

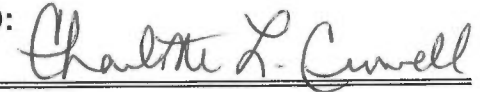
# NEW CASTLE COUNTY

## PERSONNEL POLICY

NUMBER	2.08
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DATE	05/01/06

SUBJECT: DIRECT DEPOSIT

APPROVED:



**Purpose:** The purpose of this policy is to provide guidelines under which New Castle County will offer direct deposit to its employees. This employee benefit is designed to provide an automatic payroll deposit to a bank account chosen by an employee via the Automated Clearing House (ACH) network to ensure timeliness, safety and reliability of the employee's pay.

### Eligibility

Direct deposit is available to all individuals employed by New Castle County who are paid through the human resources and payroll system. It does not apply to any contractors, vendors and other non-employees paid through the accounts payable system.

Participation in direct deposit will be mandatory for prospective employees and former employees returning to employment after a separation from the payroll. A direct deposit application form is to be provided by the Office of Human Resources at benefits orientation, for full-time employees; or by the payroll processor on the employee's first day of work, for part-time employees. The Office of Human Resources will advise applicants that direct deposit is a mandatory condition of employment (this does not apply to temporary or seasonal employees due to the transient nature of their employment).

### Benefits

Employees will be provided the option of a printed or electronic pay statement documenting the gross and net pay along with withholdings and other payroll deductions. Employee convenience is the primary employee benefit. Added interest earnings, safety and confidentiality are additional advantages. Direct deposit is the safest way to deposit money without having to worry about lost, stolen or damaged checks.

### Administration

**Maintenance and Verification:** The Payroll Section will coordinate the maintenance and verification procedures necessary to ensure that funds are deposited to the bank accounts selected by the employees. This Section will be responsible for the pre-notification process to the financial institution which serves as the County's NACHA liaison. Results of the pre-notification will be reviewed by the Payroll Section and corrections will be coordinated for future deposits.

**Transmission of Data:** The Information Systems Section will coordinate the weekly transmission of data. In accordance with established ACH deadlines, the necessary payroll information will be transmitted electronically to the financial institution which pulls the records for its accounts and forwards the remainder of the transactions to the ACH network. The ACH sorts the records and distributes them to the appropriate financial institutions. The employee's account will be credited with the payroll amount on payday.

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PAGE 2 of 2

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*Charlotte L. Cuwell*

Depository: The Treasury Section will oversee the deposits of funds and advise the Payroll Section of any discrepancies. The financial institution selected by the County will advise the Payroll Section of any transactions which are not transmitted accurately. This will include any incorrect account information transmitted during the pre-notification process and any subsequent transactions not accepted by the other banks through ACH. These may be due to closed bank accounts or changed bank routing numbers.

### Procedure and Responsibility

An employee must complete an enrollment form authorizing the County to make payroll deposits into the employee's checking or savings account. Only one account may be selected by the employee. An employee requesting direct deposit to a checking account must attach a blank check marked "void." Each employee is responsible for notifying the County, in writing, of any changes in bank account numbers or account closures affecting their direct deposit authorization form. If an employee fails to notify the County, in a timely manner, the direct deposit will occur as originally authorized. Resolution of a problem such as this may result in a delay in receiving the payroll check.

In cases where the County receives written verification that funds were not deposited to the employee's bank account, a replacement manual check will be prepared. The County reserves the right to reverse any entries incorrectly posted to an employee's account due to a system error or accidental overpayment on pay day.

Established: 11/01/97  
Revised: 05/01/06