



State of Arizona Accounting Manual

Topic 55 Payroll and Personnel

Issued 12/07/15

Section 21 HRIS Valid Accounts for Direct Deposits

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INTRODUCTION

Electronic direct deposit of employee compensation benefits both employees and the State and is required by statute.

POLICIES

1. The form to be used in connection with payroll-related direct deposits is the Form GAO-65.
2. Authorization to start or change the direct deposit of an employee's compensation must be signed by the employee or his legal representative.
 - 2.1. A legal representative is one legally recognized to make decisions on behalf of the employee. Such legal representatives would include, but not necessarily be limited to, those holding power of attorney or powers of appointment granting sufficient authority to act on an employee's behalf in financial matters of this type.
 - 2.2. An employee's spouse is not his legal representative unless the spouse has power of attorney or power of appointment granting sufficient authority, even if the account into which funds are to be deposited is jointly held.
3. The employee must be a signatory on the account into which funds are to be deposited, a fact that must be confirmed by attaching one of the following to the Form GAO-65.
 - 3.1. A pre-printed, voided check, drawn against the account under consideration, upon which the name of the employee is shown as owner, or
 - 3.2. A bank statement or photocopy thereof displaying the employee's name, the account number and the bank's RTN.
4. Prenotification is required for all direct deposit accounts to be newly established. Prenotification is accomplished by retaining or reselecting "Not Prenotified" in the *Prenotify Status* dropdown in HRIS Screen XR12.1.
 - 4.1. Each Tuesday night, a prenote is sent to the bank account newly designated for direct deposit and the *Prenotify Status* in HRIS will be automatically changed to "Prenotified."

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- 4.2. At the time funds are transmitted, if the prenote has not been rejected, the *Prenotify Status* dropdown will be automatically changed to “Accepted” and the employee’s direct deposit request will be honored.
- 4.3. The GAO will notify the employee’s agency payroll office if the prenote is rejected.
5. While they should involve themselves in the establishment of new direct deposit accounts for their employees, agency personnel should not establish new RDFIs in HRIS.
 - 5.1. If, when entering the RTN in the *Receiving DFI* field on HRIS Screen XR 12.1, the name of a financial institution appears, the RDFI has been previously established and the employee’s direct deposit request may be processed.
 - 5.2. If, when entering the RTN in the *Receiving DFI* field on HRIS Screen XR 12.1, the name of a financial institution does not appear, the RDFI has not been previously established and the agency may not process the employee’s direct deposit request. GAO’s Central Payroll must be contacted so that it can establish the RDFI in HRIS.