



Direct Deposit Frequently Asked Questions

General Questions

Q: What is direct deposit?

A: Direct deposit is an electronic payment method the State uses to pay employees paid by the - TeamWorks HCM central payroll system (system) administered by the State Accounting Office (SAO). An employee's net pay (pay after taxes and other deductions) is deposited directly into a bank(s) or other financial institution(s) of his/her choice.

Q: How does direct deposit work?

A: On payday, the employee's net pay is deposited directly into his/her account(s) by electronic fund transfer, based on information provided by the employee when he/she enrolled. Funds are deposited directly to the employee's checking or savings account(s).

Q: Why does the State provide direct deposit?

A: The State provides this service to employees because it is safe, fast, and convenient. Not only is it a valuable employee benefit, but it provides tremendous cost savings to the State. The cost of an electronic transaction is a fraction of the cost of issuing a paper check.

Q: What are some of the advantages of utilizing direct deposit instead of paper check?

A: Safety and convenience are big factors, as the net pay is deposited directly to the employee's account(s) in a timely manner, even if the employee is absent from work on payday. With direct deposit, there are no more worries about unreliable mail service; no more concerns about lost or stolen checks; no more long lines at the bank, waiting to deposit a paycheck.

Q: How reliable is direct deposit?

A: Direct deposit is the fastest, most reliable payment method. Over 79% of the employees paid through the system have enrolled in direct deposit and are benefiting from the service.

Q: When can I withdraw money from payments deposited to my account using direct deposit?

A: Most financial institutions make the funds available for withdrawal the same day as payday. Employees should check with their individual financial institutions concerning funds availability and withdrawals.

Q: Do I have to use a particular financial institution for direct deposit?

A: No. Employees may use any financial institution in the United States that is a member of the Automated Clearing House (ACH) Network. Eligible institutions include banks, credit unions, and savings banks. Employees can also designate multiple accounts to deposit their money into.

Q: What if I do not have a bank account?

A: Employees that do not have a checking or savings account should go to several financial institutions and select the banking arrangement that is best for their needs, in terms of convenience, safety, service, interest on deposits, and cost of service. Many financial institutions now offer either a free or an economy type banking account to employees who receive their pay by direct deposit.

Q: How do I sign up for direct deposit?

A: Employees must log into the Employee Self Service (ESS) feature of the system to sign up for direct deposit. Once in ESS, click on “Self Service”, then click on “Payroll and Compensation”, and finally click on “Direct Deposit.” Employees can edit/delete existing information or add additional accounts.

Q: When is direct deposit effective after I enroll?

A: The employee’s first pay processed after enrolling in direct deposit will be made by paper check. The reason for this is that the system runs a test transaction, called a “pre-notification” to verify that the bank account information the employee provided in the ESS feature of the system is valid. If the bank account information is determined as valid, the employee’s next pay will be processed by direct deposit.

Q: What if I want to make a change in financial institutions?

A: Employees must log into the ESS feature of the system to make a change to direct deposit information. Once in ESS, click on “Self Service,” then click on “Payroll and Compensation,” and finally click on “Direct Deposit.” Employees can edit/delete existing information or add additional accounts.

Q: How does direct deposit affect my current payroll deduction?

A: Direct deposit does not affect employee's current payroll deductions.

Specific Questions

Q: Is direct deposit a requirement of the State of Georgia?

A: Yes. Effective May 1, 2010, it is the policy of the State of Georgia that all employees paid by the TeamWorks HCM central payroll system (system) administered by the State Accounting Office (SAO) be required to use direct deposit to receive payroll related payments. The complete policy, and related documents, can be found on SAO's website at the following location: State Accounting Office Accounting Policy Manual.

Q: Can a state require mandatory direct deposit as a condition of employment for new hires or rehires?

A: Yes. Each state has its own wage and hour laws to which employers in that state must adhere. Some states' wage and hour laws allow mandatory direct deposit and some do not. Georgia is one of the states whose wage and hour laws allow for mandatory direct deposit as a condition of employment.

Q: Are there any Federal Regulations that apply to direct deposit?

A: Regulation E issued by the Board of Governors of the Federal Reserve System, issued pursuant to the Electronic Fund Transfer Act (15 U.S.C 1693 et seq.) is applicable. The Regulation specifies that direct deposit can only be required if the employee is able to select the financial institution of his/her choice.

Q: When should I enroll in direct deposit?

A: All newly hired or rehired employees on or after May 1, 2010 are required to enroll in direct deposit within thirty (30) days of hire or rehire, unless an exemption is granted. All employees hired prior to May 1, 2010 who are receiving their pay by paper check are required to enroll in direct deposit by June 1, 2010, unless an exemption is granted.

Q: As an employee hired prior to May 1, 2010, what will happen if I fail to enroll in direct deposit?

A: Failure of an employee hired prior to May 1, 2010 to enroll in Direct Deposit will not affect the employee's employment. However, beginning July 1, 2013, all paper checks will be mailed/distributed directly to the employee from the employing agency on the employee's designated payday and will be dated the date of the employee's pay date. No post dated paper checks will be mailed prior to the designated payday. The employee is advised that the State assumes no responsibility for the delay in receiving a paper check via the United States mail or its equivalent. Should a paper check have to be reissued due to a lost check, the employee may have to wait up to seven days before a replacement check can be issued and mailed.

