

Office of Operations  
2014 Fall Conference  
October 7-9

# *Collaboration for Success*

## Direct Deposit Procedures Returns/Deletes/Reversals

Jamie Kelly



New York State Office of the State Comptroller  
Thomas P. DiNapoli, Comptroller

### **Office of Operations**

John Traylor, Executive Deputy Comptroller

### **Division of Payroll, Accounting and Revenue Services**

Christopher Gorka, Deputy Comptroller

Dave Hasso, Assistant Comptroller

Robin Rabii, Director, Bureau of State Payroll Services

# WHY DIRECT DEPOSIT?

- Reliable
- Secure
- Private
- Convenient
- Provides Financial Control



# WHAT ARE RETURNS?

- Rejected Direct Deposit Transactions
  - Reported by financial institutions
  - Appear on Wells Fargo ACH Return/NOC (Notification of Change) Report
- Reasons for Rejection
  - Employee closed account and did not cancel Direct Deposit
  - Incorrect entry into PayServ
  - Employee accounts frozen



# WHEN FUNDS ARE REJECTED

- Wells Fargo notifies OSC.
- Funds returned to Wells Fargo account.
- OSC prepares voucher to create a paper check.
- Check is mailed to the employee.

The employee address is taken from PayServ and employee should receive check within 5 business days.

No YTD balances or Form W-2 balance adjustments are necessary.



# ACH RETURN/NOC REPORT



Custom  
 03/12/2012 08:28 AM ET  
 CUSTOMER ID: NYSDI705  
 OPERATOR ID: JKELLY  
 Commercial Electronic Office®

**NYS DIRECT DEPOSIT**

ACH Return/NOC Report  
 As of 03/09/2012

Treasury Information Reporting

File ID: 1146013200  
 Company ID: 1133893536

Name: OFC OF THE STATE COMPTROLLER

**Settlement Summary**

Settlement Bank: 121000248  
 Settlement Account: 2000030015694

Company: OFC OF THE STATE COMPTROLLER

Returned Items:

(Includes Redeposited and Dishonored Totals below.)

Account 2000030015694 will be credited 1,277.98 on 03/09/2012

**Transaction Detail**

Returns Individual ID Name	Eff Date Desc Date	Acct Type Tran Type	Amount	Reason Cd / Desc Original Trace No
[REDACTED]	03/08/2012 120307	DDA CR	160.48	R03/NO ACCOUNT 091000010036963
Receiving RDFI: 031176110 Co Entry Desc: DIR DEP Comments:		Account No: [REDACTED] Return Trace No: 031176110036963		

Notifications of Change Individual ID Name	Eff Date Desc Date	Acct Type Tran Type	Amount	Reason Cd / Desc Original Trace No
[REDACTED]	03/08/2012 120307	DDA CR	.00	C02/R/T NUMBER 091000010025011
Receiving RDFI: 031000053 Co Entry Desc: DIR DEP Correction: Routing/Transit should be [REDACTED] Addenda: 000010025011 03100005031100157		Account No: [REDACTED] Return Trace No: 031000050000154		

# AGENCY NOTIFICATION EMAIL



## DIRECT DEPOSIT RETURNS AGENCY

09/11/2014 08:48 AM

[Show Details](#)

Agency Payroll Officer,

We have a Direct Deposit return for the following employee for the paycheck of **09/10/14**.

Employee	N #	Amount	Account ending	Reason

The check will be mailed to the employee's home address within 5 to 7 business days.

**Agencies must respond and confirm necessary action was taken (inactivate or update with new banking information)**

*Stephanie Simmons*

*General Deduction & PayCalc Team*

*OSC Bureau of State Payroll Services*

*SSimmons@osc.state.ny.us*

*(518) 486-3097*

# AGENCY CONTACT INFORMATION



NYS Payroll Contacts

My Preferred Views:

- New Entry
- New Link
- Options
- Query
- Reports
- My InterTrac

Create Document

Contacts

- By Name
- By Company
- Payroll Contacts
- NYS Contacts
- Staff Directory
- State Expenditures C

Entity Records

Other Views

Folders

- Auxiliary Forms
- Business Processes
- Calendar
- Call Center
- Correspondence
- Form Letter Library
- Knowledge Center
- Support Center
- Knowledge Base
- Time Management

