

PREPAID CARDS FOR PAYROLL

Presented by

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What we'll be covering today:

- Why use payroll cards instead of paper warrants?
- About the Focus Payroll Card
- Employer information
- Getting started

Why use a payroll card instead of paper warrants?

- **Employee benefits**
 - More secure than carrying large sums of cash
 - Can be used at any merchant that accepts VISA
 - Most everyday activity is free
 - No worries of lost warrants
 - No need for a personal bank account
 - No more check cashing fees
 - Money is available 24-7
 - More private than a paper check

Why use a payroll card instead of paper warrants?

- **Benefits to state government**
 - Reduced printing costs
 - Reduced lost/destroyed warrant replacement costs
 - Don't forget to include staff time
 - Less staff time handling paper payments
 - Eliminates processing and re-issuing of statutorily cancelled warrants
 - Less likelihood of fraud

About the Focus Payroll Card

- The decision for an employee to use the Focus Payroll Card is voluntary on the employee's part.
 - Employers cannot require employees to use payroll cards
 - SAAM 25.70.25
- The card is not a credit card
 - Employees can only spend the funds available on the card
 - Works like a debit card
- There is no annual fee
 - Card replacement is \$5
 - Employee contacts US Bank directly for assistance

About the Focus Payroll Card

- **Employees can access funds without a card once their account has been activated**
- **Employees have access to cardholder services**

www.usbankfocus.com

(877) 474-0010

About the Focus Payroll Card

- Employees who want a card will complete an Automated Clearing House (ACH) Direct Deposit of Wages form specifying the Focus Prepaid Card as their method to receive net pay
 - <http://ofm.wa.gov/resources/payroll/PRACHAuthorizationForm.docx>
 - If the agency is participating in the program (more on that later)

About the Focus Payroll Card

- **It takes 7-10 business days for the employee to receive the card in the mail**
 - **Employee then activates the card by contacting Cardholder Services**
- **The cards are mailed in a plain white windowed envelope with a city and state return address**
- **A PIN is needed for cash withdrawals at ATMs or when requesting cash back from a purchase**

About the Focus Payroll Card

- **On payday, the employee's net pay is deposited to the card just as it were being deposited to a bank account**
 - **Same process used in HRMS**
 - **The money can be accessed by 9:00 the morning of payday**
- **Each card uses a separate account number**
- **The employee does not have to have an existing relationship with US bank or any other bank**

About the Focus Payroll Card

- **Cardholder Services handles lost/stolen cards (not the payroll office)**
- **Employees may obtain cash from any Visa Plus-branded ATM**
- **No credit approval is required**
 - **State employees are automatically approved**
- **Employees can request one additional companion card**

About the Focus Payroll Card

- **The card can continue to be used if the employee leaves state service**
 - **The pricing structure will change**
- **Employees may be able to receive non-payroll payments (Example: travel reimbursement) from their agency to the account designated in HRMS**

Focus Payroll Card – Employer Information

- **There is a \$10,000 deposit limit placed on the card and a total balance limit of \$40,000**
- **Funding attempted above this limit will temporarily freeze the account – US Bank will confirm that the funding is not fraudulent**
- **Consider establishing controls**
- **For questions about pay, employees will contact their payroll office (as they do now)**
- **Employees will contact Cardholder Services for all other questions about the card**
- **Cardholders must contact Cardholder Services if a card is lost or stolen**

Focus Payroll Card – Employer Information

- **Employees sign up by contacting their payroll or HR office**
- **The state cannot view or track individual cardholder transaction activity**

Focus Payroll Card – Employer Information

- **Per SAAM 40.30.30.c, an Economic Feasibility Study (EFS) may be required prior to implementing the use of payroll cards in your agency**
- **Contact the Cash Management Section at the Office of the State Treasurer regarding available contracts**

If your agency is interested in offering the Focus Prepaid card to your employees:

- **Contact the Office of the State Treasurer**

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For more information:

- Visit Statewide Accounting's Payroll Resource site
- Payroll card information

<http://www.ofm.wa.gov/resources/payroll.asp>

Questions?