

**CITY OF NEW ORLEANS
CHIEF ADMINISTRATIVE OFFICE**

POLICY MEMORANDUM NO. 107

July 9, 2004

TO: All Departments, Boards, Agencies, and Commissions

FROM: Charles L. Rice, Jr., Chief Administrative Officer

SUBJECT: MANDATORY DIRECT DEPOSIT PROGRAM

I. PURPOSE.

The purpose of this memorandum is to announce the implementation of a mandatory Direct Deposit Program for all City employees. Direct Deposit has proven to be a very dependable, safe and economical way of handling payroll disbursements.

II. POLICY.

With the exemptions as explained later herein, it will be the policy of the City of New Orleans to electronically process and disburse all payroll payments to City employees in the form of Direct Deposit. Beginning October 2004, paychecks of employees not on Direct Deposit will be mailed on designated paydays of the City of New Orleans, which are usually on a Friday.

III. PROCEDURE.

This policy and related procedures will be implemented, administered and monitored by the Personnel Officer of each Appointing Authority. As is the current practice, the Personnel Office of the Appointing Authority will be responsible for application of the process and maintaining copies of all Direct Deposit documents and records in each employee's departmental personnel file.

A. CURRENT EMPLOYEES.

Employees who currently have Direct Deposit will not be affected by the policy unless they elect to make changes.

Employees who do not have direct Deposit should elect a financial institution of their choice or one of the recommended banks by October 1, 2004. As a service to employees, the Chief Administrative Office has made arrangements with Liberty Bank and Bank One (see the attached flyer) in New Orleans regarding no-cost or low-cost accounts for our employees which may help you in the selection of a financial institution if you do not already have one.

Once employees have selected a financial institution they must complete CITY OF NEW ORLEANS' ELECTION FUNDS TRANSFER AUTHORIZATION AGREEMENTS (see attached) and submit it to their respective Departmental personnel Officers. Departmental Personnel Offices shall process the form in accordance with current and established Direct Deposit processes and procedures. Direct Deposit may begin as soon as practical after they are processed. It is not necessary to wait until the deadline.

B. NEW EMPLOYEES.

Effective immediately, all new employees will be required to participate in the Direct Deposit Program. New employees are to complete a CITY OF NEW ORLEANS' ELECTRONIC FUNDS TRANSFER AUTHORIZATION AGREEMENT (see attached) and submit it to their Departmental Personnel Officer in accordance with current and established Direct Deposit processes and procedures unless hardship has been approved.

C. EXCEPTIONS.

Exceptions to this program will be made on a case-by-case basis for those employees who can demonstrate a proven hardship condition or situation. Requests for hardship exemptions must be submitted by the requesting employee on the REQUEST FOR DIRECT DEPOSIT WAIVER FORM (see attached). This form must be completed by the employee requesting a hardship exemption and submitted to the Departmental Personnel Office for approval or denial. Approved cases will be forwarded to the Chief Administrative Office for final disposition. The Chief Administrative Office will notify the Departmental Personnel Office once a determination has been made. Employees who currently have Direct Deposit must follow the same procedure to become exempted.

IV. INQUIRIES.

Any questions concerning this memorandum may be addressed to the Special Projects Division of the Chief Administrative Office.

CLR, Jr/emk

Attachments