Direct Deposit Of Your Monthly Benefit

California Public Employees' Retirement System

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What Is Direct Deposit?

Have you ever received your check late because it was lost or misplaced in the mail? CalPERS provides a safe way to deliver your monthly retirement allowance to you. It's called Direct Deposit. Direct Deposit places your retirement allowance electronically into your checking or savings account. Direct Deposit is different, however, from direct bank mail which merely mails your check from the State Controller's Office to your financial institution.

Ring-necked Pheasant
Phasianus colchicus

It is hard to believe pheasants aren't natives of California. Pheasants are often seen in short flight from one field to another in our agricultural valleys. This popular game bird was introduced from China and England. As with many boldly patterned birds, the tips of the feathers shown here show distinctive markings, yet the rest of the feather is dull.

What Are The Advantages Of Using Direct Deposit?

Over 150,000 CalPERS retirees have discovered the security and convenience offered by Direct Deposit. This means that over half of all retirees and survivors have learned that Direct Deposit:

- reduces the risk of loss, theft, or forgery of benefit warrants,
- gives you immediate and uninterrupted deposits when you are away from home,
- eliminates inconveniences associated with cashing of benefit warrants; such as standing in line or traveling to check-cashing facilities,
- relieves you of the anxiety associated with the uncertainty of mail delivery service, and
- provides you with a monthly warrant statement, showing your itemized deductions.

How Do You Enroll In Direct Deposit?

To enroll in Direct Deposit, all you have to do is fill out an application. You can get the Direct Deposit application by contacting the Post Retirement Services Division, visiting one of the CalPERS area offices near you, or by using the form provided by your own financial institution. Your financial institution must be a member of the Automated Clearing House Association (ACHA) to accept a Direct Deposit from CalPERS. If you have a touch-tone phone, you may call CalPERS at 1-800-352-2238 or (916) 326-3848 at any time, every day of the week, to request a Direct Deposit application.

Once your application is submitted to us, we run a test transaction so your financial institution can notify us if any problems come up. After the test verification is complete, CalPERS will write you to let you know when your first monthly allowance will be transferred to your account by Direct Deposit. It takes about 60 days for us to process, test, and validate your Direct Deposit application.

A record of each Direct Deposit transaction will be sent directly to you. This record details your gross allowance, any itemized deductions you may have, and includes a monthly message providing timely, important information. You will also receive any other information periodically sent with checks.

The statement will be mailed to the most recent address you have given us, so please keep your address current. If you have given us a mailing address different from your home address, the statement will be mailed to your mailing address. You should keep the monthly statement for your records. If you do not want to receive this monthly statement, you must request we discontinue sending it in writing.

American Kestrel
Falco sparverius

Formerly known as a Sparrow Hawk, this bird-of-prey can often be seen perched atop fence posts and telephone poles along California's roadsides. Kestrels feed mainly on small rodents and grasshoppers, and can be found from Canada to South America. The tail feather shown here is from a Kestrel molting into adult plumage.

Date Of Transfer

Your CalPERS allowance will transfer electronically into your account on the first day of the month. If the first day is a non–banking day, the transfer happens on the banking day prior to the first.

NOTE: For income tax purposes, January 1st dated transfers must be processed on the first banking day after New Year's Day. This assures that CalPERS complies with IRS regulations in reporting the retirement income for the proper tax year.

Period Of Coverage

Just like your regular check, each Direct Deposit covers the month prior to the date of the transfer. For example, a December 1st dated transfer covers the period of November 1st through November 30th.

Replacing A Lost Direct Deposit Transfer

If a Direct Deposit payment is not credited to your account, you should first contact your financial institution and provide information from a current or a previous Direct Deposit statement to assist them in locating the payment. If the matter cannot be resolved at the bank, then call the Post Retirement Services Division Telephone Information Center.

Frequently Asked Questions

Must I Receive Direct Deposit?

Direct Deposit is an option. If you do not want it, we will continue mailing your monthly warrants to either your mailing address or financial institution. However, many financial institutions will no longer forward the monthly check statement or any inserted material. You may miss out on valuable information if your check is simply mailed to your financial institution. Some financial institutions encourage Direct Deposit by offering incentives, such as no-fee checking accounts. Contact your financial institution for details.

When May I Enroll In The Direct Deposit Program?

You may sign up at any time.

How Can I Verify That My Payment Has Been Deposited?

You can verify a deposit by contacting your financial institution.

What If I Choose To Transfer My Direct Deposit To Another Account Or To Change My Financial Institution?

If you are transferring your Direct Deposit to another account with the same financial institution, please call or write us to give us the new account number. If you are changing your financial institution, you

must complete and send us a new Direct Deposit enrollment form. CalPERS will process the new Direct Deposit account just as we did for your "old" Direct Deposit account. Approximately two to three months after we receive your new application, your Direct Deposit will be redirected to your new account and/or financial institution.

NOTE: You should leave your old account open until your first payment is deposited into your new account. If your old account closes too soon, your financial institution may return the money directly to CalPERS. Or, if you prefer, you may ask CalPERS, in writing or by phone, to mail your warrants directly to your home or to your new bank while your new Direct Deposit form is being processed.

Can I Have Direct Deposit If I Live Outside Of California?

Yes. Most financial institutions within the United States provide a Direct Deposit. However, Direct Deposit is not available at this time to financial institutions located outside of the United States.

Can Anyone Else Establish Direct Deposit For Me?

Yes. Your attorney-in-fact can establish a Direct Deposit. But CalPERS will need a copy of the Power Of Attorney document showing that person has the authority to act on your behalf.

Green-winged Teal
Anas crecca

These ducks gather by the hundreds throughout the marshes and fields of California in winter to breed. These feathers are from the speckled breast of a female teal, who pulls out the feathers to insulate her eggs.

The information in this pamphlet provides you with general knowledge on the subject of Direct Deposit. If you have any questions please call or write to one of the CalPERS offices.

CalPERS is governed by "Public Employees' Retirement Law". If there is any conflict between provisions of the law and statements made in this pamphlet, the law will prevail.

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