Contact ^	Title ^	Authorized Signature ^	Phone/Fax/Email	Address	Organizational Role ^	Agency
Shepard, Darlene	Manager of Information Technology Services 2		Phone: 518-474-6809 Fax: 518-408-4466 Email: dshepard@osc.state.ny.us Internet: www.osc.state.ny.us	110 State Street 13th Floor Albany, NY 12236	Payroll Technical Representative	0200
<b>02009 - Office of the State Comptroller - Current Payroll</b>						
Ciatyk, Kenneth	Payroll Examiner 2		Phone: 518-408-2930 Fax: 518-486-6723 Email: Kenneth.Ciatyk@osc.state.ny.u Internet:	110 State Street Human Resources - 12th Floor Albany, NY 12236	Payroll Representative	0200
Hotaling, Randy	Asst Director of Personnel B		Phone: 518-486-6723 Fax: 518-486-6723 Email: rhotaling@osc.state.ny.us Internet:	Human Resources - 12th Floor Albany, NY 12236	Payroll Officer Backup Payroll Representative State Agency - Human Resources Representative	0200
Knapp, Gerard	Payroll Examiner 3		Phone: 518-486-6723 Fax: 518-486-6723 Email: gknapp@osc.state.ny.us Internet: www.osc.state.ny.us	12th Floor 110 State Street Albany, NY 12236	Payroll Officer Payroll Representative	0200
<b>03000 - Department of Law</b>						
Briggs, Michael	Administrative Assistant		Phone: 518-486-3261 Fax: 518-474-3578 Email: michael.briggs@ag.ny.gov Internet:	state capitol albany, NY 12224	Payroll Officer Backup	0300
Caplowaith, Rosemary	Clerk 2		Phone: 518-486-5384 Fax:	Office of the Attorney General -The Capitol	State Agency - Benefits Administrator	0300

# UPDATE YOUR AGENCY CONTACT INFORMATION

- Visit the OSC website: [www.osc.state.ny.us](http://www.osc.state.ny.us)

Search Unclaimed Funds [Search Now](#)

New York State Comptroller Thomas P. DiNapoli  
**Office of the State Comptroller**

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- NYS Agency Payroll Officers**
- NYS & Local Retirement System Members, Employers and Retirees
- NYS Public Authorities Representatives
- State Agency Representatives
- Statewide Financial System
- Vendors Doing Business With NYS

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State Payroll Services Home

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Find helpful information on PayServ, along with payroll calendars, directories and forms.

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A list of upcoming PayServ and online training sessions, and recent presentations related to payroll services.

### [Payroll Users Group](#)

Learn about the Payroll Users Group, when it meets and who can join.

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Learn about state agency payroll performance.

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## State Payroll Services

### **Job Aids**

### [Payroll Calendars](#)

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# UPDATE YOUR AGENCY CONTACT INFORMATION

State Payroll Services Home

Contact Us

## State Payroll Services

### Payroll Directories

- [Payroll Directory](#) by Agency (pdf)  
A list of payroll officers by state agency.
- [Payroll Directory](#) by Zip Code and Agency Name(pdf)  
A list of payroll officers by zip code proximity.
- [Update Directory Contact Information](#)  
Find directions for modifying contacts in the [Online Contact Update System - Users' Guide](#). To get your user ID or password, please contact the CIOhelpdesk@osc.state.ny.us or call 518-486-6745.

# UPDATE YOUR AGENCY CONTACT INFORMATION

## Contact Update Links:

[Login](#)

[Request User ID and Password](#)

[Online Help](#)

[User Support](#)

## Resources For:

[Local Government Officials](#)

[State Agency Representatives](#)

[NYS Agency Payroll Officers](#)

## Contact Update System

OSC collects contact information for all agencies, municipalities and organizations that are involved in the financial management of government in New York State. This information is submitted online using the Contact Update System.

To log in:

Go to the [login page](#), enter your user ID and password, and click the Log In button.

## Server Login

Please type your user name and password

User name:

Password:

Unable to log in?

[Request your user ID and password](#)

For further assistance:

[Online Help](#)

[Contact User Support](#)

# WHAT ARE DELETES?

- Direct Deposit transactions that have been transmitted to Wells Fargo for processing by the National Automated Clearing House Association (NACHA), but have not yet been posted to employee bank accounts.
- Can be done up to 2 business days prior to the check date.



