03.110 **Electronic Funds Transfer (EFT) of Salary.**

1. **Purpose.** To provide a service to University of North Texas System staff by distributing payroll to an employee's checking account by Electronic Funds Transfer (EFT).

2. **Policy.** At the request of an employee the System will distribute their paycheck by Electronic Funds Transfer to their checking or savings account at any bank in the United States using the Automated Clearing House for distribution. For those employees who enroll in EFT, paychecks will be automatically deposited in the employee's designated account on payday and the earnings statement may be picked up in the employee’s department. Employees who choose not to participate in EFT will pick up their checks and earnings statement in the department.

3. **Eligibility.** All System employees, including part-time employees are eligible to participate in EFT on a voluntary basis.

4. **General.**
   
a. Employees who desire to participate must complete and sign an Authorization Agreement for Electronic Funds Transfer of Salary Form. A deposit slip or voided check must be attached to the agreement form. The forms are available in the UNT Human Resources Department and UNT Payroll Office. The completed form must be returned to the UNT Payroll Office.

b. The Authorization Agreement Form is a limited power of attorney authorizing the System Controller to electronically deposit an employee's salary directly to their account and to initiate withdrawal entries only in the correction of an error, and only to the extent of the error or the balance in the employee's account, whichever is least. This authorization is necessary in order to enable the System Controller to correct any errors in electronic transmission or overpayments. Any withdrawals from an employee's account will only return to the System’s Payroll account. However, UNT System will not make transfers from any personal account for unearned salary without first making contact with the individual.

c. EFT will become effective with salary/wages earned the month following sign-up. EXAMPLE: If received by May 31, EFT will be effective with any June earnings, which are paid on the first working day of July.
d. EFT must be cancelled before the actual closing/changing of the employee's bank account. This applies when the employee terminates, retires, changes account numbers or banks. The employee's bank account must remain open in order to receive the final check.

e. EFT will remain active in the Payroll System for up to 12 months for employees who leave the University for short periods of time (i.e., leave of absences without pay, summer vacation, etc.) After 12 months of inactivity (no payroll activity) EFT will be removed from the system. In such cases, individuals who return to employment with the System must reenroll in EFT.

f. The University of North Texas System, its Board of Regents and employees shall be held harmless for any errors that might occur in the process of Electronic Funds Transfer of salary. At no time will the System be liable for any costs or damages which might occur as a result of EFT and the System’s sole limit of liability is for the amount of an employee's paycheck as determined by his/her salary.