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# CITY OF NEWTON, MASSACHUSETTS

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## CITY OF NEWTON DIRECT DEPOSIT POLICY

### 1. PURPOSE:

Requires all City of Newton municipal employees to use direct deposit for payroll.

### 2. APPLICABILITY:

Applies to all City of Newton municipal employees, including full time, part time, seasonal employees, temporary employees and paid interns and paid members of the City Council. All persons receiving regular compensation in the form of wages from the City shall be subject to this policy. Please refer to specific collective bargaining agreements for the applicability of this policy on members of City of Newton municipal unions. This policy shall not apply to employees of the Newton Public School Department.

### 3. POLICY:

Direct Deposit is a safe and secure way to ensure employees receive their pay in a timely manner. Direct Deposit is more convenient for employees and provides cost savings and efficiency for the City of Newton. Employees can have pay deposited directly into one or more checking or savings accounts at any financial institution in the United States.

Direct Deposit also requires the receipt of your pay advice in electronic format.

### 4. PROCEDURES:

#### a. Enrolling.

Employees should use the appropriate *Direct Deposit Form* to enroll. New employees will be provided this form at the time of hire. Changes can be made to an employee's direct deposit arrangement at any time by contacting the Payroll Department. New employees will be required to present the form with a government issued photo identification, in person, to a representative of the Human Resources Department during the orientation and onboarding process or directly with representatives of the Payroll Department. Seasonal or temporary employees may be required to provide this information in person with a hiring manager designated by the Department in which they will be employed.

Photo identification must be presented in person and must be verified by the City in advance of enrolling in direct deposit to ensure the integrity of the employee's payroll and to avoid fraud. In addition to submitting the form with photo identification, a blank voided check, bank statement, or other documentation from the employee's bank that lists both the full bank account and routing number must

be included with the completed Direct Deposit form. Direct deposit forms will not be processed without the required supporting documentation. In order to mitigate the possibility of fraud, neither verbal requests, nor requests made via email will be accepted.

New employees are responsible for ensuring that the information they enter onto their *Direct Deposit Form*, including the account and routing number, match the account and routing number at their bank. Submitted *Direct Deposit Forms* that have account and/or routing numbers that do not ultimately match their bank's data will result in delays in payments and possible rejection by the employee's bank of attempted direct deposit transactions. New employees will then be required to re-submit a new *Direct Deposit Form* that contains corrected information. Employees must be named as an account holder on the account(s) selected for Direct Deposit.

New employees are responsible for confirming receipt of pay into their designated account(s) at their financial institution(s). The City of Newton is not responsible for any loss due to inaccurate information provided by the employee or failure of the employee to confirm the deposit of funds. Additionally, the City is not responsible for loss due to the actions or inaction of the employee's financial institution(s). If at any time an issue comes up with an employee's direct deposit, they should immediately contact the Payroll Department or a representative of the Human Resources Department.

New employees will be provided with guidance by the City of Newton on enrollment procedures and should expect a temporary delay in the activation of their first paycheck via direct deposit and may receive initial paychecks via a live payroll check.

b. Changes.

Existing employees wishing to make a change to their Direct Deposit, must submit a *Direct Deposit Form* and present the form, with a government issued photo identification, in person, to a representative of the Payroll Department. Photo identification must be presented in person and must be verified by the City in advance of making a change to direct deposit to ensure the integrity of the employee's payroll and to avoid fraud. In addition to submitting the form with photo identification, a blank voided check, bank statement, or other documentation from the employee's bank that lists both the full bank account and routing number must be included with the completed Direct Deposit form. Direct deposit forms will not be processed without the required supporting documentation. In order to mitigate the possibility of fraud, neither verbal requests, nor requests made via email will be accepted.

Employees are responsible for ensuring that the information they enter onto their *Direct Deposit Form*, including the account and routing number, match the account and routing number at their bank. Submitted *Direct Deposit Forms* that have account

and/or routing numbers that do not ultimately match their bank's data will result in delays in payments and possible rejection by the employee's bank of attempted direct deposit transactions. Employees will then be required to re-submit a new *Direct Deposit Form* that contains corrected information. Employees must be named as an account holder on the account(s) selected for Direct Deposit.

Employees are responsible for confirming receipt of pay into their designated account(s) at their financial institution(s). The City of Newton is not responsible for any loss due to inaccurate information provided by the employee or failure of the employee to confirm the deposit of funds. Additionally, the City is not responsible for loss due to the actions or inaction of the employee's financial institution(s). If at any time an issue comes up with an employee's direct deposit, they should immediately contact the Payroll Department or a representative of the Human Resources Department.

Please contact either the Human Resources Department or Payroll Department using the contact information listed at the bottom of this Policy to locate the *Direct Deposit Form*.

c. Pay Advice.

Direct Deposit also requires the receipt of your pay advice in electronic format.

When enrolling in direct deposit or making a change to your direct deposit, employees will need to include the electronic delivery option (i.e. email address) where they would like to receive their payroll advice. Employees may choose their city email (if applicable) or a personal email of their choice.

Employees are responsible for notifying the City if any email address needs to be updated. Any such changes require a *Direct Deposit Form* be submitted to the Payroll Department in the same manner as changes to bank information or other related Direct Deposit information. As with changes to bank related information, verbal requests and emailed requests will not be accepted.

