

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: Fiscal Affairs

NUMBER: 03.D.07

AREA: Payroll

SUBJECT: Direct Deposit of Salaries - Interim

1. PURPOSE

This administrative memorandum states policy regarding the direct deposit of employees' salaries.

2. POLICY

2.1. The requirement for direct deposit applies to all employees who are paid through the University of Houston System payroll department.

2.2. All component university employees are required to enter their direct deposit information in [People Advantage Self Service \(PASS\)](#) or sign up for a pay card administered by a financial institution appointed by the System. Employees who are unable to enter their direct deposit in PASS may seek assistance from the component university human resources/payroll office.

3. PROCEDURES

3.1. The component university human resources department will provide procedures for direct deposit to new employees at the time new hire paperwork is completed.

3.2. On the first, and possibly second, payday following data entry of the direct deposit, a regular paycheck will be issued. Automatic direct deposit of payroll funds will occur following the successful "pre-note" test file sent to the employee's bank account and verification from the bank is received by the System that the account is valid.

3.3. On the following regular and subsequent paydays, employees may print the earnings statement portion of their paycheck from PASS.

3.4. Employees are responsible for contacting the financial institution directly to confirm the deposit to their account prior to expending the funds. Although financial institutions normally make deposited pay available no later than payday, each financial institution has its own policy.

- 3.5. When a direct deposit is reversed, the System requires that the money be returned to the System from the bank before a replacement or corrected payment can be issued to the employee.
- 3.6. If a problem occurs that cannot be readily resolved between the employee and the financial institution, the employee should contact the component university payroll representative who will coordinate problem resolution with the System Payroll Department and the System Treasurer's Office.
- 3.7. It is important that Personnel Action Requests (PARs) to end assignments and terminate employment be processed promptly to ensure termination of direct deposit at the appropriate time.
- 3.8. Employees may request that funds be directly deposited to more than one bank account as designated in PASS. Employees enrolled in the pay card program do not have the option of depositing funds in multiple pay cards. All financial information should be verified by the financial institution(s) to ensure that funds are deposited accurately and on time to the employee's account(s).
- 3.9. If bank account information changes, employees are responsible for updating the information in PASS in a timely manner and should contact the appropriate component university human resources or payroll representative with any questions.

4. REVIEW AND RESPONSIBILITY

Responsible Party: Associate Vice Chancellor for Finance

Review: Every three years, on or before June 1

5. APPROVAL

Approved: Carl P. Carlucci
Executive Vice Chancellor for Administration and Finance

Renu Khator
Chancellor

Date: June 9, 2009

Expiration Date: November 30, 2009