UAP Purpose

The purpose of this University Administrative Procedure (UAP) is to provide clarification for the enrollment and disbursement process of payroll payments made via direct deposit.

Definitions

Automated Clearing House (ACH) – an electronic network for financial transactions governed by the National Automated Clearing House Association (NACHA) and controlled through the system banking services agreement.

Employee – for the purpose of the direct deposit requirement, this term includes biweekly, monthly, hourly, temporary and part-time employees. The term does not include independent contractors or the employees of independent contractors.

Workday – the Texas A&M University System online Human Resources Information System that lists personal data, payroll data, and benefits data for employees of The Texas A&M University System.

Official Procedures and Responsibilities

1. GENERAL

1.1 State law requires the State Comptroller of Public Accounts to make certain payments through direct deposit. These payments include state employee payroll payments from funds on deposit in the State Treasury.

1.2 PVAMU has opted to make all University payroll payments to employees and vendors, including payments made with local funds, through direct deposit.

2. PROCEDURE

2.1 All new hires are required to complete the payment election step in Workday during new employee onboarding.

2.2 Current employees will use the payment election option in Workday to set up or change their direct deposit option.
2.3 Employees may elect to divide their pay into a maximum of 5 separate accounts.

2.4 Responsibility lies with the employee to ensure that their bank routing/transit and account numbers are correct when enrolling in direct deposit.

2.5 If an employee’s direct deposit is incorrect and the payment is rejected, the replacement pay cannot be processed until the ACH rejection notice is received by Payroll Services.

3. **CHANGING DIRECT DEPOSIT INFORMATION**

3.1 An employee can change their direct deposit bank information at any time; however, the employee must be aware of the payroll calculation date in order to verify which account their next scheduled pay will be deposited - the old account or new account. These dates are posted on the Payroll Services intranet or can be obtained by calling Payroll Services.

3.2 If an employee’s direct deposit account information is incorrect, (account number incorrect, account closed, or change in account) Payroll Services will deactivate the account number in Workday.

4. **CANCELING DIRECT DEPOSIT**

4.1 An employee can discontinue direct deposit payments at any time by changing their payment election information in Workday. Employees must be mindful of the payroll calculation date when canceling their direct deposit.

4.2 Payroll Services reserves the right to delete an employee’s payroll direct deposit payment if funds were transmitted in error. Payroll Services will contact the employee regarding the incorrect deposit.

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**Related Statutes, Policies, Regulations and Rules**

- System Regulation 31.01.07 Direct Deposit of Payroll Payments
- System Regulation 21.01.03 Disbursement of Funds
- Texas Government Code, Chapter 403 § 403.016
- Texas State Comptroller Direct Deposit Manual
- Texas Labor Code, Chapter 61 Payment of Wages

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**Contact Office**

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