

State of Collaboration

Direct Deposit and Payroll Reissuance



NYS COMPTROLLER

THOMAS P. DiNAPOLI

Topics

- Direct Deposit Returns
- Direct Deposit Deletes
- Direct Deposit Reversals
- Stop Payments from Direct Deposit Returns
- Avoiding Direct Deposit Errors
- Direct Deposit Fraud
- NYS Payroll Check Stop Payments and Reissuance
- NYS Payroll Check Notification Report



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

InterTrac NYS Payroll Contacts | My Preferred Views: ▼

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

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 ^
02009 - Office of the State Comptroller - Current Payroll						
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
03000 - Department of Law						
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

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☒ Contacts

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

☒ Entity Records

☒ Other Views

☒ Folders

Auxiliary Forms

Business Processes

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Update Your Agency Contact Information

- Visit the OSC website: 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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A list of upcoming PayServ and online training sessions, and recent presentations related to payroll services.

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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:

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Resources For:

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[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](#)

Direct Deposit Deletes & Reversals

- 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.
- The entire check will be reversed – there are no partial reversals of paychecks.
- Per NACHA guidelines, state delete/reversal requests must be requested and processed 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

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.**



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.**



STOP PAYMENTS

- When a Direct Deposit Return has been processed by OSC and an employee does not receive the paper check, loses this check or damages that check a stop payment can be requested by email the Direct Deposit Team email.



What To Do If One Of Your Employees Need A Direct Deposit Check Re-issued:

- Email unit:

DDReturnsandReversals@osc.ny.gov

- Stephanie Simmons (518) 474-4072

ssimmons@osc.ny.gov

- Amanda Miesowicz (518) 486-3097

amiesowicz@osc.ny.gov



Avoiding Direct Deposit Errors

Take steps to avoid errors and fraud.

- Do not search by employee name
- Employee ID and/or SS# number should always be used/verified
- Verify Direct Deposit Entries each pay period with Locked Query:
 - **LOCKED_QC1_DIRECT_DEPOSIT**



Ways to Prevent Direct Deposit Fraud

- Contact employee.
- Verify information:
 - Employee Name
 - Employee ID
 - Agency Code
 - Voided Check/Bank Representative Signature
 - Work Phone Number
- Don't assume.



Payroll Check Stop Payment

Stopping and Reissuing a NYS Payroll Check through the Statewide Financial System (SFS)

- Replacement: Replacing a NYS Payroll Check that has been lost or damaged
- Reversal: Stopping a check that is lost or damaged for an AC230
- Exchange: Stopping a check that is lost or damaged for an exchange

Verify the employee's address in PayServ prior to submitting an AC3440 stop payment form



AC3340 Form

AC-3340 (10/18)



STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER
Bureau of State Payroll Services

REQUEST FOR PAYROLL CHECK STOP PAYMENT FORM

Request for Stop Payment of New York State Payroll Check for Replacement, Reversal, or Exchange

Department ID:

Preparer Name:

Preparer Phone:

Preparer Email:

Employee ID: Employee Name:

Payroll Check#: Payroll Check Amount: Payroll Check Issuance Date:

Reason for Request:



- Replacement:** The original paycheck will be stopped and a new check will be issued and sent to the employee's home address listed in the State Payroll system.
Note: If the employee address is incorrect in the State Payroll system, it should be updated prior to submitting this form.
- Reversal:** Once the AC-230 is submitted to PayrollReversalandExchange@osc.ny.gov, the original paycheck will be stopped and reversed as requested.
- Exchange:** Once the AC-1476, Next of Kin Affidavit, and Death Certificate are submitted to PayrollReversalandExchange@osc.ny.gov, the original paycheck will be stopped and exchanged as requested.

