

**PPM #28**

**Policy Name:** *Direct Deposit*  
**Effective Date:** *April 2, 2007*  
**Revision Date:** *December 1, 2011*

**Authorization:**

  
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*Charles R. Davis, Deputy Secretary*

**POLICY**

In accordance with R.S. 39:247 and R.S. 42:455, it is the policy of the Office of the Lieutenant Governor (OLG) and the Department of Culture, Recreation & Tourism (DCRT) that all new employees be required to receive wage and compensation payments via direct deposit into the new employee's bank account(s) at an approved financial institution(s). This requirement is stated on the pre-employment form titled "Conditional Offer of Employment." No applicant will be given an unconditional job offer until and unless he/she has signed the Conditional Offer of Employment form and met all the conditions set forth on the form.

**PHILOSOPHY**

It is the philosophy of the OLG and the DCRT to comply with all directives of the Division of Administration (DOA) and to establish efficient and economical practices whenever possible.

The DOA has determined that the use of direct deposit will result in cost savings to the state by reducing operating and processing costs, providing increased control over funds, and greatly reducing expenses for reconciliation of payroll accounts. Direct deposit also provides convenience and security to the state's employees by eliminating the risk of lost or stolen checks, facilitating timely deposits of paychecks regardless of vacation or illness, providing enhanced confidentiality of payroll information, and making the funds available to the employee on payday. Therefore, this policy is developed to set a requirement for employees paid by OLG and DCRT to have direct deposit of wage and compensation payments and to establish guidelines for enforcement of this rule.

**APPLICABILITY**

This policy shall be applicable to all employees of OLG and DCRT.

**PROCEDURE**

1. Before the end of the first pay period in which the new employee is hired, he/she must complete a Direct Deposit Enrollment Authorization - Main Bank (Primary Account)

form, OSUP/F12A for direct deposit of the payroll check, as agreed upon in the Conditional Offer of Employment. Field offices authorized to conduct orientation must ensure that this document is completed during the session and forward this document along with other new hire paperwork to Human Resources immediately after the session. The employee must also submit a blank check with "void" indicated on the check. The voided check will be retained with the Direct Deposit Enrollment Authorization form to confirm and verify appropriate banking information that will be indicated in the ISIS HR Payroll System. The Other Bank Secondary Account form, OSUP/F12B, may be completed if credit union and/or other deductions, if desired, are to be deposited into other bank accounts.

2. Direct deposit of an employee's pay for regular payroll remuneration cannot be set up to go to a third party's account. This includes any account where the employee is not named.

*This should not be confused with garnishments and/or liens. Garnishments/liens are deductions in the ISIS HR System and are automatically established by the Office of State Uniform Payroll (OSUP), and deducted from the employee's pay during the payroll process and prior to the actual direct deposit. The OSUP Payroll/Garnishment Unit will provide garnishment/lien information directly to the employee.*

Exceptions may be made by the employing agency for deposits to the account of a dependent of an employee for whom the employee is a parent/guardian, or to the account of a parent/guardian when the employee is a dependent of that parent/guardian. In these exceptions, the "employee's" name must always be shown on the Direct Deposit Enrollment Authorization form, even if the account to which funds are to be deposited is in the name of the dependent or parent/guardian of the employee.

3. Employees who fail to meet the condition of employment for the direct deposit requirement shall contact Human Resources (HR) directly or discuss with the Section Head (hiring manager) for further resolution, if possible.

## **RESPONSIBILITY**

### **Assistant Secretaries**

Hold accountable the section heads under their supervision for adhering to all aspects of this policy.

### **Section Heads**

Ensure that no *unconditional* job offers are made and that no applicants report to work until and unless the employee has met all of the applicable conditions set forth in the Conditional Offer of Employment form. If extenuating circumstances exist and the employee cannot meet the direct deposit condition of employment, contact HR for further resolution.

Hold managers/supervisors accountable for adherence to all aspects of this policy. Work through managers and supervisors to ensure that each new employee completes the Direct Deposit Enrollment Authorization form, OSUP/F12A, and submit the completed form to HR immediately after the orientation session.

### **Employees**

Complete the Direct Deposit Enrollment Authorization form, OSUP/F12A, as required and submit a voided check to HR. Contact HR or the Section Head when extenuating circumstances exist that may require further resolution by HR when the direct deposit requirement cannot be met.

### **Human Resources**

Advise Appointing Authorities and Section Heads on issues concerning Direct Deposit Authorization forms and voided checks.

Enter direct deposit information into the LaGov Human Capital Management (HCM) payroll system.

Maintain an employee's direct deposit form and voided check within the employee's payroll records.

### **CONSEQUENCES**

Any employee found to have violated this policy may be subject to disciplinary action.

### **QUESTIONS**

Questions regarding this policy may be directed to the Human Resources Division.

*Summary of Changes: Revised policy number, changed time requirement for completion of Direct Deposit Enrollment Authorization Form from the 1<sup>st</sup> day of employment to within the 1<sup>st</sup> pay period in which he/she is hired, updated payroll system name from ISIS to LaGov HCM (December 1, 2011).*