

Memo

Date: February 18, 2026

To: Agency Payroll, Human Resources, and Accounting Staff

From: Katie Karow, Director, Statewide Payroll Services

RE: 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:

- Temporary and emergency employees who are employed for 30 days or less from the date of hire.
- Deceased employees.
- A check (warrant) 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 website and the Self Service Portal. 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 under *My Pay > Direct Deposit* or complete the Direct Deposit Authorization form available in Self Service under *My Pay > Direct Deposit > Direct Deposit Authorization*. The employee should submit the completed form to their agency's direct deposit contact.

Employees can access Self Service direct deposit instructions within Self Service by going to: My Pay > Direct Deposit and selecting the Instructions link.

Although employees can set up direct deposit to any financial institution, the state has established banking relationships with two credit unions: Blaze Credit Union and Affinity Plus Federal Credit Union. These banking relationships can assist employees who don't have a checking account, 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](http://www.affinityplus.org) (www.affinityplus.org)
- [Blaze Credit Union](http://blazecu.com) (blazecu.com)

Employees may also 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, Human Resources, and Accounting staff should contact Halley Bui in Statewide Payroll Services at 651-201-8021 or [email](#) if there are questions.

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF