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# MEMORANDUM

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Date: November 19, 2013

To: The Honorable Chairman and Members  
Pima County Board of Supervisors

From: C.H. Huckelberry  
County Administrator 

Re: **Implementation of Payroll Paycards to Replace Paper Pay Warrants (Paychecks)**

Attached please find the November 13, 2013 memorandum from Finance and Risk Management Director Tom Burke regarding the implementation of a payroll paycard in lieu of issuing a pay warrant, or paper paycheck, through our present system.

Our Payroll Division, every two weeks, pays approximately 7,200 employees; with a peak of 7,800 in the summer months due to Summer Youth Program employment. The vast majority of these employees have their wages deposited directly into their bank accounts. However, 380 employees do not; and we issue them paper paychecks.

With the implementation of a new payroll system, such will be a significant inconvenience for these employees, since paper payroll checks would be issued in Georgia and then mailed via the U.S Postal Service to the employees. To avoid this inconvenience, the County will begin to issue payroll paycards, which are similar to prepaid debit cards that allow employees to utilize the paycard to pay their obligations. We are proceeding to implement the paycard system for the payroll scheduled for February 14, 2014.

If you have any questions regarding this matter, please contact me.

CHH/anc

#### Attachments

c: Tom Burke, Director, Finance and Risk Management  
Allyn Bulzomi, Director, Human Resources



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# MEMORANDUM

## DEPARTMENT OF FINANCE AND RISK MANAGEMENT

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Date: November 13, 2013

To: C. H. Huckelberry  
County Administrator

From: Tom Burke  
Director

A handwritten signature in black ink, appearing to read "Tom Burke", is written over the printed name and title.

**Re: Use of Payroll Paycards to Replace Paper Pay Warrants**

Every two weeks, Pima County pays wages to approximately 7,200 employees. During summer months, the County may pay as many as 7,800 employees in a pay period. Almost all of these employees have their wages deposited directly into their bank accounts. Currently, the County only issues actual pay warrants (paychecks) to about 380 employees. Issuing and mailing paychecks is time consuming and causes the pay to be received later than those employees who receive an electronic deposit, due to added time in printing and mailing the paychecks and processing them through the United States Postal Service in Phoenix. Once the County is on the ADP payroll system, any paycheck to County employees who do not use direct deposit would have to be issued by ADP and mailed from ADP's service center in Georgia. Finance is recommending that the County begin to use payroll paycards through the County's servicing bank rather than using the ADP service center in Georgia.

Pima County has the authority under the provisions of A.R.S. § 23-351 to pay employees by direct deposit into their bank accounts or by using a payroll card. A payroll paycard is similar to a pre-paid debit/credit card. As we implement the ADP payroll system next year, both the County and County employees would benefit from paying employees with a paycard for those employees who do not currently use direct deposit.

The County's servicing bank, the Bank of America, provides this service as part of its existing agreement with the County. The Bank of America paycard is essentially a prepaid VISA card used to pay employees without using paychecks. The card also enables employees who do not have bank accounts to be paid in essentially the same manner and timing as employees who use direct deposit to their bank accounts. There is no monthly service fee for the paycards, so employees who are paid through an electronic transfer to a paycard will not have to pay any fee to the bank for the service. Like other pre-paid credit cards, the paycard can be used by the employee to make purchases, pay bills online and withdraw cash from ATMs, etc. Attached is the Cardholder Fee Schedule for fees that an employee might incur for special services and the FAQ sheet for the Bank of America's paycards. Most of the features an employee would regularly use have no fees.

C.H. Huckelberry, County Administrator

Re: **Use of Payroll Paycards to Replace Paper Pay Warrants**

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Finance has been working with the County Treasurer and with representatives from the Bank of America about the process for using paycards. The change is a simple process internally and does not involve any new software or installation. Finance is recommending that the County migrate the 380 or so employees who currently receive paper paychecks to the Bank of America paycards, and that Finance begin to inform the employees receiving the paper paychecks of the planned transition. We recommend that the County begin using paycards with the payroll paid on February 14, 2014.

Attachments

## CARDHOLDER FEE SCHEDULE

Effective October 1, 2012

### CARDHOLDER / ACCOUNT OWNER -COMPLETE FEE SCHEDULE

#### Monthly fees

Monthly maintenance		Waived
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#### ATM and purchase transaction fees

Bank of America ATM withdrawal domestic*		Waived
Non-Bank of America ATM withdrawal domestic*	\$	1.50
ATM withdrawal international	\$	3.50
ATM balance inquiries**		Two free per month, \$0.50 thereafter
ATM transaction decline		One free per week, \$0.50 thereafter
Signature-based purchase at Visa merchants		Free
Pinned POS purchase		Waived

#### Other service fees

Automated customer service inquiry		Waived
Live customer service inquiry domestic		Waived
PIN changes		Waived
Emergency cash transfer domestic	\$	15.00
Emergency cash transfer international	\$	30.00
Online Funds Transfer		Waived
Card replacement domestic	\$	5.00
Card replacement -Express delivery (additional charge)	\$	15.00
Account closure fee (check issued)	\$	5.00

Emergency cash transfer for remaining account balance (under \$20.00): One free per year

Cash access (limited to available balance only): One free per week, \$5.00 thereafter

Card replacement international: Quote provided at time of request, as price varies by country

International transaction fee : Two percent of U.S. dollar amount of transaction

Legal Process Fee: \$100.00 (or such amount as may be set by law)

Note: All cardholder / account-owner fees are subject to review and change.

\* ATM owners may choose to charge an additional convenience fee or surcharge (a sign should be posted at the ATM to indicate additional fees); however, ATMs displaying Bank of America signs will not charge any additional surcharge to CashPay cardholders.

\*\* Balance inquiries may not be available at all ATMs outside the United States.



## Bank of America CashPay Visa Card

### CASHPAY® Cardholder Frequently Asked Questions

#### What is CashPay?

CashPay is a Visa®-branded card account, which allows the company to offer direct deposit to those employees who do not have a checking account or who do not want their pay, deposited into their existing bank account. The deposit account is FDIC-insured and follows all Regulation E requirements. It enables the company to move toward a totally electronic payroll. The employee has access to their pay 24 hours a day, 7 days a week via purchases everywhere Visa debit cards are accepted, ATMs and PIN-based point-of-sale (POS) terminals.

#### What are the benefits of having CashPay?

The principal benefits to CashPay employees are:

- Saves time – easy access to pay by 9:00am (standard direct deposit availability of funds) and no waiting in lines to cash pay check
- Convenience – use for purchases everywhere Visa debit cards are accepted, pinned point-of-sale terminals and to make withdrawals at virtually any ATM 24 hours a day
- Provides security – no need to walk around with large amounts of cash
- Eliminates check-cashing cost – some pay up to 15% of face value to cash check at check-cashing stores
- Improves control over money – take only what you need, when you need it
- Account information and customer service – available 24 hours a day, 7 days a week

#### How do I sign up for a CashPay card?

Contact your Program Administrator representative.

#### How long will it take to receive my card?

Once you sign up it will take approximately 5-7 business days to receive your card. It will arrive via U.S. postal mail. Please read all information included with your card carefully to ensure proper activation and use of your card.

#### Will my name appear on my CashPay card?

Yes, your name will appear on the CashPay Card.

Note: If you receive an Instant Issue CashPay Visa card directly from your employer, your name will not appear. After 3 value loads or 60 days, whichever comes first, a personalized card will be sent to you via U.S. mail.

#### Can my CashPay account be a joint ownership account with my spouse?

No. All CashPay accounts will be issued in your name only, similar to how your paycheck is issued in only your name.

#### Can I use my CashPay card immediately?

Once your card is received you must call into CashPay Customer Service or visit online customer service to activate your card. Once this occurs, you may use your card as soon as the company makes the deposit.

#### How can I be sure of the balance in my account?

You can complete a balance inquiry using automated account information via the toll-free customer service number, at an ATM, or you may also check your balance online at [www.bankofamerica.com/cashpay](http://www.bankofamerica.com/cashpay). It is recommended you perform a balance inquiry before performing a transaction so you will know how much money is available in your CashPay account.

**How do I make a Visa purchase using my CashPay card?**

You can use your CashPay Visa-branded card everywhere Visa debit cards are accepted. Just press "credit" and you will be asked to sign a receipt for your purchase.

Note: If your company issues a CashPay ATM card, you may use your card at PIN-based Maestro and Interlink point-of-sale locations and at Bank of America, Visa and Cirrus ATMs only. These cards will not be accepted for Visa signature purchases.

**Can I get cash at a POS terminal?**

Many merchants, like grocery and convenience stores and the U.S. post offices, will offer the ability to take up to a certain amount in cash back with a pinned point-of-sale purchase. The amounts could vary by merchant, but usually are \$20, \$50 or \$100.

**Can I transfer funds from my CashPay account to a checking or savings account?**

Yes, if you have an originally-issued CashPay Visa card, you may perform an Online Funds Transfer via the CashPay Customer Service website at [www.bankofamerica.com/cashpay](http://www.bankofamerica.com/cashpay) (fee will apply) to transfer funds from your CashPay account to a traditional checking or savings account owned by you in the United States. You will need to register a "transfer-to" account prior to performing your first transfer. A minimum value of \$20.00 may be transferred and you may only have up to two different "transfer-to" accounts in your profile. To begin this process you will simply sign on to the CashPay Customer Service website and select the "Transfer funds" link within your online Account Summary page.

**Do I have to take my entire pay on payday?**

No. You may use your CashPay card everywhere Visa debit cards are accepted, at pinned point-of-sale (POS) terminals and at ATMs for any portion of your available balance as often as you like. Safeguard your money and take only what is needed.

Note: If your company issues a CashPay ATM card, you may use your card at PIN-based Maestro and Interlink point-of-sale locations and at Bank of America, Visa and Cirrus ATMs only. These cards will not be accepted for Visa signature purchases.

**Is there a daily maximum I can take from my CashPay account?**

No. Unlike a traditional bank account, CashPay has no daily purchase or withdrawal limits and you have full access to your available balance at any time. However, ATM owners determine how much their ATMs will dispense per transaction (up to 40 bills) and you may need to make multiple withdrawals to take the amount needed. If more cash is required, back-to-back withdrawals can be made.

**When are transaction fees charged?**

Transaction fees are charged as they occur.

**Who should I call with questions about my CashPay account?**

You will be provided the toll-free CashPay Customer Service number when you receive your card. This number is displayed on the back of your card, as well as within your user guide information. You may also obtain account information via online customer service.

**Am I responsible for transactions that I did not make?**

The Bank of America "Zero Liability" Policy protects you against fraudulent transactions if your card is lost or stolen (subject to certain conditions). If you lose your card or someone uses your CashPay card without your permission, it is important that you contact us as soon as you can to report your card lost or stolen, report any unauthorized transactions and begin the error resolution or dispute process. The account agreement you receive with your card will provide specific instructions on the dispute process and the time frames that apply to the Bank of America "Zero Liability" Policy. In addition, Visa Purchase Security and Visa Zero Liability programs also protect the consumer for unauthorized card use (Visa-brand cards only).

**How do I dispute a transaction?**

All account disputes should be directed to CashPay Customer Service. You should contact us as soon as you can if you think your statement or receipt is wrong, or if you need more information about a transfer on the statement or receipt.

If you are a cardholder that does not receive a monthly account statement, we must hear from you no later than 60 days after the earlier of the date you electronically access your account, if the error or problem could be viewed in your electronic history; or the date we sent the FIRST written history on which the error or problem appeared, but in any event you must report the error or problem no more

than 120 days after the transaction allegedly in error was credited or debited to your account. If you are a cardholder that receives a monthly statement, we must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared. A customer service representative will provide you with a dispute form to complete and return. A dispute form may also be obtained on the CashPay Customer Service website.

#### **What are CashPay Customer Service hours?**

For your convenience automated account information, dedicated Customer Service Representatives and [www.bankofamerica.com/cashpay](http://www.bankofamerica.com/cashpay) are available 24 hours day, 7 days a week.

CashPay automated account information options include:

- Card activation
- PIN selection and changes
- Check account balance and recent transactions
- Check date/amount of last deposit
- Opt to speak to a Customer Service Representative

CashPay Customer Service representatives can help you with the above options, plus:

- Change of name and address
- Respond to questions about transactions on your account statement
- Reset your PIN
- Process statement requests
- Investigate fraudulent transactions
- Process lost/stolen/damaged cards
- Request an emergency card replacement
- Request an emergency cash transfer
- Close your account

[www.bankofamerica.com/cashpay](http://www.bankofamerica.com/cashpay) options include:

- Card activation
- Balance Inquiry
- Transaction history
- ATM locator
- PIN change
- FAQ

#### **Who should I contact concerning the amount of pay or amount credited to my account?**

Contact your company's payroll representative -- Do not call CashPay customer service.

#### **Can I use my local banking center for customer service on this account?**

No. All CashPay customer service needs must be directed to the toll-free CashPay Customer Service number. Banking centers can assist with standard checking and savings accounts, but not CashPay.

#### **How do I get my name or address changed on this account?**

All account maintenance activities should be directed to CashPay Customer Service.

#### **What time of day can I withdraw or make purchases with my pay?**

Your pay will generally be available at the traditional opening of business on the payday, or approximately 9 am. After this time, you can access your pay by making purchases or withdrawing funds at any ATM 24 hours a day.

#### **What will I receive in my card package?**

The following items are in your Card package:

- CashPay card
- Safety tips when using the ATM
- User guide information
- Deposit Agreement, Schedule of Fees and Privacy Notice

#### **How do I cancel this service?**

Notify your employer that you wish to be paid by another option and call customer service to close the account directly. *Note: Only the account owner or Bank of America can close a CashPay account.*