

# State of Collaboration

General Deductions

and

Direct Deposit



NYS COMPTROLLER

**THOMAS P. DiNAPOLI**

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# Topics

- Direct Deposit Returns
- Direct Deposit Deletes
- Direct Deposit Reversals
- Stop Payments from Direct Deposit Returns
- Avoiding Direct Deposit Errors-Direct Deposit Query
- Direct Deposit Fraud



# What are Returns?

- Rejected Direct Deposit Transactions
  - Reported by financial institutions
  - Appear on the 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



# Agency Notification Email

Agency Payroll Officer,

We have a Direct Deposit return for the following employee for the paycheck of 8/26/21.

Employee	N #	Amount	Account ending	Reason
SMITH,JOHN	N0XXXXXXXX	\$ 0.00	XXXX	ACCOUNT CLOSED

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)**



# 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.



# Direct Deposit Deletes & Reversals

- Deletes can be processed up to 2 business days prior to the check date.
- Reversals can be processed no later than 5 business days after a check date.



# AC 3197

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 Direct Deposit Fax Number: (518) 408-3196

**Instructions for Agencies:**

1. This form is used to stop or reverse a direct deposit transaction that has been generated by PayServ. 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.
2. Review the employee's direct deposit record in PayServ and make any necessary changes for the next payroll period.
3. Call the OSC Deductions Section at (518) 474-4072 or (518) 486-3097 to initiate a request for a direct deposit stop or reversal. If the request is approved by phone, submit this form by fax or email [DDReturnsandReversals@osc.ny.gov](mailto:DDReturnsandReversals@osc.ny.gov). If faxed, please call the OSC Deductions Section to confirm receipt of the request.
4. OSC will notify the agency when the funds have been received. The check will be held by the Bureau of State Payroll Services until the AC-230 form is received from the agency.
5. A Report of Check Returned for Refund or Exchange (AC-230) must be submitted.

Please print or type.

Agency Code	Agency Name	Contact Person
Agency Phone Number	NYS EMPLID	
Employee Name	Check Number/Advice Number	
Paycheck Date(s)	Direct Deposit Net Amount(s)	
Reason for Stop or Reversal		
Agency Authorization (Payroll Officer or designee)		
<input type="text"/>	<input type="text"/>	<input type="text"/>
Print Name	Signature	Date



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# After Recovery

- Agency is contacted.
- AC 230 or AC1476 is prepared by the agency and sent to OSC.
- Employee's year-to-date earnings are updated.
- Money returned by the bank is not available until the check date.





# Stop Payments

- Stop Payment/Reissue of a Direct Deposit Return Check.
- Email [DDReturnsandReversals@osc.ny.gov](mailto:DDReturnsandReversals@osc.ny.gov)



# Avoiding Direct Deposit Errors

Take steps to avoid errors and fraud:

- Do not search PayServ using employee name
- Employee ID and/or SS# number should always be used/verified
- Follow Direct Deposit Steps ([Payroll Bulletin No. 1842](#))
- Verify Direct Deposit Entries each pay period with Locked Query:
  - LQ\_DDP\_AUDIT\_DD\_ENTRIES



# Entering a Direct Deposit

- Entries should be made per the current year's Agency Submission Schedule.
- Verify the AC2772 form is the most current version and is completed correctly in its entirety with no blank fields.

DIRECT DEPOSIT FORM FOR NYS EMPLOYEES		
RETURN COMPLETED FORM TO YOUR AGENCY/DEPARTMENT PAYROLL OR PERSONNEL OFFICE		AC 2772 (REV 01/2021)
<b>SECTION A: EMPLOYEE INFORMATION (REQUIRED)</b>		
NAME (LAST, FIRST, MI)	NYS EMPLID N	LAST 4 SSN
PHONE (AREA CODE + PHONE NUMBER) ( )	WORK EMAIL	
HOME ADDRESS (STREET, CITY, STATE, ZIP CODE)		
<b>SECTION B: BALANCE ACCOUNT INFORMATION (REQUIRED)</b>		
Participating in full Direct Deposit requires one balance account; this account will receive any excess of funds after all other distributions are deposited as indicated. The balance account designated will be last in the deposit order. Non-payroll amounts, such as travel reimbursements, will be deposited in the balance account. If no other accounts are listed, the full net pay will be deposited into the balance account. The employee's name must appear on the account. A voided check or written verification from the financial institution showing the account number, routing number, and name(s) on the account must accompany this form for the balance account.		
<b>BALANCE ACCOUNT (REQUIRED)</b>	ACTION <input type="checkbox"/> New <input type="checkbox"/> Change Account <input type="checkbox"/> Add/Change Joint Account Holder	
TYPE <input type="checkbox"/> Checking <input type="checkbox"/> Savings	ACCOUNT #	ROUTING #
FINANCIAL INSTITUTION	DISTRIBUTION <input checked="" type="checkbox"/> Excess	
<b>SECTION C: ADDITIONAL ACCOUNT INFORMATION (OPTIONAL)</b>		
Up to seven fixed amount or percentage deposits may be processed in addition to the balance account listed in Section B. The employee's name must appear on the account(s). A voided check or written verification from the financial institution showing the account number, routing number, and name(s) on the account must accompany this form for each account listed.		
<b>DEPOSIT ORDER-1</b>	ACTION <input type="checkbox"/> Add <input type="checkbox"/> Change Distribution <input type="checkbox"/> Add/Change Joint Account Holder <input type="checkbox"/> Cancel	
TYPE <input type="checkbox"/> Checking <input type="checkbox"/> Savings	ACCOUNT #	ROUTING #
FINANCIAL INSTITUTION	DISTRIBUTION \$ _____ or _____ %	
<b>DEPOSIT ORDER-2</b>	ACTION <input type="checkbox"/> Add <input type="checkbox"/> Change Distribution <input type="checkbox"/> Add/Change Joint Account Holder <input type="checkbox"/> Cancel	
TYPE <input type="checkbox"/> Checking <input type="checkbox"/> Savings	ACCOUNT #	ROUTING #
FINANCIAL INSTITUTION	DISTRIBUTION \$ _____ or _____ %	



