

PROCEDURES FOR DEPOSITS INTO THE STATE TREASURY THROUGH OAKS

OVERVIEW:

The establishment of sound procedures and controls for revenue collections is necessary to insure the safe, accurate and timely deposit of revenue into the state treasury in accordance with Ohio Revised Code section 113.08 and Ohio Administrative Code section 113-1 Payments. Sound procedures and controls are also designed to specifically define state entity responsibilities in the cash handling process. To this end, Ohio Treasurer Richard Cordray is working with OAKS to clarify the proper revenue pay-in process. At this time, some critical data element fields are not included in the OAKS Payment Detail Report that will be submitted to the treasury when depositing revenue. Until these fields are added to the OAKS report, state entities are required to handwrite this supplemental information on the report, as discussed below.

The Office of Budget and Management (OBM)/State Accounting division assigns fund numbers and revenue source codes to identify revenue. Any questions or issues regarding accounting of revenue should be sent to Betty Johnson, Appropriations Control Supervisor, of the State Accounting revenue section at betty.s.johnson@obm.state.oh.us or (614) 466-6731.

DEPOSIT OF REVENUE:

The treasurer's office has implemented the following processing system for accepting revenue. It is very important that all state entities making any payments into the state treasury follow the guidelines set forth in the Ohio Administrative Code section 113-1.

(A) Fees and Moneys to be Paid Timely

Within two business days of receipt by a state entity or deposit into a state entity's banking account established by Ohio Treasurer Richard Cordray, every state entity shall pay to the treasurer all moneys, checks and drafts, wires and revenue from financial transaction devices received for the state, or for the use of any such state entity, from taxes, assessments, licenses, premiums, fees, penalties, fines, costs, sales, rentals, or otherwise. A separate OAKS Payment Detail Report supporting the deposit will be submitted concurrently with every

deposit. All deposits must be approved by the state entity's AR Administrator prior to submitting the OAKS Payment Detail Report and deposit to the treasurer's office. No final approval can be performed by the treasurer's office without state entity approval first. Electronic revenue (i.e. wires or ACH) deposits cannot be combined into one total on the OAKS Payment Detail Report and each item must be listed separately on the report. In order to provide efficient processing of deposits, the following procedures shall be followed.

(B) Currency Preparation

- (1) All cash must be placed at the front of any deposit made into the state treasury.
- (2) All coin must be secured within the deposit.

(C) Check Preparation and Designation of Payment

- (1) Payee shall be written as: "Ohio Treasurer Richard Cordray." No checks received for payment of state fees, taxes, or other charges are to be returned because of the designation of payment and no state entity shall discard any forms or expend any funds to update forms merely to comply with the designation of payment.
- (2) Foreign checks must state that they are payable in U.S. Dollars or U.S. Funds. Any foreign check that does not have this language will be returned to the state entity and deducted from the OAKS Payment Detail Report.
- (3) All checks must have a proper routing number and account number on the bottom of the check. Any check that does not have this information will be returned to the state entity and deducted from the OAKS Payment Detail Report.
- (4) Written and legal amounts must match. If either amount is not readable, it should be clarified in red.
- (5) Signature line or lines must be signed.
- (6) Checks presented shall have a valid date and shall be presented before their stale date.
- (7) All staples and stubs shall be removed from all checks.
- (8) If the check has an amount limit, the check may not exceed that limit.
- (9) Checks shall not be folded or mutilated when bundled. All checks must be presented in good condition when deposited into the state treasury.

(D) Batch preparation

- (1) Checks shall be sent in bundles of not more than one hundred.
- (2) No more than five hundred checks shall be submitted with each OAKS Payment Detail Report.
- (3) Each bundle of checks shall be accompanied by an itemized master tape; each check must be separately listed on the itemized master tape.
- (4) If a state entity is submitting more than one bundle of checks, a master tape with the grand total of all bundles shall be submitted.

- (5) If cash is included in the deposit, the amount should be specified on the master tape and also on the OAKS Payment Detail Report.
- (6) If the OAKS Payment Detail Report shows an adjustment, the treasurer's office must assign a debit or credit memo number to it.
- (7) In compiling the tape, the state entity shall:
 - (a) Subtotal the checks before adding any cash amount;
 - (b) Subtotal, again, before subtracting bad checks and adjustments;
 - (c) Indicate, on the tape, the amounts which represent checks, cash, bad checks, and adjustments.
 - (d) Show that the grand total matches the pay-in amount.