Q: As an employee hired or rehired on or after May 1, 2010, what will happen if I refuse to enroll in direct deposit?

A: As a condition of employment, all newly hired or rehired employees on or after May 1, 2010 are required to enroll in direct deposit within thirty (30) days of hire or rehire and remain enrolled in direct deposit for the tenure of employment. Newly hired or rehired employees will be required to sign the "Direct Deposit Notification Form" indicating their understanding and compliance with the direct deposit policy. Any such employee who does not log into the ESS feature of the system to complete the appropriate direct deposit information within (30) days of hire or rehire and who is not granted an exemption may be subject to dismissal.

Q: What is the latest date that I can enroll in direct deposit in order to avoid having my check mailed directly to me instead of being available from my employing organization?

A: June 1, 2010 is the cut-off date for current employees to enroll in direct deposit.

Q: How will I know how much I've been paid by direct deposit?

A: Employee paystubs are available using the ESS feature of the system.

Q: Am I required to have a certain number of leave hours accrued before I can participate in direct deposit?

A: Some organizations require employees to accrue and maintain a certain level of annual leave for participation in direct deposit. This is not a statewide policy and is not required by SAO. Organizations are encouraged to offer direct deposit to all employees without requiring minimum leave balances.

Q: What types of exemptions are recognized?

A: There are two types of exemptions recognized by the policy: 1) Business; and 2) Personal.

Q: Can an organization grant an exemption to the direct deposit policy?

A: No. Exemptions can only be granted by, and are at the discretion of, the State Accounting Officer, based on the exemption form and information submitted by the employee.

Q: When should I submit a Direct Deposit Personal Exemption Request Form?

A: All newly hired or rehired employees on or after May 1, 2010 should submit the Direct Deposit Personal Exemption Request Form to the State Accounting Office (SAO) within 30 days of hire or rehire. All employees hired prior to May 1, 2010 should submit the Direct Deposit Personal Exemption Request Form as soon as possible, but no later than June 1, 2010.

Q: Where should I submit a Direct Deposit Personal Exemption Request Form?

A: Direct Deposit Personal Exemption Request Forms can be submitted to the State Accounting Office (SAO) by fax or email. The fax number is 770-359-5944. The email address is stateaccountingoffice@sao.ga.gov.

Q: What evidence should be submitted with the Direct Deposit Personal Exemption Request Form?

A: Employees that are considered “unbankable” must obtain a letter or other documentation from a financial institution stating that the employee is unable to obtain a bank account. If the employee’s request is due to an extreme hardship the employee should address a letter to the State Accounting Officer explaining the hardship.

Q: When will the SAO respond to my Direct Deposit Personal Exemption Request Form?

A: SAO will respond directly to the employee within 15 business days of receipt of the request form.

Q: If I am granted a personal exemption from direct deposit, how will I be paid?

A: Employees will be paid by paper check. Checks will be mailed/distributed by the employing agency to the address specified by the employee. Checks will be mailed/distributed on payday. The employee is advised that the State assumes no responsibility for the delay in receiving a paper check via the United States mail or its equivalent. Should a paper check have to be reissued due to a lost check, the employee may have to wait up to seven days before a replacement check can be issued and mailed.

Q: If I am denied a personal exemption from direct deposit, can I still enroll in direct deposit?

A: Yes.

Q: Why would an employee not be able to acquire a bank account?

A: Financial institutions require certain criteria and qualifications to obtain a bank account. Contact your preferred financial institution for more information.

Q: As part of the direct deposit exemption process, what is considered an extreme hardship?

A: There may be unique, unforeseen situations that an employee may encounter that dictate special consideration by the State Accounting Officer. Such situations should be rare. Personal preference is not considered an extreme hardship.

Q: I do not want to pay the costs associated with having a bank account. Is this considered an extreme hardship?

A: No. There are many financial institutions that offer either free or economy bank accounts to accommodate direct deposit. Such bank accounts normally limit the transaction activity. Additionally, any banking costs incurred for having a bank account are normally much less than the fees charged by check-cashing companies.

Q: I do not want my spouse or other joint account holder to know how much I am paid. Is this considered an extreme hardship?

A: No.

Q: Where should organizations submit a Direct Deposit Business Exemption Request?

A: Direct Deposit Business Exemption Requests can be submitted to the State Accounting Office (SAO) by email. The email address is stateaccountingoffice@sao.ga.gov.

Q: How will checks issued as the result of a business exemption be distributed?

A: Checks will be mailed/distributed by the employing agency to the address specified by the employee. Checks will be mailed/distributed on payday. The employee is advised that the State assumes no responsibility for the delay in receiving a paper check via the United States mail or its equivalent. Should a paper check have to be reissued due to a lost check, the employee may have to wait up to seven days before a replacement check can be issued and mailed.

Q: My organization does not use the TeamWorks HCM central payroll system administered by SAO to process payroll. Can we use this policy to implement mandatory direct deposit?

A: Yes. Non-TeamWorks organizations are strongly encouraged to use this policy as a guide to implement their own mandatory direct deposit policy.