HRM-007 Direct Deposit of Payroll Payments

Effective Date Wednesday, December 5, 2007

Status Final

Last Revised Tuesday, March 24, 2026

Policy Type University

Contact Office Payroll Services

Oversight Executive
Vice President and Chief Financial Officer

Applies To Academic Division and the College at Wise.

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Reason for Policy

Direct deposit benefits both the employee and the University. Benefits to the employee include:

- No lost or stolen checks;
- No unclaimed or un-cashed checks;
- Elimination of long payroll and banking lines and wasted time cashing checks; and
- Assurance that payments will be automatically deposited while on vacation, sick leave or out of town.

Benefits to the University include:

- Reduced processing time and requirements for check reconciliation;
- Elimination of forged, stolen or lost checks;
- Reduced operating costs;
- Improved productivity; and
- Enhanced cash management by increasing predictability of cash flows.

Definition of Terms

Direct Deposit

Description

A system for electronically placing an employee's earnings in a checking or savings account at the Federal Reserve affiliated bank or financial institution of the employee's choice; also known as Electronic Funds Transfer (EFT).

Policy Statement

All University employees, regardless of hire date, salaried or wage status, or pay frequency, shall participate in the University's direct deposit system for payroll disbursement. This includes student employees, UVA temps, and part time employees.

Compliance with Policy:
Failure to comply with the requirements of this policy may result in disciplinary action up to and including termination or expulsion in accordance with relevant University policies.

Direct questions about this policy to Payroll Services.

Procedures

Update Direct Deposit Choices in the Human Resources Management System.

Major Category Human Resource Management

Next Scheduled Review Saturday, March 24, 2029

Revision History

Confirmed 3/24/26, 3/22/23; Added Compliance section 7/20/21; New link for Procedure 8/20/19; Updated procedures 4/19/18; Updated 3/21/17, 7/7/11.

Supercedes Policy Text

Direct Deposit Policy.

Approved By Executive Vice President and Chief Operating Officer

Approved Date Wednesday, December 5, 2007