# Entering a Direct Deposit

## AC2772 Form

**DIRECT DEPOSIT FORM FOR NYS EMPLOYEES**  
RETURN COMPLETED FORM TO YOUR AGENCY/DEPARTMENT PAYROLL OR PERSONNEL OFFICE AC 2772 (REV 01/2021)

**SECTION D: DIRECT DEPOSIT STATEMENT OPTIONS (OPTIONAL)**

Check the box to opt out of receiving a printed copy of your direct deposit pay stub:

Go Paperless\* - I do not want a printed copy of my Direct Deposit pay stub sent to me. I understand that I will not receive a printed copy of my Direct Deposit pay stub. I understand that I can view and print my electronic pay stubs as well as change my Direct Deposit statement option with NYS Payroll Online (NYSPO): <https://psonline.osc.ny.gov>

*\*Go Paperless is only provided to agencies enrolled in NYSPO. Contact your payroll officer or Human Resources office to determine whether your agency is enrolled in NYSPO.*

**SECTION E: AUTHORIZATION (REQUIRED)**

The joint account holder for accounts listed in Sections B and C, if any, must sign on the corresponding line for new/additional accounts or changes in account holder(s). By signing this form, the employee and any joint account holder allows the State, through the financial institution, to debit the account in order to recover any salary to which the employee was not entitled or that was deposited to the account in error. This means of recovery shall not prevent the State from utilizing any other lawful means to retrieve salary payments to which the employee is not entitled.

BALANCE ACCOUNT JOINT ACCOUNT HOLDER		DATE
DEPOSIT ORDER-1 JOINT ACCOUNT HOLDER		DATE
DEPOSIT ORDER-2 JOINT ACCOUNT HOLDER		DATE
DEPOSIT ORDER-3 JOINT ACCOUNT HOLDER		DATE
DEPOSIT ORDER-4 JOINT ACCOUNT HOLDER		DATE
DEPOSIT ORDER-5 JOINT ACCOUNT HOLDER		DATE
DEPOSIT ORDER-6 JOINT ACCOUNT HOLDER		DATE
DEPOSIT ORDER-7 JOINT ACCOUNT HOLDER		DATE

I certify that I read and understand the instructions to this form, including the authorization for recovery. In signing this form, I authorize all of my NYS salary payments to be sent to the designated financial institution(s) to be deposited into the specified account(s), and all non-payroll amounts due to me to be sent to the designated financial institution to be deposited into the balance account designated. I understand that this form supersedes any previous elections I have made, and that changes may take up to two payroll periods to become effective.

EMPLOYEE SIGNATURE DATE




# Entering a Direct Deposit

## Agency Audit

- Locked Agency Audit Query  
LQ\_DDP\_AUDIT\_DD\_ENTRIES

**LQ\_DDP\_AUDIT\_DD\_ENTRIES - Audit Direct Deposit Entries**

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Entered On or After  

Like DeptID

Update By

[View Results](#)

Row	Dept	Name	NYS Emplid	SSN Last 4	Eff Date	DD Status	Dt of Last Update	Priority	Routing #	Account Nbr	Account Type	Amount \$	Amount %	Type	No DDP Advice	Updated By
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# What To Do If One Of Your Employees Needs A Direct Deposit Check Re- Issued:

Email: [DDReturnsandReversals@osc.ny.gov](mailto:DDReturnsandReversals@osc.ny.gov)

Stephanie Simmons

(518) 474-4072

[ssimmons@osc.ny.gov](mailto:ssimmons@osc.ny.gov)

Amanda Miesowicz

(518) 486-3097

[amiesowicz@osc.ny.gov](mailto:amiesowicz@osc.ny.gov)



# Garnishment Updates



# General Deductions

## Updates:

- General Deductions are now entered on the General Deduction Data Panel in Payserv.
- Please refer to Payroll Bulletin PIP-008 for Questions regarding the changes to General Deductions with the 9.2 upgrade.

