

Office Memorandum

Date: February 22, 2019
To: Agency Payroll, HR, and Accounting Staff
From: Mary Muellner, Director, Statewide Payroll Services
Subject: **Direct Deposit Requirement and Options**

The information in this memo is not new; its purpose is to serve as a reminder to staff.

Direct Deposit Requirement

Employees are required to sign up for direct deposit. As permitted under M.S. 16A.17, subd. 10, all employees must sign up for full (100%) direct deposit. Exceptions may be granted only for the following reasons:

- The employee is a temporary or emergency employee who is employed for 30 days or less from the date of hire.
- The employee is deceased.
- A check may need to be produced for one or two pay periods in certain domestic abuse situations.
- Other limited exceptions may be considered on a case-by-case basis.
Request any other exception on the Direct Deposit Exception form, available on the Minnesota Management & Budget and Self Service Web sites. Submit the form to Statewide Payroll Services, 658 Cedar St, Ste 400, Saint Paul, MN 55155 or fax to 651-296-8325. Reasonable exceptions will be approved. Requests that merely state a preference for receiving a warrant will not be approved.

Note: An employee having no banking relationship is NOT considered a reasonable exception. The state has established certain banking relationships which are available to employees. (Refer to Direct Deposit Options below.)

Direct Deposit Report

On-Demand report **FIHU2813, Employees With No Direct Deposit Record** is available to help agencies identify employees who may need to sign up for direct deposit. This report includes only those employees for which the user has security clearance.

- A user with agency-wide clearance will produce a report that includes all employees within the agency that lack direct deposit records.
- A user with partial agency clearance will produce a report with a limited number of employees depending on the department IDs that user can access.

Direct Deposit Options

Employees can enter direct deposit records in Self Service or can complete the Payroll Direct Deposit Authorization form and submit it to their agency's direct deposit contact for entry in SEMA4.

- Enter in Self Service: Employees can access Self Service direct deposit instructions within Self Service by going to: Other Payroll > Direct Deposit and selecting the Instructions link.
- Complete form: Employees can access the Payroll Direct Deposit Authorization form in Self Service by going to: Other Payroll > Payroll Forms > Direct Deposit Authorization and selecting the Adobe PDF Format link.

Although employees can set up direct deposit to any financial institution, the state has established banking relationships with two credit unions: Hiway Federal Credit Union and Affinity Plus Federal Credit Union. These banking relationships can assist employees who don't have a checking or savings account or have no banking relationship. Many employees use these two credit unions. These institutions will set up a savings and/or checking account with a cash card for employees. Each requires a minimal deposit to open an account. The links to their websites are:

- [Affinity Plus Federal Credit Union](#)
- [Hiway Federal Credit Union](#)

Some employees use a pay card (a prepaid debit or credit card option.) Pay cards are available from some financial institutions and organizations. **Fees may apply.** Once the account is set up, the financial institution sends the employee a card, and the employee either adds a direct deposit record in Self Service or submits a completed Payroll Direct Deposit Authorization form to the agency's direct deposit contact.

Questions?

Agency Payroll, HR, and Accounting staff should contact MaryJo Wixson in Statewide Payroll Services at 651-201-8062 or MaryJo.Wixson@state.mn.us if there are questions.

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF