



POLICY

Approved by: Rebecca R. Hunter, Commissioner	Policy Number: 12-034
Signature: <i>Rebecca R. Hunter</i>	Supersedes: 11-047, 92-025
Application: Executive Branch Agencies, Human Resource and Payroll Officers	Effective Date: October 3, 2012
Authority: T.C.A. § 4-3-1703, T.C.A. § 8-30-104	Rule: 1120-04

Subject:

Direct Deposit of Paychecks

Information to Applicants

During the interview process, all applicants should be informed that direct deposit of paychecks or an approved exception is a condition of employment with the State. An offer of employment should be made before the applicant is asked for a decision to elect direct deposit or an exception. The applicant should be informed that if they elect direct deposit, he or she will have ten (10) business days after the first day worked to establish an account with a financial institution, if necessary, and to submit authorization forms, as described below. Applicants who wish to request an exception will need to submit all supporting documentation to the agency to be considered for the exception.

Processing Appointments

When an offer of employment is made, the agency’s human resource office should verify that the applicant is willing to participate in direct deposit or request an exception. If an applicant refuses direct deposit and refuses to request an exception, the applicant is considered to have declined the job offer. When making preferred service appointments, if an applicant refuses to participate in direct deposit, or to request an exception after a job offer has been extended, the agency may code the applicant a “53–declined job offer.” Agencies should note “direct deposit-no” on the referral list.

If an exception is requested and denied, the applicant shall be informed of the decision and extended another opportunity to accept direct deposit. If the applicant declines direct deposit, the agency can code the applicant “53” or “89,” as indicated above. If a referral list has been coded, selecting an applicant who is denied an exception to direct deposit, or if the agency allows a referral list to expire pending a decision on the exception, a new referral list must be requested.

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Exceptions

The policy requiring direct deposit of paychecks allows an applicant to request an exception. Exceptions must have documentation of religious objections or personal hardship, where it is impossible or impractical for an employee to establish an account with a financial institution.

Agency human resource offices should review any claim for an exception. After determining that the request is reasonable, the agency's human resource officer shall submit the request to the Department of Human Resources' Technical Services Division. Technical Services will review the documentation for completeness and forward the information to the Department of Finance and Administration, Chief of Accounts for a decision. The Chief of Accounts will forward responses back to the Technical Services Division. If the request is denied, the applicant must be extended another opportunity to participate in direct deposit. If the applicant again refuses, the applicant is considered as having declined the job offer.

Questions regarding this policy should be directed to the Payroll Call Center at 1-877-944-3873 or 1-615-741-PAID. Other questions should be directed to the Technical Services Division.