# WHAT ARE REVERSALS?

- Direct Deposit transactions that have been transmitted to Wells Fargo for processing by the National Automated Clearing House Association (NACHA), but have been posted to employee bank accounts.



# BACKGROUND

- Agencies identify overpayments for employees enrolled in Direct Deposit when the **employee is not due another paycheck that can be adjusted.**
- Agency submits Form AC3197 (Fax Request for Direct Deposit Stop/Reversal).
- The entire check will be reversed – there are no partial reversals of paychecks.
- Per NACHA guidelines, state stop/reversal requests must be requested no later than **5 business days** after the check date.



# AC 3197

AC 3197 (Rev. 11/12)

NYS Office of the State Comptroller  
Bureau of State Payroll Services  
110 State Street, 8th Floor  
Albany, NY 12236

## FAX REQUEST FOR DIRECT DEPOSIT STOP/REVERSAL

OSC Payroll Deductions Section Fax Number: (518) 486-3099

### Instructions for Agencies:

1. This form is used to stop or reverse a direct deposit transaction that has been generated by PayServ. Call the OSC Deductions Section at (518) 402-2679 or (518) 474-4042 to initiate a request for a direct deposit stop or reversal. If the request is approved by phone, submit this form by fax and call the OSC Deductions Section to confirm receipt of the request.
2. A Report of Check Returned for Refund or Exchange (AC-230) must be submitted.
3. OSC will notify the agency when the funds have been retrieved. The check will be held by the Bureau of State Payroll Services until the AC-230 form is received from the agency.
4. OSC will process a Stop Payment/Reversal if the employee is overpaid and off the payroll, with no future checks anticipated and no other means to retrieve the overpayment. If the employee is still active on the payroll, the agency should notify the employee and retrieve the funds from the next available check, whenever possible. Contact your payroll auditor to discuss overpayment recovery.
5. Review the employee's direct deposit record in PayServ and make any necessary changes for the next payroll period.

Please print or type.

Agency Code	Agency Name	Contact Person
Agency Phone Number	Agency Fax Number	
NYS EMPLID	Employee Name	
Paycheck Date(s)	Direct Deposit Net Amount(s)	
Reason for Stop or Reversal		
Agency Authorization (Payroll Officer or designee)		
Print Name	Signature	Date



[Sign Off](#)

[Contact Us](#)

## ACH Deletes & Reversals Online

Signed on as: Jamie Kelly

Submit Deletes and Reversals -- Item Details

### Queue

Del/Rev	Cr/Db	Chk/Sav	Rec. Bnk. Rtn	Rec. Bnk. Acct. Nbr.	Individual Name
---------	-------	---------	---------------	----------------------	-----------------

As requests are added, they will be shown in this list.....

[Submit All Items](#)

[Remove from Queue](#)

### Add Items to Queue

File ID/Company ID:

1146013200 / 1133893536

Requestor:

Jamie Kelly

Company Name:

NYS DIRECT DEPOSIT

Requestor phone number: \*

518 - 474 - 4072 ext.

Date of Request:

03/12/2012

Request: \*

Delete  Reversal

Transaction Type: \*

Credit  Debit

Account Type: \*

Checking  Savings

Posting/Effective Entry Date: \*

(mm/dd/yy)

Receiving Bank Routing/Transit Number: \*

Receiving Bank Account Number: \*

Dollar Amount: \*

Individual Name: \*

[Add Item to Queue](#)

[Clear Form](#)

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# INSUFFICIENT FUNDS

- Daily ACH Return/NOC Report lists item that were not recovered due to insufficient funds
- Agency is notified that recovery was unsuccessful
- Alternate means of recovery is necessary



# AFTER RECOVERY

- Agency is contacted.
- AC 230 is prepared by the agency and sent to OSC.
- Employee's year to date totals are updated.
- **Money returned by Wells Fargo is not available until the check date.**



# WHEN NOT TO USE THE AC 3197

Please print or type.