Comments:

Email this form to:

UncashedNYSPayrollChecks@osc.ny.gov

Contact us: UncashedNYSPayrollChecks@osc.ny.gov or 518-474-4042

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and follow us on Twitter at [@NYSComptroller](https://twitter.com/NYSComptroller) 

Payroll Check Stop Payment & Reissuance

- AC3340 Forms should be emailed to the Payroll Operations Reissuance Team

UncashedNYSPayrollChecks@osc.ny.gov

- Once the AC3340 form has been reviewed and approved the Stop payments are processed once per week
- Replacements are processed once stop payments have been verified successful and a reissued check is automatically mailed to the employee address listed in payserv
- If a reissued check is lost or damaged an additional stop and reissue request can be requested by emailing the Reissuance Team



Payroll Check Stop Payment & Reissuance

- AC3340 Forms should be emailed to the Payroll Operations Reissuance Team:
UncashedNYSPayrollChecks@osc.ny.gov
- Once the AC3340 form has been reviewed and approved the stop payments are processed once per week.
- Replacements are processed once stop payments have been verified, and a reissued check is automatically mailed to the employee address listed in PayServ.
- If a reissued check is lost or damaged an additional stop and reissue request can be requested by emailing the Reissuance Team.



NYS Payroll Check Reissuance Report

Lists all Reissued checks from the Statewide Financial System for the last 3 months

- Reissued Direct Deposit Returns
- Reissued NYS Payroll Checks
- Salary Exchange Checks
- Partial Reversal Checks

This report is updated every Monday.



Payroll Check Notification Report

A	B	C	D	E	F
PAYEE_NAME	INVOICE_INFORMATION	PAYMENT_VOUCHER_ID	VENDOR_ID	VENDOR_DESCRIPTION	
AIMEE FOX	40431245_PR02389	1084.71	PR02389	0330000008	PAYROLL CHECK EXCHANGE
AUDREY KUPFERBERG	40468125_PR02395	884.01	PR02395	0330000008	PAYROLL CHECK EXCHANGE
AIMEE FOX	40500372_PR02368	285.59	PR02368	0330000008	PAYROLL CHECK EXCHANGE
ANN MARIE SUARATO	40500077_PR02370	77.38	PR02370	0330000008	PAYROLL CHECK EXCHANGE
BREANNA IRONS	40506087_PR02359	2.87	PR02359	0330000008	PAYROLL CHECK EXCHANGE
LUCILLE KING	40473333_PR02316	124.74	PR02316	0330000008	PAYROLL CHECK EXCHANGE
Amanda Wicks	Suspense Refund N02160102	2079.88	P0022841	0330000004	PAYROLL DEDUCTION VENDORS
BONNIE HARRIS	P116323DD08222019	397.81	P116323	0330000001	PAYROLL DIRECT DEPOSIT RETURNS
BONNIE HARRIS	P116322DD08222019	507.64	P116322	0330000001	PAYROLL DIRECT DEPOSIT RETURNS
JOSHUA R KELLAR	40009502PR02142019	277.15	R012165	0330000006	PAYROLL REISSUED CHECKS
JOSHUA R KELLAR	40318269PR06062019	290.93	R012166	0330000006	PAYROLL REISSUED CHECKS

Payroll Check Notification Report

VENDOR_DESCRIPTION	PAYMENT_STATUS	DATE_CHECK_CASHED_OR_STOPPED	VOUCHER_CREATION_DATE	PAYMENT_CREATION_DATE
PAYROLL CHECK EXCHANGE	Paid		08/22/2019	08/22/2019
PAYROLL CHECK EXCHANGE	Paid		08/22/2019	08/22/2019
PAYROLL CHECK EXCHANGE	Paid	08/23/2019	08/15/2019	08/15/2019
PAYROLL CHECK EXCHANGE	Paid	08/20/2019	08/15/2019	08/15/2019
PAYROLL CHECK EXCHANGE	Paid	08/22/2019	08/15/2019	08/15/2019
PAYROLL CHECK EXCHANGE	Stale Dated Payment		08/09/2019	08/09/2019
PAYROLL DEDUCTION VENDORS	Stopped	07/06/2019	05/13/2019	05/16/2019
PAYROLL DIRECT DEPOSIT RETURNS	Paid		08/22/2019	08/22/2019
PAYROLL DIRECT DEPOSIT RETURNS	Paid		08/22/2019	08/22/2019
PAYROLL REISSUED CHECKS	Paid		08/22/2019	08/22/2019
PAYROLL REISSUED CHECKS	Paid		08/22/2019	08/22/2019

Questions?

For assistance with Direct Deposit , please contact the Direct Deposit Team:

DDReturnsandReversals@osc.ny.gov

For assistance with NYS Payroll Check Stop & Reissuance, please contact the Payroll Reissuance Team:

UncashedNYSPayrollChecks@osc.ny.gov

