

ADOA – General Accounting Office

AGENCY PAYROLL GUIDE:

DIRECT DEPOSIT



DIRECT DEPOSIT

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Overview

The objective of this quick reference guide is to provide general information on the process of employee direct deposit accounts in HRIS as it relates to the Agency Payroll Specialist. The guide is not intended to be all-inclusive and may not offer step-by-step instructions.

Agency Payroll Functions

1. Verify GAO-65 is complete with proper documentation to establish direct deposit account
2. Establish and maintain employee direct deposit accounts on XR12.1
3. Submit GAO-65 to GAO for employees who require/request an Arizona Way2Go card
4. End date direct deposit accounts after employee separates from state service

Deadlines

New accounts added are pre-noted nightly. Employees can enter new accounts up until Compute Monday to have their account pre-noted and sent Direct Deposit for that same payroll.

Payroll Cycle

Payroll jobs use a 10-day cycle. Use this reference chart to determine the day of the week when Day Numbers are referred to in this guide.

Week	Monday	Tuesday	Wednesday	Thursday	Friday
Week 1 Compute	Day 1	Day 2	Day 3	Day 4	Day 5
Week 2 Off Compute	Day 6	Day 7	Day 8	Day 9	Day 10

Helpful Resources and Documents

Policies

Arizona Revised Statute

[A.R.S. §23-351.D.5](#) – Designation of paydays for employees; payment; exceptions; violation; classification; applicability; definition

SAAM

[SAAM 5520](#) Direct Deposits of Payroll

Step by Step Training

[HRIS Training – Direct Deposit](#)

Forms

[GAO-65](#) Authorization for Direct Deposit Form



Direct Deposit Screen XR12.1

In the HRIS, Agency Payroll Specialists set up direct deposit using the **Direct Deposit Distribution screen XR12.1**. Detailed instructions are found in the Direct Deposit HRIS Training Manual. Before direct deposit can be established in the HRIS, the employee must complete all applicable fields on the Form GAO-65 (Authorization for Direct Deposit) and attach a void check or a letter from their servicing bank or a bank statement indicating they are an authorized signer on the account. SAAM policy states that fax or emailed GAO-65 forms are not accepted. The form must be the original signed form.

Items to Note

1. Employees can enter their direct deposit information on their YES portal
2. Employees may have up to a maximum of five different active account numbers. For example:
 - One **Percent of Net** pay direct deposit or
 - One **Percent of Net** pay direct deposit plus one **Flat Amount** direct deposit, or
 - One **Percent of Net** pay direct deposit plus two **Flat Amount** direct deposits
 - One **Percent of Net** pay direct deposit plus three **Flat Amount** direct deposit, or
 - One **Percent of Net** pay direct deposit plus four **Flat Amount** direct deposits
 - An employee can elect different percentage amounts but must have one account designated as the **100% of Net** account known as **Default Account**
3. Employees must always have one account defined as **Percent of Net** to comply with SAAM 5520 Direct Deposits of Payroll
4. Accounts setup as **Percent of Net** pay must have the **Default** flag set to **Y**
5. If changes are requested for an existing direct deposit distribution Receiving DFI, Account Number, or Account Type, that distribution must be stopped and then the new account information added as a new Distribution Order to be accurately reflected in history
 - The new direct deposit account must go through the pre-note process, which occurs nightly
 - A change in **Flat Amount** or **Percent of Net** does not require a new distribution be created
6. **Never change the Begin Date of an account**
7. Once a Direct Deposit is stopped, if an employee requests to restart a previously used direct deposit account, and it is longer than 30 days of the stop date, this is considered a new request and a new Distribution Order must be setup in order to go through the pre-note process
8. Contact GAO Central Payroll to establish new routing numbers or update bank names
9. If an account is added in error, contact GAO Central Payroll immediately

Pre-Note Status

- **N=** \$0.00 amount will be sent nightly to test the account number. Only the account number is validated, the name on the account is not validated or verified
- **P=** Account has been Prenotified, and unless notified by Central Payroll of a problem with the account, funds will be deposited on the next payroll
- **A=** Accepted, Funds have successfully been deposited to the account

Direct Deposit Accounts with Errors

Pre-note files are sent to Bank of America each night. Any accounts rejected by Bank of America will be end-dated by GAO Central Payroll; **NEVER remove this end-date.**

If a change is requested to an existing direct deposit distribution, Receiving DFI, Account Number, or Account Type, that distribution must be stopped and then the new account information added as a new Distribution Order to be accurately reflected in history. The new direct deposit account must go through the pre-note process.

