

NUMBER: FINA 6.09 (Formerly BUSF 6.09)
SECTION: Administration and Finance
SUBJECT: Distribution of Payroll Checks and Direct Deposit Requirements
DATE: November 1, 2006
REVISION: September 2, 2016
Policy for: All Campuses
Procedure for: All Campuses
Authorized by: Vice President for Finance and Chief Financial Officer
Issued by: University Finance - Payroll

The language used in the Administration and Finance policies does not create an employment contract between the employee and the University of South Carolina. The University reserves the right to revise the content of the Administration and Finance policies, in whole or in part, with or without notice. In all cases, the Administration and Finance policies are intended to be consistent with the prevailing state and federal laws and regulations. However, in the event the language contained in the policies conflicts with state or federal laws or regulations, the state or federal laws or regulations will control. The University of South Carolina Division of Administration and Finance has the sole authority to interpret the University's Administration and Finance policies.

I. Policy

This document sets forth the University of South Carolina policy on distribution of payroll checks and direct deposit requirements. All University of South Carolina employees must enroll in direct deposit. The Payroll Department has established procedures, described below, for distributing payroll checks.

II. Procedure

A. Direct Deposit Requirements

The University of South Carolina requires all employees (faculty, staff, student employees, graduate assistants, and temporary employees) to complete an authorization agreement for direct deposit designating a financial institution and an account for direct deposit. The direct deposit system requires verification of account numbers and account types before live data may be transmitted. This procedure for verification is known as prenotification. During the prenotification process, a paper payroll check will be issued for that pay period. After the prenotification process is complete, all payroll payments will be made electronically. The banking system has guaranteed that funds covered by

our direct deposit system are to be made available to the employee for withdrawal at the opening of the bank business day on the scheduled University payday.

B. Changes to Direct Deposit Account Information

All changes to the employee's direct deposit account information must be submitted in VIP direct deposit enrollment process under the employment tab or the "Authorization Agreement for Electronic Deposit" form submitted directly to the Payroll Office.

C. Distribution of Paychecks

For pay periods before the prenotification process has been completed, paper payroll checks will be distributed to individual employees if an authorization for direct deposit form has been submitted to the Payroll Office (on a paper form or through VIP). For employees located at the campuses outside of Columbia, paper payroll checks will be delivered to the regional campuses for distribution prior to payday in order for the checks to be picked up by the employees on payday

D. Early Delivery of Payroll Checks

State law prohibits advance payment to employees. The University is, however, authorized to make early payment during the month of December due to the holiday schedule.

E. Paychecks Not Delivered to Payees

All campuses and departments are required to return to the Payroll Department all paychecks that have not been picked up by the employees within one week following the payday. Any exceptions should be determined in advance and approved by Payroll and the University Controller.

F. Lost Payroll Checks

If an employee loses or misplaces a paycheck, the Payroll Department should be notified immediately. Payroll will place a Stop Payment Order on the check involved and will replace it at the earliest date allowed under State and University regulations. The interval between notifications of a lost check and the issuance of a replacement check averages 7 to 10 business days.

G. Off Cycle Salary Payments

In cases where an employee was not paid through no fault of their own, a temporary salary advance may be given for work previously performed but not yet paid in accordance with the payroll schedule. Off cycle salary payments will be made only in hardship cases upon the approval of the Payroll Director or the Payroll Manager. No off cycle payment can be made until complete authorization and documentation of employment has been received in the Payroll Department.

H. Endowed Chair Salary Supplements

Faculty members who receive salary supplements as holders of distinguished professorships will be paid these supplements in a lump sum annually, no earlier than

November 30 and no later than December 31. Only mandatory deductions, including S.C. retirement, will be withheld.

IV. Reason(s) for the most recent policy change

Policy revision due to departmental reorganization, departmental name changes and updates to payroll practices.