Agency Code [REDACTED]	Agency Name [REDACTED]	Contact Person [REDACTED]
Agency Phone Number [REDACTED]	Agency Fax Number [REDACTED]	
NYS EMPLID [REDACTED]	Employee Name [REDACTED]	
Paycheck Date(s) 9/10/2014	Direct Deposit Net Amount(s) 2137.77	
Reason for Stop or Reversal \$ 2137.77 was deposited into John A. Doe's account # [REDACTED], Routing # [REDACTED]. However, he was just hired on 9/2/2014 and he is not due a paycheck until 9/24/2014. <i>please reverse.</i> \$2137.77 should have gone into a different John Doe's account at [REDACTED] bank, account # [REDACTED], Routing # [REDACTED]. <i>Can the money be routed to the correct account?</i>		
Agency Authorization (Payroll Officer or designee)		
[REDACTED]	[REDACTED]	9/10/14
Print Name	Signature	Date

# STOP PAYMENTS

- A request for a Stop payment is used when we have to Request a Stop Payment, Replacement Checks, Photocopy of Check, or Forgery Affidavit.



# REASONS TO REQUEST A STOP PAYMENT:

- Payee lost check or check is damaged
- Payee not entitled to all or part of payment
- Payee never received check

# REASONS WHY OSC MIGHT PROCESS THE TD-346

- Form is filled out incorrectly,
- Agencies fail to notify us that they are doing a stop,
- Agencies forget to update the employee's address,
- We can monitor our account better.

# WHAT TO DO IF ONE OF YOUR EMPLOYEES NEED A DIRECT DEPOSIT CHECK RE-ISSUED:

- Email or Call our unit:
- Jamie Kelly (518) 474-4072  
jlkelly@osc.state.ny.us
- Stephanie Simmons (518) 486-3097  
ssimmons@osc.state.ny.us

CUSTOMER SERVICE: (518) 474-4042



## Request for Stop Payment, Replacement Check, Photocopy of Check, or Forgery Affidavit

### Agency information — All fields must be completed.

Agency code or business unit (5 digits)	Telephone number ( ) ( )	Fax number ( ) ( )
Agency name	Printed name of agency representative	
Agency street address	Signature of agency representative	
City	State	ZIP code
E-mail address of agency representative		

### Check information — All fields must be completed.

Check number (8 digits)	Check date	Check amount
Payee name		

Payee has reviewed previously provided photocopy, send forgery affidavit.

### Vendor checks

Mark an **X** in the applicable box:  Regular vendor\*  Single vendor\*\*

Prior to making any requests, first refer to the Statewide Financial System (SFS) Stale Report (NYTR1652) to determine if the check has been returned to Treasury, and why it was returned.

- Payee lost check or check is damaged** — Reissue with no changes. The original check will be stopped and a new check will be issued with a new check number. Refer to the voucher for reissuance information. If cashed, provide photocopy.
- Payee not entitled to all or part of payment** — Cancel check and close related vouchers. Agency must create a new voucher for the portion that the payee is entitled to. If cashed, provide photocopy.
- Payee never received check** — Address was correct. Reissue with no changes. The original check will be stopped and a new check will be issued with a new check number. Refer to the voucher for reissuance information. If cashed, provide photocopy.
- Payee never received check** — Address was incorrect. See *Regular vendor* or *Single vendor* instructions below as appropriate.

**Regular vendor** — Reissue with correct address (provide correct address below). Prior to submitting request, the agency or vendor **must** update the New York State (NYS) Vendor File. The original check will be stopped and a new check will be issued with a new check number and the correct address. Refer to the voucher for reissuance information. If cashed, provide photocopy.

Street address		
City	State	ZIP code

**Single vendor** — Cancel check and close related vouchers. The original check will be stopped and the agency must create a new voucher with correct address. If cashed, provide photocopy.

\*A *Regular vendor* is a vendor that is registered to do business with NYS. They are approved, managed, and assigned a unique 10-digit vendor identification (ID) number by the Office of the State Comptroller's Vendor Management Unit.

\*\*A *Single vendor* is a vendor whose specific information is not managed by the Office of the State Comptroller's Vendor Management Unit.

### Payroll checks

- Cancel check and reissue** — The original check will be stopped and a replacement check will be issued with the same check number. If cashed, provide photocopy.

Fax this completed form to the NYS Division of the Treasury — Depository Control Unit (518) 435-8625. If you have questions call the Division of the Treasury at (518) 486-1268 or (518) 402-4123.



# QUESTIONS?

For assistance with Direct Deposit Returns, Deletes and Reversals  
contact the **Customer Service** mailbox:

**[payrolldeduction@osc.state.ny.us](mailto:payrolldeduction@osc.state.ny.us)**