The payroll file sent on compute Tuesday may contain rejected accounts with returned monies. Upon receipt of the error file and associated monies, GAO Central Payroll will:

1. Email agency payroll regarding affected employee(s) with direct deposit errors with returned monies
2. Generate a manual warrant payable to the employee for the monies being returned
 - The manual warrant is printed at 3 PM the same businesses day
 - The manual warrant is mailed by ADOA Support Services to the employee's address in YES

Employee Direct Deposit Setup in Y.E.S.

Employees can add, change and stop direct deposit accounts via the YES website. If a change, stop, or add is made to an employee's direct deposit accounts either by the employee on the YES website, by the agency via the XR12.1 screen, or by Central Payroll, both the employee and the agency will receive an email regarding the change, stop, or add. Regardless of who makes the change, the email will come from the employee's work email address.

Agencies can view the **PR212 Direct Deposit Account Listing** audit report to see who made the changes and when the change was made.

When an employee stops an account via the YES website, the distribution order associated with the stopped account will automatically change to zero. To view the account set up:

1. Enter Company **1**
2. Enter the employee's **EIN**
3. Click on **Next** until the account in question appears on the screen

If the employee enters a routing number that is not in HRIS, they will get a warning screen asking them to contact their agency payroll. The agency payroll can then email central.payroll@azdoa.gov with the



routing number asking for it to be added to HRIS. ***For security reasons, do not send account numbers via email.***

When an employee's deposit is rejected by the bank, Central Payroll will close the account and create a manual warrant for the deposit amount. Central Payroll will notify the agency via email that the warrant will be mailed to the employee that afternoon. This is an additional email to the one automatically generated by the system when an account has been changed, stopped, or added.

When the bank notifies Central Payroll of an incorrect account number and provides a new account number, Central Payroll will stop the invalid account and add the account provided by the bank, this will trigger the automatic emails to be sent. The **PR212** report can be viewed to see who made the changes to the direct deposit.

Arizona Way2Go Payroll Card

A.R.S. § 23-351.D.5 Enables employers in the state to require their employees to receive compensation by direct deposit. If after two payrolls the employee has not provided a GAO-65 with the proper documentation, the agency must submit a GAO-65 to Central Payroll to involuntarily sign the employee up for an Arizona Way2Go Payroll Card. An agency representative must sign the GAO-65. SAAM 5520 Direct Deposits of Payroll addresses the state's decision to mandate that its employees enroll in direct deposit.

The State of Arizona payroll can only fund the Way2Go Payroll Card; deposits from other entities will be rejected.

New Arizona Way2Go Payroll Card Accounts

GAO Central Payroll is responsible for establishing Arizona Way2Go Payroll Card accounts on XR12.1. Upon receipt of a completed GAO-65, GAO Central Payroll will establish an Arizona Way2Go Payroll Card account with Conduent and mail, to the employee's address of record, a schedule of fees and a letter indicating the first payroll a deposit will occur. The employee will receive an Arizona Way2Go Payroll Card directly from Conduent (issued by Comerica Bank) within 7-10 business days; the card will be mailed to their address of record in the HRIS.

A GAO-65 Arizona Way2Go Payroll Card request will not be processed if:

- Signature missing (employee or agency representative if a mandatory sign-up)

Changes to Arizona Way2Go Payroll Card Accounts

Upon receipt of the GAO-65, Agency Payroll Specialists are responsible for making the appropriate changes to the employee's direct deposit account setup. For example, if the employee requests to stop or elect a fixed amount to the Arizona Way2Go Payroll Card account, the agency would make these changes. The employee can also make these changes to their Arizona Way2Go Payroll Card account via the YES portal.

Lost Arizona Way2Go Payroll Cards

If an Arizona Way2Go Payroll Card is lost or stolen, the employee must contact Conduent customer service directly at (833) 915-4045 to report it and order a new card.



Reports

PR212 Direct Deposit Account Listing

Use the **PR212 Direct Deposit Account Listing** audit report to see who made the last change and when the change was made.

Terminated Employee with Active Direct Deposits

Use the **Terminated Employee with Active Direct Deposits** report to identify employees who have terminated and still have an active/ open direct deposit distribution. Account distributions should be end dated once the employee is placed in a T2 status.

Access report by using **HRIS Web Reports** link in HRIS and selecting **Agency HRIS Payroll Reports** folder

Consolidated Payroll Register

Use the Consolidated Payroll Register report to identify employees receiving warrants that may not be in compliance with SAAM 5520 Direct Deposits of Payroll. Filter for **Check Type S**.

If after two payrolls the employee remains in **S** status:

1. Complete a GAO-65 on behalf of the employee
2. Select the Arizona Way2Go Payroll Card
3. Sign the form at the bottom
4. Email to Central Payroll for processing

Access reports by using **HRIS Web Reports** link in HRIS and selecting **Agency HRIS Payroll Reports** folder

Need Assistance?

View the Central Payroll Directory [click here](#)