

**LSU HEALTH CARE SERVICES DIVISION
BATON ROUGE, LOUISIANA
DIRECT DEPOSIT**

POLICY NUMBER: 4558-25

CATEGORY: Human Resources

CONTENT: Direct Deposit

APPLICABILITY: This policy applies to all classified and unclassified employees of the Health Care Services Division Administration (HCSDA) and Lallie Kemp Medical Center (LKMC).

Note: Refer to V. A. and B. for exception regarding Health Care Professional (HCP) pool employees.

EFFECTIVE DATE:

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INQUIRIES TO: Human Resources Administration
Health Care Services Division
Post Office Box 91308
Baton Rouge, Louisiana 70821-1308

Note: Approval signatures/titles are on the last page

**LSU HEALTH CARE SERVICES DIVISION
DIRECT DEPOSIT POLICY**

I. POLICY STATEMENT

It is the policy of the Health Care Services Division (HCSD) to require all employees receive wage and compensation payments via direct deposit. This policy is implemented in accordance with LA Revised Statute 39:247.

Note: Any reference herein to the Health Care Services Division (HCSD) also applies and pertains to Lallie Kemp Medical Center (LKMC).

II. IMPLEMENTATION

This policy and subsequent revisions to this policy shall become effective upon approval and signature of the HCSD Chief Executive Officer (CEO) or Designee.

III. GENERAL PROVISIONS

- A. Flyer shall be posted on bulletin boards and/or Hospital intranet regarding Direct Deposit. (Attachment #1)
- B. Prospective employees shall be informed of the Direct Deposit requirements during the interview process. (Attachment #1)
- C. Current employees (other than HCP Pool employees referenced in V.A. and B.) being issued paper checks sent to their mailing address, shall be given a copy of the policy and will be given ample time to arrange for direct deposit or to submit waiver forms for review and disposition.

IV. DIRECT DEPOSIT REQUIREMENTS

Employees must complete a Direct Deposit Authorization form or Waiver form as part of the enrollment process within two (2) working days of hire date.

- A. Direct Deposit Authorization Form (Attachment #2)
 - 1. Employee's name must be on the account for direct deposit.
 - 2. Direct deposit of employee compensation/wages cannot be set up to go to a third party's account.
 - 3. Health Care Professional (HCP) employees, also known as "pool" employees:
 - A fulltime HCSD employee who is also employed as a part-time HCP employee at another business unit is not eligible for direct deposit in their secondary job of HCP and is not required to complete the direct deposit form.

B. Waiver of Direct Deposit

Employees may request and may be approved for a waiver to the direct deposit policy for geographical barriers, physical/mental disability barriers, or inability to establish an account at any financial institution.

C. Health Care Professional (HCP) employees, also known as “pool” employees:

A fulltime HCSD employee who is also employed as a part-time HCP employee at another business unit is not eligible for direct deposit in their secondary job of HCP.

D. Employee Responsibility

1. Employees with direct deposit are responsible for notifying Human Resources when there is a change to their bank and/or bank account(s) that affects their direct deposit by completing a new direct deposit authorization form.
2. Employees who have an approved waiver to direct deposit are responsible for notifying Human Resources when there is a change in their mailing address by completing change of address form.

E. Off-Cycle Pay Checks

1. All paychecks issued from an off-cycle payroll process may be paper checks.
2. Off cycle paychecks not direct deposited, are issued as paper checks and will be sent to the Hospital payroll department for distribution or may be sent to the employee’s mailing address on file in the Human Resources Department.

V. **EXCEPTIONS**

The HCSD CEO or designee may waive, suspend, change or otherwise deviate from any provision of this policy they deem necessary to meet the needs of the agency as long as it does not violate the intent of this policy; state and/or federal laws; Civil Service Rules and Regulations; LSU Policies/Memoranda; or any other governing body regulations.

Direct Deposit

It is the policy of the Health Care Services Division (HCSD) to require that all employees receive wage and compensation payments via direct deposit. This policy is implemented in accordance with LA Revised Statute 39:247

Key Benefits of Direct Deposit

Direct Deposit is Safe and Confidential

- ✓ Payments made by direct deposit have never been lost. In fact, you are much more likely to have a problem with a check. Did you know that nearly four million paychecks are lost or stolen each year?
- ✓ Direct deposit is more confidential. A check passes through many more hands than an electronic transfer.
- ✓ Problems, which are rare, are quickly resolved. By contrast, problems with checks may take much longer to correct, sometimes up to three weeks.

