guhroo

How to Set Up Direct Deposit for Employees or Contractors

Steps to Set Up Direct Deposit

1. Access the Direct Deposit Screen

- From the vertical menu on the right-hand side, click the **Employee** icon to open the **Employee/Contractor Setup** screen.
- Select the **Direct Deposit** tab.

  If you're already working on a new employee or contractor setup, their record will automatically appear on the screen.

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2. Enable Direct Deposit for the Employee or Contractor

- Use the **Employee/Contractor** dropdown list to select the individual or navigate through records using the arrows.
- Check the **Use Direct Deposit** box to enable direct deposit for this person.

Options to Manage Direct Deposit:

- **To Suspend Direct Deposit Temporarily:** Go to the **Payroll Options** dialog box and select **Disable Direct Deposit for This Payroll**.
- **To Permanently Disable Direct Deposit:** Uncheck the **Use Direct Deposit** box and retain the cancellation request for your records.

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3. Enter Bank Account Information

- In the table provided, fill out the following fields for each account:
  - **Account Name**: Name of the account.
  - **Account Type**: Choose either **Checking** or **Savings** from the dropdown menu.
  - **Routing Number**: Enter the bank's routing transit number.
  - **Account Number**: Enter the account number.
- You can enter details for up to three accounts to split pay across multiple banks.

  If incorrect account details are entered, you'll be notified via email, and errors can be reviewed on the **ACH Transactions** screen.

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4. Allocate Funds to Accounts

- Decide how to allocate pay across the employee's accounts:
  - By **Percentage**: Keep the **Use Percentage** checkbox selected. Enter percentages (e.g., 100% to one account or split across multiple accounts).
  - By **Specific Amounts**: Uncheck the **Use Percentage** box, and the **Percentage** column will change to **Amount**. Enter the desired amounts for each account.

Examples:

- **Full Pay to One Account:** Enter **100%** in the **Percentage** column for one account.
- **Partial Pay and Printed Check:** Enter **40%** in the **Percentage** column for one account and select **Print Check** for the remaining balance.
- **Split Between Two Accounts:** Enter **50%** in the **Percentage** column for each of the two accounts.
- **Specific Amounts:** Uncheck **Use Percentage**, enter amounts in the **Amount** column, and assign pay order.

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5. Set Up Pay Order and Handle Remaining Balances

- Use the **Pay Order** column to determine the order in which accounts are funded when splitting pay across multiple accounts.
- Decide how to handle any remaining balance:
  - **To First Account**: Remaining funds are deposited into the account with the lowest pay order.
  - **Print Check**: Issue a printed check for the remaining balance.

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6. Save Changes

- Click **Save** to finalize the setup.

Troubleshooting

1. **Incorrect Bank Information:**
   - You will be notified via email if bank account details are incorrect.
   - Review and correct errors on the **ACH Transactions** screen.
2. **Suspended Direct Deposit:**
   - Verify that the **Disable Direct Deposit for This Payroll** option is not selected under the **Payroll Options** dialog box.