

123:1-35-05 **Mandatory direct deposit of compensation for certain employees.**

(A) For purposes of this rule:

- (1) "Covered position" - Means any position with an ~~appointment type code of 01, 04, 08, 09, 11, 12, 13, 14, 17, 18, 20, or 21, underlying action of hire with a reason of established term, external interim, fixed-term per diem, fixed-term salaried, permanent, or project employee; or an action of temporary assignment with a reason of internal interim~~ where the compensation for said position is paid by warrant of the director of budget and management, auditor of state.

(B)

- (1) Any person appointed to a covered position on or after July 1, 2006 shall within two weeks of appointment to the covered position either execute the required documentation to authorize the direct deposit of the person's compensation into a financial institution of the person's choice or execute the required documentation to authorize the direct deposit of the person's compensation into a financial institution designated by the auditor of state for the benefit of the person pursuant to paragraph (D) of this rule.
- (2) Any person appointed to a covered position on or after November 27, 2005, but before July 1, 2006 shall within two weeks of appointment to the covered position either execute the required documentation to authorize the direct deposit of the person's compensation into a financial institution of the person's choice or execute the required documentation to authorize the direct deposit of the person's compensation into a financial institution designated by the auditor of state for the benefit of the person pursuant to paragraph (D) of this rule.
- (3) Any person appointed to a coverer position on or after June 5, 2002, but before November 27, 2005 shall have either executed the required documentation to authorize the direct deposit of the person's compensation into a financial institution of the person's choice or have executed the required documentation to authorize the direct deposit of the person's compensation into a financial institution designated by the auditor of state for the benefit of the person pursuant to paragraph (D) of this rule.
- (4) Any person who was appointed to a covered position before June 5, 2002 shall by July 31, 2006 either execute the required documentation to authorize the direct deposit of the person's compensation into a financial institution of the person's choice or execute the required documentation to authorize the direct

deposit of the person's compensation into a financial institution designated by the auditor of state pursuant to paragraph (D) of this rule, unless they have a current authorization for the direct deposit of their compensation into a financial institution of their choice on file with their appointing authority. This requirement does not apply to employees who were appointed to a covered position before June 5, 2002 who are a "public employee" as defined in section 4117.01 of the Revised Code, and whose applicable collective bargaining agreement does not require the employee to have direct deposit.

- (C) A person in a covered position who has not timely complied with the requirements of paragraph (B) of this rule, who has failed to timely comply with all the requirements of the financial institution designated by the auditor of state or the department of administrative services as required by paragraph (D) of this rule, or who has failed to timely maintain an authorization for the direct deposit of the employee's compensation as required by paragraph (E) of this rule shall be subject to progressive discipline for cause, up to and including removal. Any disciplinary actions against such a person for any violation of this rule shall be done in accordance with section 124.34 of the Revised Code or the applicable collective bargaining agreement.
- (D) The appointing authority of a person in a covered position who has failed to authorize the direct deposit of the person's compensation into a financial institution of the person's choice as set forth in paragraph (B) of this rule shall cause the person's compensation to be directly deposited into a financial institution designated by the auditor of state for the benefit of the person. A person in a covered position shall comply with all the requirements of the financial institution designated by the auditor of state under this paragraph and the department of administrative services if that person's compensation is deposited into said financial institution as a result of this paragraph.
- (E)
 - (1) A person in a covered position that is required to have direct deposit pursuant to paragraph (B) of this rule may change the specific financial institution or account to which the person's compensation is directly deposited as the person chooses, however, such a person shall maintain the direct deposit of the person's compensation into a financial institution during the entire tenure of the person's appointment to a covered position.
 - (2) A person in a covered position that is required to have direct deposit pursuant to paragraph (B) of this rule who has authorized the direct deposit of the person's compensation into a financial institution of the person's choice that has had such direct deposit authorization cancelled for any reason shall within two weeks of such cancellation authorize the direct deposit of the person's

compensation into another financial institution of the person's choice, authorize the direct deposit of the person's compensation into another appropriate account at the same financial institution where the prior authorization was cancelled, or authorize the direct deposit of the person's compensation into a financial institution designated by the auditor of state for the benefit of the person pursuant to paragraph (D) of this rule.

- (3) Failure of a person in a covered position that is required to have direct deposit pursuant to paragraph (B) of this rule to comply with the requirements of this paragraph will cause the person to be subject to progressive discipline pursuant to paragraph (C) of this rule.
- (F) The person appointed to a covered position that is required to have direct deposit pursuant to paragraph (B) of this rule shall be responsible for all fees incurred as a result of paragraph (D) or (E) of this rule. All such fees shall be deducted from the person's compensation by the financial institution designated by the auditor of state as part of the administration of such account by said financial institution.
- (G) An appointing authority desiring to fill a covered position shall list on all job postings for such covered position, regardless of the format of the posting, that authorizing a financial institution for the direct deposit of all compensation of the person selected for appointment is a minimum qualification for appointment to the covered position pursuant to section 124.151 of the Revised Code and this rule.
- (H) This rule does not prohibit nor does it restrict an appointing authority from offering to a person appointed to a non-covered position within the appointing authority or appointed to a covered position within the appointing authority prior to June 5, 2002, the opportunity to have that person's compensation directly deposited into a financial institution of the person's choice. Participation by all persons appointed by an appointing authority in the direct deposit of the person's compensation into a financial institution of the person's choice is to be encouraged where practicable.

Effective:

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Certification

Date

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