## 5. ADDITIONAL RESOURCES:

Please see the Q and A section for additional information and for information regarding employees who do not have a bank account.

Payroll Department  
Newton City Hall, basement floor  
1000 Commonwealth Avenue  
Newton, MA 02459  
(617) 796-1046  
[payroll@newtonma.gov](mailto:payroll@newtonma.gov)

Human Resources Department  
Newton City Hall, Room 210  
1000 Commonwealth Avenue  
Newton, MA 02459  
(617) 796-1260  
[hr@newtonma.gov](mailto:hr@newtonma.gov)

## DIRECT DEPOSIT POLICY

### Frequently Asked Questions

Q: **Why does the City of Newton have a mandatory Direct Deposit Policy?**

A: There are benefits for both the City as an employer and for the employee to use direct deposit.

**Direct deposit benefits for employees include:**

- Timely depositing of employee pay
- Reduced time required for funds to clear
- Reduced chance of losing funds or having them stolen
- No need to spend time visiting banks or ATM to deposit checks
- Payments can be divided automatically among designated employee accounts
- There is no cost to employees for direct deposit. In fact, many banks offer free checking services to individuals who will be paid via direct deposit.

**Direct deposit benefits for employers include:**

- Cost savings
- Reduced risk of check fraud and lost or stolen checks
- Greater control over payroll and payroll expenses
- Timely payment of salaries and wages, even when employees are away
- Reduced bookkeeping because of immediate payments into employee accounts (no delays in cashing)
- Online transaction reports available immediately

Q: **Does this policy apply to me?**

A: If you are a full time, part time, temporary, seasonal, nonunion employee or a paid intern, this policy applies to you and you are required to receive your pay via direct deposit and to receive your pay advice electronically. If you are a member of a union, only portions of this policy that do not conflict with your collective bargaining agreement apply. All new employees will be notified during the new employee onboarding process of if this policy applies to them and if they will be required to enroll in mandatory direct deposit where applicable.

Q: **I want/need to enroll, what do I do?**

A: Obtain a *Direct Deposit form*. Enter the information for your bank account, including the account and routing number. Print an official bank statement or include a voided blank check with your account and routing number and bring it in person to the Payroll Department, along with a valid photo ID.

Q: **I want to make a change, what do I do?**

A: Obtain a *Direct Deposit form*. Enter the information for your new bank account, including the account and routing number. Print an official bank statement, include a voided blank check or some other bank documentation that includes your full account and routing number and bring it in person to the Payroll Department, along with a valid photo ID.

Q: **Can I have multiple accounts?**

A: Yes, you may have multiple accounts. The *Direct Deposit form* allows you to indicate more than one account, and this is a great way to save and monitor your money.

Q: **How will I receive my payroll advice?**

A: A payroll advice is a document indicating your pay during that particular pay period. It also includes other information such as your leave balances, if applicable, and any required or voluntary deductions. Employees with direct deposit will receive their payroll advice electronically. You can indicate which email you would like your payroll advice to go to on the form by choosing either your city email, if applicable, or a personal email. Note that you should always update the City if you change this email preference to ensure you receive your payroll advice in a timely manner.

Q: **I submitted my Direct Deposit form and supporting documentation, but it was sent back to me, what do I do?**

A: Employees are responsible for ensuring information entered on the *Direct Deposit Form* matches the information at the bank. If the account or routing number entered by the employee does not match the information at their respective bank, the direct deposit form will be returned to the employee to resubmit.

In addition, photo identification is required. If an employee mails, emails, interoffice mails, etc. their form without presenting photo identification in person, the form will be returned to the employee.

Q: **I just got my first job and I am under 18 years old, can I use my parents account?**

A: First, congratulations! We are very happy to be your first employer.

Part of being employed includes both being responsible at work and with the money you earn. Having a bank account and having your pay direct deposited is a great start to financial responsibility.

Massachusetts state law requires state-chartered banks to provide no cost checking and savings accounts to anyone 18 years old or younger or anyone 65 years old and older. Some federally chartered banks also have special accounts that may offer reduced or limited fees.

You may open an account on your own or by having a joint account with your parent(s)/guardian(s). Due to legal requirements associated with paying employees, you cannot choose to have your pay deposited into your parent(s)/guardians(s) account.

The City of Newton has many local banks, please feel welcome to contact any of our local banks to obtain information on how to set up an account or use the banking institution of your choice.

You may also review the attached document regarding a “First Time Banker” program available at your choice.

Q: ***I don't have a bank account, do I still have to sign up for Direct Deposit?***

A: If you are working for the City in a position covered by this policy then yes, you are required to enroll in Direct Deposit. You cannot select to have your wages deposited into another person's bank account. You must be a named account holder on the account used for Direct Deposit.

To assist those employees who do not have their own bank account, please contact the Payroll Department or the Human Resources Department for information.

# COMPASS

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- Automatic Round-up Savings to your Compass Savings Account

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\*Compass Round-Up Match Bonus is tied to debit card usage with a maximum annual payout of \$50. Monthly ATM reimbursements not to exceed \$15.



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Newton City Hall

1000 Commonwealth Avenue

Newton Centre, MA 02459