

STATE OF CALIFORNIA

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OFFICE OF STATE CONTROLLER  
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Date: June 13, 2000

PAYROLL LETTER # 00-010

To: All Agencies/Campuses in the Uniform State Payroll System

From: Ralph Zentner, Chief  
Personnel/Payroll Operations Bureau

Re: DIRECT DEPOSIT PROGRAM

This is to inform you of changes in Direct Deposit eligibility requirements and the semi-annual Direct Deposit cancellation process.

#### DIRECT DEPOSIT ELIGIBILITY REQUIREMENTS

Effective immediately, the State Controller's Office no longer imposes any mandated eligibility criteria that employees must meet before participating in the Direct Deposit program. However, each agency/campus has the authority/option of establishing their own eligibility requirements. For example, agencies/campuses may elect to establish minimum leave balance criteria to ensure that participant absences can be covered with compensable time.

#### DIRECT DEPOSIT CANCELLATION PROCESS

Each year during June and December, an automatic Direct Deposit cancellation process occurs. This process involves comparing all Direct Deposit participants with their Employment History (EH) record. If EH shows that the record is active or on leave status, the participant remains on Direct Deposit. If the EH record reflects non-active or Industrial Disability Leave (IDL) status, the participant is canceled from Direct Deposit.

Based on 1999 Customer Satisfaction Survey comments/suggestions and input from the civil service Personnel/Payroll Review Committee, participants on IDL will no longer be canceled from Direct Deposit. However, agencies/campuses have the discretion of administratively canceling Direct Deposit for participants on IDL.

These changes will allow customization of eligibility requirements for Direct Deposit participation that meet individual agency/campus needs, and provide greater flexibility in administering the program.

Revisions to Payroll Procedures Manual, Section J (Direct Deposit) are forthcoming. Should you have questions regarding these changes, please contact the Direct Deposit Unit at (916) 324-6287 or CALNET 454-6287.

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