



Treasury Financial Manual

Transmittal Letter No. 604

Volume I

To: Heads of Government Departments, Agencies and Others Concerned

1. Purpose

This transmittal letter releases I TFM 5-4000: Making Deposits. This chapter provides Federal Government agencies with instructions to follow when depositing public monies. It also includes instructions for making deposits at general depositories and Federal Reserve Banks (FRBs) and branches.

Note: FMS is phasing out the printed distribution of TFM releases. This update will be the last printed release for this chapter. Users may access the TFM via the Internet at the following website: <http://www.fms.treas.gov/tfm/index.html>. Effective December 2001, all TFM releases will be available on the Internet only.

2. Page Change

Remove

I TFM 5-4000 (T/L 525)

Insert

I TFM 5-4000

3. Effective Date

Upon receipt.

4. Inquiries

Direct questions regarding this transmittal letter to:

Banking Operations Branch
Financial Services Division
Financial Management Service
Department of the Treasury
401 14th Street, SW., Room 435-A
Washington, DC 20227
Telephone: 202-874-6900

Date: October 4, 2001

Richard L. Gregg
Commissioner

Part 5—Chapter 4000

MAKING DEPOSITS

This chapter provides Federal Government agencies with instructions to follow when depositing public monies. It also includes instructions for making deposits at general depositories and Federal Reserve Banks (FRBs) and branches.

Section 4010—Where Deposits Should Be Made

Depositors of public monies will deposit funds at the nearest commercial bank, as designated and authorized by the Department of the Treasury (Treasury), Financial Management Service (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. Agencies must request permission from the FMS to change their deposit location at their designated depository. Other branches of a designated depository may not handle Government deposits. (See the Contacts page.)

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. The following restrictions and conditions apply:

- 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. Address deposits via mail as indicated in I TFM 5-2000, Appendix 4. Send all deposits mailed to the FRB so that receipt

of the deposit at the FRB can be verified.

4010.10—Requests To Deposit With a General Depository

Government finance officers who wish to deposit collections with a general depository should submit a request through the administrative office of their department or agency to FMS (see the Contacts page). This request should include the following information:

- The name and location of the agency's current depository.
- The time and manner in which the agency makes deposits with the current depository.
- The name and location of the proposed depository.
- The name and phone number of a contact person at the proposed depository.
- The time and manner in which the agency will make deposits with the proposed depository.
- The total dollar amount deposited monthly.
- The total number of checks (including Treasury checks) deposited monthly.
- The dollar amounts and number of Treasury checks deposited monthly.

- The amount of cash deposited monthly.
- A brief justification statement.
- A statement outlining why a minority bank cannot be used, if the proposed depository is not a minority bank.

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

4010.20—Use of Minority Banks

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.

Agency requests to establish or change depositories should include information supporting the decision not to use a minority bank. Omitting this information may result in FMS returning the request to the agency. For additional information on requests to deposit with a general depository, contact FMS (see the Contacts page).

4010.30—Use of FRBs

If a commercial bank is not available, the Banking Operations Branch will

authorize the agency to make check deposits at the nearest FRB. After FMS has designated the FRB, the agency must contact that FRB (I TFM 5-2000, Appendix 4) for a CASH-LINK Identification Number (CIN) (I TFM 5-2000, Appendix 3), and any other preliminary instructions. The FRB uses the CIN, derived from the agency location code (ALC), to identify agency transactions.

Section 4015—Frequency of Deposits

Depositors should limit deposits to one per day. Agencies should make deposits for credit to the U.S. Treasury's account without delay following the procedures below:

- Coordinate processing schedules that allow deposits to reach the depository before that financial institution's close of business deadlines.
- Establish an internal "cutoff" time, after which deposits received are dated for, and processed on, the next business day.

Section 4020—Reporting Large Deposits

Agencies must report daily aggregate deposits (excluding Treasury checks) of \$50 million or more to FMS's Cash Forecasting Division. See I TFM 6- 8500, paragraph 8535.10, for instructions.

Section 4025—Postage, Registration, and Other Expenses

Postage, registration, and other expenses incurred in mailing deposits may not be deducted from the amount of the deposit.

Section 4030—Coverage of Deposits Under Government Losses in Shipment Act

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 depositor need not insure such remittances.

CONTACTS

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