

DIRECT DEPOSIT INFORMATIONAL GUIDELINE

While the process of DIRECT DEPOSIT is an attempt to both simplify and expedite the deposit of employee funds into banks and of their choosing, it must be recognized that it, in itself, is a complex system involving a considerable number of individuals and institutions each with specific responsibilities in the process. As such, it is essential that employees electing DIRECT DEPOSIT fully understand the process, responsibilities and risks associated with the process. The following is intended to provide clarification and to aid you in your decision regarding direct deposits.

EMPLOYEE:

1. Provides the Business Office with a properly completed Authorization Agreement (all copies) to include a cancelled check or other suitable bank form identifying both Bank Transit Number and Employee Account Number. (NOTE: (1) Clarification relative to routing and account number should be directed by the employee to their respective banks to insure accuracy. employee copy will be returned after approval by the Business Office.)
2. All changes in direct deposit status including changes in bank account number or amounts will require a new agreement signed by the employee.
3. The employee copy of the agreement, as approved and returned to you by the Business Office, should be kept available for reference should you need to contact your bank relative to inquiries.

BUSINESS OFFICE:

1. Updates the computer files with the direct deposit data as provided on the Authorization Agreement form.
2. Initiates a test (pre-note) run of zero dollars (\$0.00) to the employee's bank for account verification. (NOTE: Employee will receive a check during the pre-note run or until such information is correct.)
3. Computes and delivers a payroll direct deposit tape to the correspondent bank no later than Monday noon of the payroll (Pelham information is forwarded on the Monday of the week prior to payday.)
4. Provides a check stub to the employee indicating the forwarding of a direct deposit.
5. Maintains appropriate records and files for audit purposes.

CORRESPONDENT BANK:

1. Receives and processes the direct deposit tape inclusive of the electronic funds transfer to employee banks no later than Tuesday noon of the payroll week.

EMPLOYEE BANK:

1. Verifies pre-note data (employee and account numbers) for accuracy, notifying the correspondent bank or School Business Office of any errors.
2. Receives and processes direct deposit funds into customer (employee) accounts. Funds will be made available at the beginning of the business day on that payday. Do not plan on the use of funds prior to this time.

PROBLEMS AND RISKS

The Business Office can only control those activities and payroll processes that occur in and at its office. Hence, the Business Office cannot guarantee nor can it be responsible for problems whose cause rests with the correspondent bank or the employee's bank.

If funds are not properly credited to the employee's account by 2:00 on the Wednesday payday:

1. The Business office will have satisfied its responsibility if the direct deposit tape was forwarded to the correspondent bank by the required deadline.
2. The Business Office will contact the correspondent bank to determine if it has processed the electronic funds transfer by required deadline. If the funds were transferred, the problem is with the employee's bank and any resolution is between the employee and bank. If the delay was caused by the Business Office, it will provide a list of the banks involved and the correspondent bank will contact the employee's bank regarding the delay. As a reciprocal agreement, banks generally waive all penalty charges, however, this in no way constitute a guarantee.
3. The Business Office will not and cannot become involved, nor will a check be issued in the place of a delayed wire.

IF YOU WANT DIRECT DEPOSIT, TEAR AND RETURN THIS PORTION TO THE BUSINESS OFFICE ALONG WITH AGREEMENT

I HAVE READ THE INFORMATIONAL GUIDELINES (rev 8/94) AND BOTH UNDERSTAND AND ACCEPT THE RISKS ASSOCIATED WITH DIRECT DEPOSIT. I HEREBY REQUEST THE AUTHORIZATION AGREEMENT FORM WHICH, UPON COMPLETION BY ME AND ACCEPTANCE BY THE BUSINESS OFFICE, WILL INSTITUTE THE PROCESS OF DIRECT DEPOSIT.

NAME: (print) _____ SIGNATURE: _____

SCHOOL: _____ DATE: _____