

DIRECT DEPOSIT OF EMPLOYEE PAY WARRANTS

For your added convenience, SBCOE and San Benito High School District will allow employees to authorize automatic payroll deposits into their checking or savings accounts. Any financial institution (Bank, Savings & Loan, Credit Union) in the United States can be selected as long as it is a member of the Automated Clearing House (ACH) of the Federal Reserve System.

To have your payroll check deposited directly to your checking or savings account, you must:

1. Complete and sign the attached authorization agreement for electronic fund transfer (EFT), and
2. Submit to the Personnel Office a voided blank check or a savings account deposit slips along with the completed agreement.

Your checking or savings account will be "prenoted" for one pay period. The prenote process is a "dry run" to detect any problems with your bank transit and account numbers. Your bank transit number and account number will be included in the EFT tape that notifies your bank of direct deposit transfers, but no funds actually will be transferred on the prenote date. You will receive your regular paycheck for the prenote pay period.

If the prenote process detects no problems, your net pay for the next pay period (i.e., your gross pay less withholding for federal, state, and local taxes, plus any other required or voluntary deductions) will be electronically transferred to your checking or savings account. In lieu of receiving a paycheck, you will receive a pay information statement that reports the same information that would have appeared on your paycheck stub.

Any changes to your name, bank, bank transit number, or account number must be reported in writing to the Personnel Office prior to the payroll cutoff date of the pay period in which the change is made. You must also notify the Personnel Office prior to closing your account. Changes will also put you back in the pre-note process (refer to paragraphs 3 and 4). In the event of a bank rejection of the direct deposit, the district has 10 days to issue a manual replacement check.

If an error is discovered in the employee's pay, SBCOE nor the district is able to stop the deposit from being processed. Underpayments will follow the current correction process and will not be direct deposit. Overpayments will be corrected in the subsequent pay period.

Direct Deposit is not allowed for short duration applications such as vacation and school breaks. It is intended to be an ongoing application.

ADDITIONAL COMMENTS

In offering a direct deposit plan and having to process data to many different financial institutions, there are many variables over which SBCOE and the district has no control. In order to minimize the possible effects of these variables, the banking industry suggests you do the following:

1. **Notify your financial institution that you are now on a direct deposit system with your district.**
2. **If your deposit is going to a checking account, you should have Automatic Overdraft protection to protect you in event of a processing failure in the banking system. This overdraft protection is generally accomplished through signing up for a check guarantee card. You should consult your own institution for this service.**

DIRECT DEPOSIT AUTHORIZATION AGREEMENT

Direct Deposit Authorization Agreement

I hereby authorize San Benito High School District to initiate credit entries and to initiate, if necessary, debit entries and adjustments for any credit entries in error to my (our) account indicated below and the depository named below, hereafter called DEPOSITORY, to credit and debit the same entries to such account.

DEPOSITORY NAME: _____

CITY: _____ STATE: _____ ZIP: _____

This authority is to remain in full force and effect on an ongoing basis at least 12 months or until the district has received written notification from me on its termination in such time (10 days) and in such manner as to afford the district and the institution a reasonable time to act on it, or upon termination of my employment. I have read the Direct Deposit instructions and understand that I should have automatic overdraft protection before signing up for this plan.

The undersigned agrees to hold harmless the district, board, officers, staff and San Benito County Office of Education from and against all fees, costs, losses and claims arising from this Direct Deposit procedure.

NAME: (print) _____ SSN: _____

SIGNATURE: _____ DATE: _____

CO-SIGNATURE: _____ DATE: _____
(if joint account)

Note: Attached is a voided blank check (checking account) or saving deposit slip (savings account) to validate account information and a routing transit number provided by your bank.

Validation of Account

Instructions: If your payroll check is to be deposited directly to your checking account, attach a voided blank check. Attach a savings account deposit slip if your payroll check is to be deposited directly to your savings account.

CHECKING ACCOUNT SAVINGS ACCOUNT

NOTE: IT IS YOUR RESPONSIBILITY TO NOTIFY THE DISTRICT PERSONNEL OFFICE OF ANY CHANGE IN STATUS (I.E.,) NAME, CHANGE OF BANK, BANK TRANSIT NUMBER, ACCOUNT NUMBER OR CANCELLATION OF DIRECT DEPOSIT. IN THE EVENT OF A BANK REJECTION OF THE DIRECT DEPOSIT, THE DISTRICT HAS 10 DAYS IN WHICH TO ISSUE A MANUAL REPLACEMENT CHECK.