Direct Deposit is Convenient and Saves You Time

- ✓ By using direct deposit, you may save the equivalent of three work days each year by not having to go to the bank to deposit checks.
- ✓ You don't have to be in town for your money to be securely deposited into your account. No more extra trips to the office to pick up paychecks.

Direct Deposit is Fast

- ✓ Direct deposit gives many people access to their payments one to four days earlier than a check. There is no waiting for a check to clear.
- ✓ In case of a natural disaster, payroll disbursements can be processed more quickly, getting funds in employees hands faster from any ATM.

Direct Deposit Helps You Manage Your Finances

- ✓ Direct deposit gives you control. Financial planners recommend direct deposit as one step towards gaining control of finances.
- ✓ LSU Health System will issue a payment stub that is identical to what you receive with a traditional paycheck. It will show how much was deposited into your account and how much was taken out for taxes, insurance, and other items.

Frequently Asked Questions

Q. How does direct deposit work?

- A. Money is electronically transferred from LSU into your checking or savings account based on the information you approved via the Direct Deposit Authorization Form.

Q. How will I know when my payment has been deposited?

- A. In addition to the payments stub issued by LSU, your bank will provide a telephone number to use to check the status of your deposits. The deposit will also appear on your monthly bank statement.

Q. When do I have access to the money?

- A. Typically, your payment is available first thing in the morning on payday.

Q. How can I be sure that no one will have access to my account?

- A. Although LSU does have limited ability to reverse your direct deposit payment, LSU can only access funds that were deposited in error, generally when there is a duplicate deposit or have issued a deposit in the wrong amount. On average, fewer people see your account information than with checks.

Q. Whom shall I call if I have a problem with direct deposit?

- A. Problems are rare, but if any should arise, contact the Payroll Office. The problem can usually be corrected immediately.

Q. What happens if I change banks?

- A. Just complete a new authorization form and submit to Payroll; be sure to indicate the effective date of the new account. The submittal of a new account will cause a prenote to occur causing one paper check while account information is being verified.

Q. Can LSU Health System require me to use direct deposit?

- A. Louisiana is one of eleven states that allow an employer to mandate direct deposit. However, we believe direct deposit is so beneficial that employees will want to use it without being prompted.



WWW.LSUHOSPITALS.ORG

Direct Deposit Authorization Form

Select One: New ☐ Add ☐ Replace ☐

Employee Name: _____

Address as appears on Account _____

Home Department: _____ Work #: _____

Complete a separate form for each financial institution

Financial Institution (Bank Name) _____

City: _____ State: _____ Zip: _____

Bank Routing Number : _____ (Nine Digit Number at Bottom/Left of Check, if Credit Union or Savings account must obtain the correct Bank transit number from financial Institute)

One account must be indicated as Net or Balance.

Checking Acct #: _____ Amount to Deposit: _____ or Net ☐

Savings Acct #: _____ Amount to Deposit: _____ or Net ☐

Credit Union #: _____ Amount to Deposit: _____ or Net ☐

IMPORTANT

Please attach a voided, photocopied, or cancelled check (for checking account) or deposit slip (for savings account only) here so that we can obtain an accurate routing and transit number for the financial institution designated to receive your deposit. (Some checking account deposit slips do not include routing and transit numbers.)

I hereby authorize the HCSD to initiate credit entries or if necessary debit entries and adjustments for any credit entry made in error to my account at the indicated financial institution, and I hereby authorize the indicated institution to accept and post such entries to my account.

This authorization may be terminated by Heath Care Services Division at any time.

Employee Signature Date _____ Date _____

****Allow one to two pay periods for direct deposit****

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For office use only Empl Id _____ Date Entered into PS _____

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PROJECT COORDINATOR
Approver(s): Wilbright, Wayne
Chief Medical Informatics Officer
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HCSO Human Resources Director
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PROJECT COORDINATOR

Digital Signatures:

Currently Signed

Approver:
Townsend, Kathy
HCSO Human Resources Director



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Approver:
Wilbright, Wayne
Chief Medical Informatics Officer



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