Example:

Sample Master Tape

Batch →			12,560.00 +	
			22,530.00 +	
			4,502.12 +	
			4,500.00 +	
	004			
Tot Cks →			44,092.12 ◊	
Cash →			450.00 +	
	005			
			44,542.12 ◊	
Returned			1,258.30 -	
Items →			1.20 -	
			452.00 -	
	008			
			42,830.62 ◊	
Total	008			
Deposit →			42,830.62 #	

(E) OAKS Deposit Procedures

(1) When creating a deposit, the state entity will have 15 characters to fill in the Deposit ID field. Only 10 of these characters can be used by the agency. The remaining 5 characters will be used by the treasurer's office for modification purposes.

(2) For step-by-step instructions on how to run and print the OAKS Payment Detail Report, refer to the OAKS Job Aid: Running the Payment Detail Report. The job aid can be found at:

http://www.oaks.ohio.gov/oaks/training/Job_Aids/FINcontent/FINJA059_Running_the_Payment_Detail_Report.pdf.

(3) One original and one copy of the OAKS Payment Detail Report must accompany each deposit.

(4) Each OAKS Payment Detail Report must include only one deposit.

(5) The treasurer's office will print a receipt for the deposit and return it to the state entity. The state entity can choose to print a copy of their deposit and attach the treasurer's receipt to the report.

(6) The original OAKS Payment Detail Report will be retained by the treasurer's office. The copy of the OAKS Payment Detail Report will be submitted to the Office of Budget and Management State Accounting.

(7) No other copies of OAKS Payment Detail Reports will be receipted by the treasurer's office.

(8) All wires, adjustments, bad checks, cash, and checks should be reflected separately in the Payment ID field of the OAKS Payment Detail Report. The Payment ID field is located on the Payments tab of the Regular Deposit page. Only the following options should be used to fill in the Payment ID field:

Payment Type	Payment ID	Notes
Cash	CASH	Enter total cash amount in one line.
Checks	CHECKS	Enter total check amount in one line.
Wires	WIRE	Enter one line for each item.
ACH	ACH	Enter one line for each item.
Adjustments	ADJ	Handwrite additional information on Payment Detail Report.
Redeem bad checks	BCH# (ex. BCH1234 to redeem check number 1234)	Enter one line for each item. Enter the amount of the bad check as a negative number.

(9) When an OAKS Payment Detail Report includes wires or adjustments, other than bad checks, the state entity shall attach a copy of supporting documentation if available. If additional information is required for clarity, then the state entity must handwrite this information clearly on each copy of the report.

(10) Each OAKS Payment Detail Report must have proper agency contact information for the person who prepared the deposit: The person's name, department and telephone number. This information must be handwritten on each copy of the report until OAKS has included this as a data element field.

(F) OAKS Deposit Modifications and Errors

(1) If an error is discovered after an AR Administrator approves the deposit, then the state entity must correct the deposit error by creating a new deposit indicating that it is a modification of a prior deposit. The state entity must indicate this is a modification by typing an “M” after the original Deposit ID to create the new Deposit ID. *[For example: (a) the original Deposit ID is: TAX01 14, and (b) the modified Deposit ID is: TAX01 14M.]*

(2) If a deposit error is discovered at the treasurer’s office at the time of delivery to the cashier’s window, the OAKS Payment Detail Report and deposit will be returned to the state entity for correction.

(3) When entering a modification deposit, the state entity should reverse the original deposit as an adjustment, and then enter the correct payment information as a separate item. *[For example: Deposit 14 is entered for \$50 in checks, but the checks submitted actually total to \$60. The Payment Information section for Deposit 14M should have one line with Payment ID ADJ and Amount -\$50, and a second line with Payment ID CHECKS and Amount \$60. The grand total of Deposit 14M is the net amount of \$10.]*

(4) If more information is needed for the state entity to reference the original OAKS Payment Detail Report error that it is modifying, then this information must be handwritten on the report.

(5) If an OAKS Payment Detail Report does not balance to the checks accompanying it after submission to the treasurer’s office, the treasurer’s office shall modify the deposit so that it accurately reflects the dollar amount of the checks received. This will be performed by creating a new deposit, as described above, except that the deposit ID of the modification will have the suffix “MTOS” to indicate clearly that the modification was entered by the treasurer’s office. The treasurer’s office will handwrite our contact information on the new OAKS Payment Detail Report and provide the state entity with a copy.

(6) A good faith effort will be made to contact the state entity to determine which revenue source should be modified to bring the deposit in balance with the checks. If no response from the state entity is received, the first revenue source reflected on the initial incorrect deposit will be used to bring it into balance with the checks.

(7) All modifications from the treasurer’s office will be entered as miscellaneous deposits, and thus will not correct customer balance information. State entities who tie deposits to receivables may need to correct the customer balance information in a separate transaction.

For assistance in creating a deposit in OAKS, please contact your state entity’s AR Administrator or the OAKS Helpdesk at oaks.helpdesk@oaks.state.oh.us. For any questions about proper documentation for submitting deposits to the treasurer’s office, please contact ohiotms@tos.ohio.gov.