



Office of the State Comptroller

PAYROLL BULLETIN

Subject Changes in Direct Deposit Processing	Bulletin No. P-916
	Date October 11, 1996

The NACHA rules for direct deposit through electronic funds transfer have been modified to eliminate the need for a "pre-notification" of intent to transmit funds to a financial institution at least ten days prior to the actual transmission of funds. We will eliminate the "pre-note" process for all direct deposit transactions entered into the Payroll System after October 11, 1996. This change means that direct deposit will begin in the pay period you enter the information, rather than one period later.

Also, effective with paychecks dated October 30, 1996, for Administration agencies and November 7, 1996, for Institution agencies, the following additional changes will be made:

Direct deposit will not be automatically cancelled when an employee is removed from a payroll. The employee's direct deposit will continue for their last check and any subsequent payments made during the same calendar year.

Direct deposit information will be transferred automatically when an employee moves to a new agency. You no longer need to enter information into the system for an employee who transfers into your agency.

If necessary an agency may cancel the direct deposit information when an employee leaves. However, it should not be done routinely on transfers, because we will not be able to transfer the direct deposit information to the employee's new agency if the record in the previous agency is cancelled.