

Department of Finance and Administration
Policy 25 (Revised 3/99)

Deposit Practices

Basis of Authority

1. Tennessee Code Annotated §9-4-301 states, “it is the duty of every department, institution, office and agency of the state and every officer and employee of state government, including the state treasurer, collecting or receiving state funds, to deposit them immediately into the treasury or to the account of the state treasurer in a bank designated as a state depository or to the appropriate departmental account if authorized by §9-4-302.”
2. This policy statement is issued to provide guidance in fulfilling the requirement of Tennessee Code Annotated §9-4-301 and to provide a consistent interpretation of this Code section.

Applicability and Effective Date

3. This policy applies to all departments, institutions, offices, and agencies of the state and every officer and employee of state government, collecting or receiving state funds. This policy is effective upon issuance.

General Rule

4. The term immediately in §9-4-301 is defined as follows:
 - A) For departments, institutions, offices and agencies, “immediately” means within 24 hours after \$500.00 has been accumulated or 5 working days if more than \$100 but less than \$500.00 has been accumulated, provided that the funds to be deposited are secured under lock and key. Accumulated funds of \$100 or less, secured under lock and key, are to be deposited at least once each calendar month. If funds cannot be secured under lock and key, “immediately” means the same day.
 - B) For departments, institutions, offices and agencies with enterprise or sales operations that maintain change funds, the \$500, \$250, or \$100 referred to above are considered the funds in excess of the established change fund amount.

C) Agencies and departments should ensure that all deposits are keyed into STARS and transmitted to the Division of Accounts on a timely basis to ensure that STARS accounting reports reflect actual revenue and fee collection activity

Exceptions

5. Exception requests to this policy with supporting material should be submitted to the Chief of Accounts, Department of Finance and Administration for review and approval. Exceptions are permitted to the timeliness standards in Section 4 (A) above in situations where a local bank office is not open during normal business hours, ie. is closed every Wednesday or Thursday.

Approval of the Commissioner of Finance and Administration

I, John D. Ferguson, hereby approve of this policy statement of the Department of Finance and Administration, and as such agree with and authorize actions necessary to implement its requirements.

Signed _____

Date _____

Approval of the Comptroller of the Treasury

I, John G. Morgan, hereby approve of this policy statement of the Department of Finance and Administration and as such agree with and authorize actions necessary to implement its requirements.

Signed _____

Date _____