISU Payroll Office: Stop 8219 Pocatello, ID 83209 or Fax to 208-282-4725

Section III (to be completed by the ISU Payroll Office)

Date Received _______________________________ Request Approved _______________________________ Request Denied _______________________________

Signature _______________________________ Date _______________________________