



UNIVERSITY OF SOUTH ALABAMA
Office of the Vice President for Financial Affairs
AD 170

MEMORANDUM

TO: USA Employees Not Currently Participating in Payroll Direct Deposit

FROM: M. Wayne Davis *M. Wayne Davis*

SUBJECT: Mandatory Direct Deposit of Paychecks

DATE: July 1, 2009

In November 2008, the University implemented mandatory direct deposit of paychecks as a condition of employment for all employees hired on or after January 1, 2009.

Direct deposit of paychecks has several advantages which include:

- elimination of trips to the bank to deposit or cash checks;
- elimination of the need to make special arrangements to deposit funds when the employee is ill, on vacation or traveling;
- security enhancement;
- elimination of the need to seek replacement checks;
- capability of making deposits to multiple accounts.

Effective October 1, 2009, as an additional cost-saving measure, the University will require all employees to be paid by direct deposit. Employees who are not already participating in direct deposit will be required to enroll through Payroll Accounting no later than October 1, 2009. Accounts must be checking or savings accounts established with valid banking institutions, or pay cards issued by University-approved banking institutions. If an employee is unable to secure an account at an eligible financial institution by this date, an account will be established on behalf of the employee at the USA Federal Credit Union. There will be a one-time \$25 share deposit required for opening the account.

A direct deposit enrollment form is provided with this memorandum. This form can also be obtained at the following link:

<http://www.southalabama.edu/financialaffairs/payrollaccounting/directdepositform.pdf>

For additional information concerning this employee benefit, please contact the Human Resources department.

Attachment