

CHAPTER 5

DEPOSITS

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CHAPTER 5**DEPOSITS**0501 OVERVIEW050101. General.

This chapter sets out policies and procedures for the deposit of money in the custody of NASA. The Electronic Mechanisms discussed in Volume 15, Chapter 2 “Electronic Funds Transfer” should be used for deposits whenever possible.

050102. Authority and References.A. Laws.

1. Depositing, Keeping, and Paying Money, 31 USC 33.

http://www.access.gpo.gov/uscode/title31/subtitleiii_chapter33_.html

B. Executive Agency Regulations and Directives.

1. Depositories and Financial Agents of the Federal Government. 31 CFR Part 202.

http://www.access.gpo.gov/nara/cfr/waisidx_04/31cfrv2_04.html#201

2. Government Losses in Shipping, 40 CFR Chapter 15.

http://www.access.gpo.gov/uscode/title40/chapter15_.html

C. Treasury Publications and Guidance.

1. Treasury Financial Manual, Volume I Federal Agencies, Parts 5-6. <http://www.fms.treas.gov/tfm/vol1/index.html>

0502 POLICIES AND PROCEDURES FOR DEPOSITS050201. Where deposits are made.

A. General. The Secretary of Treasury sets rules and regulations for NASA’s handling of deposits. In most cases, commercial banking institutions are approved by Treasury as general depositories to accept the Center’s deposits and transfer them through to FRBs, ultimately to the FRB of New York. In some cases FRBs may be used to handle the deposits directly from the NASA. The funds are held in Treasury accounts identified for NASA; and at the FRB in New York in NASA agency account(s)

established by Treasury. Collectively, the general depositories and the FRBs are called depositories. As such, making a deposit in a depository is considered to be making a deposit in Treasury.

B. Financial institutions (FIs) eligible to be designated as general depositories may include; credit unions, banks, savings banks, savings and loan, building and loan, and homestead associations if they meet the criteria established by the Treasury.

C. Centers shall deposit funds at the nearest commercial bank, as designated and authorized by FMS. Agencies should hand-deliver the deposits to the designated commercial bank, or hire a courier or armored car service to make scheduled deliveries. Deposits should not be mailed to a general depository unless an exception is granted by FMS. Such an exception is granted if the deposit is only treasury checks. Agencies must request permission from the FMS to change their deposit location. Other branches of a designated depository may not handle Government deposits.

D. If FMS determines that it is not cost effective for an agency to use a commercial bank, or that a commercial bank is not available, FMS will authorize the agency to make deposits at the nearest FRB. If an FRB is used, the following restrictions and conditions apply:

1. FRBs will not accept walk-in deposits. Agencies must deliver deposits to the FRB either by a courier, an armored car service, or by mail if specifically authorized in writing by FMS. Such an authorization is granted for mailing in deposits if it is only treasury checks.

2. After FMS has designated the FRB, the agency must contact that FRB for a CASH-LINK Identification Number (CIN) and any other preliminary instructions. The FRB uses the CIN, derived from the agency location code (ALC), to identify agency transactions.

3. Deposits made at FRBs must not contain cash. Depositors should convert cash to a money order and deposit the money order along with the checks. Centers shall bear the cost of the money order consistent with procedures for occurring miscellaneous expenses.

E. Establishing or Changing General Depositories. Centers who wish to establish or change general depositories should submit a request through the Center CFO to get Agency DCFO approval and process the change through FMS. This request should include the following information:

1. Name and location of the agency's current depository.
2. Time and manner in which the agency makes deposits with the current depository.

3. Name and location of the proposed depository.
4. Name and phone number of a contact person at the proposed depository.
5. Time and manner in which the agency will make deposits with the proposed depository.
6. Total dollar amount deposited monthly.
7. Total number of checks (including Treasury checks) deposited monthly.
8. Dollar amounts and number of Treasury checks deposited monthly.
9. Amount of cash deposited monthly.
10. A brief justification statement.
11. A statement outlining why a minority bank cannot be used, if the proposed depository is not a minority bank. Omitting this information may result in FMS returning the request to the agency. In order to increase minority bank deposit balances, the agency should use minority banks whenever possible if administrative and transportation costs are not appreciably increased. For a list of approved minority banks, see the FMS website at www.fms.treas.gov/mbdp.

After the appropriate arrangements have been made, FMS will notify the requesting administrative agency or department.

