

Memo

To: FMAC Members
From: Nicole Hackmann
Date: 05/28/2009
Re: Deposit reporting for collection accounts

With fiscal year end nearing, I want to remind everyone of the importance of reporting deposits made outside of Jefferson City on a CRQ (quick cash receipt) document the day of deposit or the next business day. We are still noting some agency personnel waiting over a week and sometimes longer to record deposits on SAM II. The State Treasurer's Office (STO) would like to remind all agencies that all monies should be promptly deposited, and those deposits should be promptly posted to the state accounting system (SAM II).

There are a number of reasons why the timely deposit and reporting of state monies is critical. Until deposits are posted on SAM II, the STO is unable to calculate an accurate bank balance to ensure sufficient collateral is pledged by the depository bank. The proper collateralization of state deposits is required pursuant to RSMo 30.270 and is an important protection against the loss of funds in the event of a bank failure. Additionally, until deposits are reported, we do not know that money is available for investment, which also means that your fund will not accrue interest earnings on that deposit until the transaction is recorded.

Conversely, please ensure your personnel are posting the CRQ documents to SAM II on the date the bank has validated the deposit. We have previously noted instances where the CRQ posts to SAM II, but the bank does not record the deposit until the following day, and on some occasions not until several days after the accounting document posts. If agency personnel are making a deposit after the financial institution has ended its business day, the CRQ document should be recorded on the date the deposit was validated. Likewise, if the deposit is prepared, but not delivered to the bank, the CRQ should not be recorded until a validated deposit slip is in hand. The document ID for the CRQ should match the bank validation date.

As we near fiscal year end, I also want to remind agencies to not accumulate funds during the month of June. This can result in deposits of unusually large amounts on or just prior to June 30, and makes it difficult for the STO to ensure sufficient collateral is pledged by banks as of June 30 for reporting in the state's financial statements. Such a failure to fully collateralize deposits would require a note to the financial statements denoting this failure. If you do have an unusually large deposit to a collection account outside of Jefferson City on or just prior to June 30 for a valid business reason, please e-mail me the amount of the deposit, the date of deposit, the office or location making the deposit, and the SAM II bank account code no later than noon on the date of deposit. My e-mail is Nicole.Hackmann@treasurer.mo.gov.

The State Treasurer's Office appreciates your attention to this matter.