



STATE OF ILLINOIS
COMPTROLLER
JUDY BAAR TOPINKA

PAYROLL BULLETIN

TO: Fiscal Officers of All State Agencies

FROM: Steven L. Valasek, Assistant Comptroller - Operations

DATE: September 15, 2011

SUBJECT: Mandated Direct Deposit – Public Act 97-0348

NUMBER: 3-11

Public Act 97-0348 amended Section 9.03 of the State Comptroller Act (15 ILCS 405). This amendment requires all State payments for a State employee's payroll **must be made through direct deposit**. It is the responsibility of the paying State agency to ensure compliance with this mandate. The Illinois Office of the Comptroller (IOC) may charge an employee a processing fee of \$2.50 per hard copy warrant.

The IOC is designing system changes to implement this direct deposit legislation. The IOC will coordinate these changes with the various Payroll Processing Agents. The anticipated effective date for charging this processing fee is 2/01/2012. State agencies and State employees will be notified of the actual effective date via Payroll Bulletin and direct correspondence.

Subsection (d) of 15 ILCS 405/9.03 allows for an exception from this direct deposit mandate for State employees covered by provisions in collective bargaining agreements that do not require direct deposit of paychecks. To utilize this exception, **State agencies must provide to the IOC a list of employees who are exempt under this subsection prior to October 11, 2011 (within 60 days of this Act becoming law)**. The employee's name and Social Security Number (4 columns – last name, first name, middle initial, and SSN) must be submitted on an Excel spreadsheet or on a comma-separated value (.csv) file via an encrypted e-mail to vendor@mail.ioc.state.il.us or an encrypted file on a CD or DVD delivered to our Springfield Office – Attention Karla Grigsby. Entrust encryption software must be used for either medium.

Subsection (d) also allows State employees to file a hardship petition requesting an exemption from the direct deposit mandate. A hardship petition will be available for download on the Comptroller's website prior to implementation of this new mandate.

Subsection (g) of 15 ILCS 405/9.03 states that the requirements of this Section do not apply to the legislative or judicial branches of State government. The IOC will modify SAMS edits to allow for this exemption.

If you have any questions concerning this bulletin, please contact Marvin Becker, Director of State Accounting at (217) 782-7078. Agencies may access this and other Payroll, Accounting and SAMS Bulletins on the Comptroller's website at www.ioc.state.il.us under Resource Library.