F. Lockbox Depositors. With the approval of Agency DCFO and FMS, NASA Center CFOs may enter into agreements with commercial depositories to perform Lockbox services. This permits them to act as agents of the NASA for deposit activities including: (1 TFM 5-3000)

1. Mail collection and sorting.
2. Mail extraction.
3. Remittance processing including data capture and check encoding and endorsing.
4. Deposit proofing and balancing.
5. Deposit credit including internal credit and debit ticket preparation (SF 215 and SF 5515 preparation).
6. Redeposited items.

7. Account adjustments.
8. Data transmission/delivery.
9. CASH-LINK deposit reporting.
10. Bank management reporting.
11. Funds transfer to Treasury.

050202. Timeliness of Deposits. Centers shall deposit money without delay in the Treasury. Money is required to be deposited not later than the third day after the custodian receives it unless due to following procedures in this section for collections less than \$5,000 (see paragraph 5. B. below). The Center receiving a deposit shall issue duplicate receipts for the deposited funds. The original receipt is for the Treasury and the duplicate is for NASA.

A. Due to cash forecasting procedures Treasury requires advance notification before large deposits (deposits in excess of \$50 million) are made. Anticipated deposits totaling \$50 million or more must be reported in advance of the transaction settlement date to FMS. A minimum of two days notice is required for these deposits. Anticipated deposits of \$500 million require five days advanced notice. When specific deposit information has not been finalized, NASA Financial Management Offices must inform FMS daily (by 9:30 a.m. eastern time) of approximate amount(s) and approximate deposit date(s). The following information is required to be reported to FMS.

1. Name and address of the agency, department, bureau, or administration.
2. Name and telephone number of contact.
3. Agency location code (ALC).
4. Account title and account symbol number.
5. Description of the transaction.
6. Transaction settlement date.
7. Amount of the deposit.
8. Deposit mechanism (wire transfer or check).

9. Name and location of the depository.
- B. Other deposit practices the designated Centers shall adhere to are:
1. Deposit receipts totaling \$5,000 or more on the same day received prior to depository cutoff time.
 2. Deposits will be made as late as possible prior to the specified cutoff time to maximize daily deposit amounts.
 3. Money received too late in the day to meet the deposit cutoff time must be deposited the following business day.
 4. Adequate internal controls in place to ensure the security of all undeposited funds.
 5. Collections totaling less than \$5,000 may be accumulated and deposited when the total reaches \$5,000. However, deposits will be made by Thursday of each week, regardless of the amount accumulated.
 6. Generally, limit deposits to one per day per deposit site. However, when beneficial to the Government multiple daily deposits may be made.
 7. The mailing of deposits (versus hand-carrying) to FRBs or commercial banks may be done only when specifically authorized in writing by FMS. In these cases, the deposit timeframe requirements apply to the timely mailing of deposits.
 8. When a deposit consists only of Treasury checks, NASA collection agents are authorized to mail those checks to the nearest FRB or commercial bank. Treasury checks totaling \$5,000 or more shall be mailed to the nearest FRB or commercial bank on the day received. The Treasury FMS has granted NASA a waiver from the requirement to deposit Treasury checks totaling \$5,000 or more to FRB's. NASA can make deposits to the Treasury General Account through a more conveniently located commercial bank. NASA can still use FRB's, but are not required to do so. A separate SF 215, Deposit Ticket, will be prepared and submitted to the FRB or commercial bank for processing;
 9. Intra-Governmental Payment and Collection System (IPAC) or other mechanism for which the agency has FMS approval, such as, the SF 1081 Voucher and Schedule of Withdrawals and Credits, will be used for the transfer of funds between agencies.

050203. Records of Deposits. Centers shall use SF 215, Deposit Ticket and SF 5515, Debit Voucher in effecting Deposits to depositories.

A. Record of Checks Deposited. Centers shall keep copies the Deposit Ticket and Debit Voucher along with records of deposited checks including:

1. Cross-reference of each check to the applicable SF 215 or other Deposit Ticket.
2. Include sufficient detail to process a stop payment and obtain a duplicate check if necessary. More specifically, the record for each check deposited should show:
 - a. The amount.
 - b. The name of the drawer.
 - c. The name of the person from whom received (if other than the drawer).
 - d. The bank on which drawn.
 - e. The date drawn.
 - f. The check number (if cashier's check or similar item).
 - g. The checking account symbol and serial number (if drawn on Treasury).
 - h. The serial number (if postal money order).

