

DIRECT DEPOSIT OF EMPLOYEE PAY FAQ

What is Direct Deposit?

Direct Deposit is a program that allows employees to authorize automatic payroll deposits into their checking or savings accounts. Any financial institution (Bank, Savings & Loan, or Credit Union) in the United States can be selected as long as it is a member of the Automated Clearing House (ACH) of the Federal Reserve System.

What are some reasons for enrolling in Direct Deposit?

Direct Deposit of your payroll offers several benefits to participants, including:

- Fewer trips to your financial institution.
- Avoidance of long lines at your financial institution on paydays.
- Convenient and consistent deposit of earnings in spite of business absences, vacations or illness.
- Security in the knowledge that paychecks cannot be lost, stolen or forged.
- Less risk or error due to a warrant lost or misdirected by your financial institution.

How do I sign up for Direct Deposit?

To have your payroll check deposited directly to your checking or savings account, you must (1) complete and sign the Authorization for Electronic Fund Transfer (EFT), and (2) attach to your online new hire packet or submit to the Payroll Office a “voided” blank check or a savings account deposit slip along with the completed agreement.

After the Payroll Office receives my form, how long will it take for the change to occur?

Your first check will be a “live” check while a “prenote” check is run. The prenote process is a “dry run” to detect any problems with your bank transit and account numbers. Your bank transit number and account number will be included on the EFT tape that notifies your bank of direct deposit transfers, but no funds actually will be transferred on the prenote pay period.

Should the prenote process detect no problems, then your second paycheck will be a direct deposit. The direct deposit amount will be your net pay (i.e. your gross pay minus federal/state tax, any benefits deductions, or any other required or voluntary deductions).

With direct deposit, will I still receive a hard copy of my pay stub?

No, you will not receive any paper copies of pay stubs once enrolled in direct deposit. You can view your pay stub information online @ ess.scoe.org ESS [Employee Self Service \(paperless pay stubs\)](#).

Can I change my bank account and/or financial institution?

Any changes to your name, bank transit number or account number must be reported in writing to the Payroll Office prior to the payroll cutoff date of the pay period in which the change is made. You must notify the Payroll Office prior to closing your account.

Should you need to change the account you currently use for direct deposit, please submit a **new** direct deposit form (with voided check) to your Payroll Specialist. Please keep in mind, when changing direct deposit accounts, your next paycheck will, once again, be a “live” check while the prenote process is being completed.

What happens if I am underpaid and/or overpaid through Direct Deposit?

If an error is discovered in an employee’s pay, the Morgan Hill Unified School District cannot stop the deposit from being processed. Underpayments will follow the current correction process. Please contact your Payroll Specialist regarding this process. Overpayments will be corrected in the subsequent pay period.

What happens to my direct deposit when my employment ends with Morgan Hill Unified?

An employee’s final paycheck with the District will be a live paycheck. Please be sure we have your current address on file as your last paycheck will often be mailed to you. You can confirm your address with either your Payroll Specialist or with the Human Resources department. If you need to update your address, please complete the online [Change of Address form](#).

Whom do I contact if I have any questions about Direct Deposit?

Contact your financial institution with questions concerning their handling of direct deposit payments. If you have questions on Direct Deposit enrollment, contact HR and/or Payroll office.

Can I have my check deposited into multiple banks?

Our current system allows you to deposit into only one bank. If you want a portion of your payment deposited into another account(s), you must make your arrangements with your financial institution for an automatic transfer of funds.

In offering a direct deposit plan, and having to process data to many different financial institutions, there are many variables over which Morgan Hill Unified School District has no

control. In order to minimize the possible effects of these variables, the banking industry suggests you do the following:

1. Notify your financial institution that you are now on a direct deposit system with your district.
2. If your deposit is going to a checking account, you should have Automatic Overdraft protection to protect you in the event of a processing failure in the banking system. This overdraft protection is to protect you in the event of a processing failure in the banking system. This overdraft protection is generally accomplished through the signing-up for a check guarantee card. You should consult your own financial institution for this service.