B. Retention of Check Copies. Centers shall make copies of check deposits before dispatch to allow for replacement if the shipment or any part thereof is lost or destroyed in transit. NASA may microfilm, photocopy, or digitally image checks, whichever is most effective based on the volume of items processed. Copies of the actual checks may be sent to a financial institution for collection, in place of the original checks. NASA must indemnify the financial institution by written promise to hold them faultless if both the original check and the copy are "paid" and to repay the financial institution should the NASA receive credit, for what is essentially the same item, twice.

C. The Government Losses in Shipment Act, as amended (40 U.S.C. Supp. III, 721-726), covers the shipment of deposits prepared and made per the Act's prescribed regulations. Therefore, the Centers need not insure such remittances.

D. SAP has an on-line reporting and reconciliation capability to verify deposits against cash-link listings, lockbox postings/payment program postings and IPAC error reports. Centers shall use this capability.

050204. Deposit Mechanics.

A. General. A Treasury General Account (TGA) is a bank account in a commercial depository or other financial institution where initial deposits are made by agencies. The TGA depository enters, verifies, and reports deposit information into the CASH-Link system via personal computer, mainframe, or touch-tone telephone. The CASH-Link system initiates the funds transfer, debiting the TGA depositories and crediting the agency's account at the FRB of New York (FRBNY). The FRB will credit Treasury's General Account on the date of deposit, if the items are received before the 2 p.m. local cutoff time. Local Federal Reserve offices have 1-day deferred availability on unsorted/unencoded Government agency deposits. They apply the same published availability to sorted/encoded deposits that the FRBs extend to commercial banks. The local Federal Reserve office gives immediate exception processing to large checks of \$100,000,000 or higher. Agencies should call the Banking Operations Branch in the FMS before submitting any check of \$100,000,000 or more in a deposit. In some cases NASA may deposit checks directly in a FRB. The main variance in deposit requirements for commercial depositories and FRBs, is commercial depositories require the Agency Location Code (ALC) and FRBS require the CASH-LINK Identification Number (CIN)

B. Requirements for the Deposit Ticket. Collected funds requiring payment are received in the form of cash or paper check. Centers shall organize deposits according to this chapter and input the necessary information (below) into SAP for electronic generation of the SF 215, Deposit ticket.

1. A preprinted deposit number will be generated from SAP for printing the electronic SF 215.

2. For the date presented or mailed to bank show the depository's business day at the time of deposit unless delivered after the depository's cutoff time then show the next business day's date. For example, if the depository has a 2 p.m. cutoff for today's business and the deposit is delivered after 2 p.m., then use the next business day's date. Block Two of SF 215 is used for this information.

3. NASA's Agency Location Code (ALC) for Deposits with General Depositories. No more than one ALC may be included on each deposit ticket. Block Three of SF 215 is used for this information.

4. For Deposits with FRBs and Branches include NASA's CASH-LINK Identification Number (CIN). No more than one CIN may be included on each deposit ticket. Block three of SF 215 is used for this information.

5. Deposit Amount.

6. The name and address of NASA Center or other organization making the deposit, the appropriation symbol, fund, or receipt account to be credited.

7. In addition to the data on the SF-215 the following rules must also be observed:

a. Commercial Checks and Treasury checks can not be combined on one deposit slip, and cash can not be deposited.

b. Organize deposits into no more than 400 items per bundle, that is, no more than 400 individual checks per SF-215.

c. Centers must include an adding machine tape or similar listing of items in a deposit bundle.

8. When the Center receives the deposit confirmation, the date of that confirmation must be added to NASA's Memorandum Copy Letter.

C. Endorsement of Checks. Checks should be endorsed with the following information:

1. The agency location code (ALC) of either the agency or the Regional Financial Center (RFC), as appropriate.

2. The words "For credit to the U.S. Treasury."

3. The date of endorsement.

4. FRB deposited checks need not include the information in number one above but should include: The agency name and the CASH-LINK Identification Number (CIN).

D. Should Centers detect counterfeit currency the secret service should be notified immediately.

E. Treasury may establish, upon request of the FRB concerned, special sorting requirements (on an individual agency or location basis) for deposits including more than 1,000 items on a daily basis. (See the Contacts page.) The depositors must perform existing special sorting arrangements as applicable.

F. To the extent possible NASA will use the electronic options available through the FMS (FMR Volume 15, Electronic Funds Transfer).