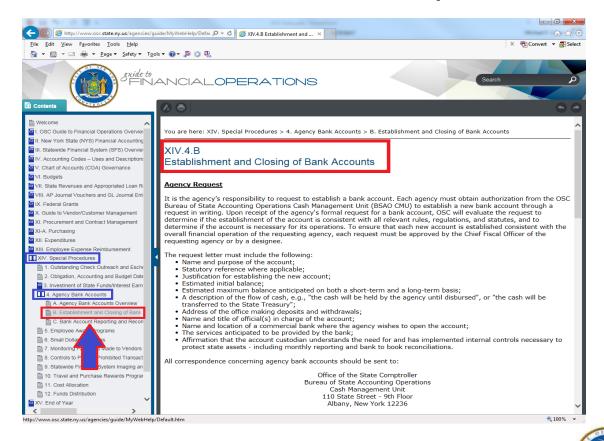
# Bureau of State Accounting Operations Cash Management

Administration of State Agency Bank Accounts



#### Opening a New Bank Account

#### OSC Guide to Financial Operations



#### **Banking Services**

- OSC is responsible for the oversight of all banking services related to the funds of the State.
- OSC must approve any bank account.
- No bank account containing State monies may be charged any account or service fees.
- OSC generally pays for ordinary and routine banking services for state agencies.



#### **Banking Services**

#### Cash Management Contact Information:

(For bank account questions and online access)

BankingServices@osc.ny.gov



#### **Future of Bank Accounts**

- Improve efficiency of statewide banking activity
  - Consolidate/Close bank accounts
  - Automating processes
  - Reduce banking service costs
  - Reduce reconciliations
  - Bank activity through SFS



## Sole Custody Accounts

- Statutorily Created
- Created per legislation
- Monies are never transferred to the State Treasury except for investment purposes
- Investment Fund would not have appropriation authority
- Bank account could be authorized to issue checks

- Administrative Revenue Collection
- Bank account serves as an extension of the NYS General Checking Account
- Collection of monies to be transferred to the State Treasury
- No checks issued from bank accounts



## **Current Sole Custody Topics**

- Check stock for new bank accounts
  - Permissible for statutory sole custody accounts, if needed
  - Checks should not be issued against a revenue collection sole custody account



## Current Sole Custody Topics - Cont'd

- Banking Legal Agreements
  - Also called "Banking Service Agreements"
    - Formal, written, legal agreements or contracts that are required with every bank that provides banking services to the State of New York, including State agencies
    - Legally binding contracts



## Current Sole Custody Topics - Cont'd

- Banking Legal Agreements (continued)
  - State agencies may not directly enter into any banking services agreement for paid banking services unless such payment is required by law or is reviewed and expressly approved by OSC.
    - Agencies must be aware of each bank's proposed documentation that seeks to obtain agreement to its terms and conditions.
    - Banking documents may not change OSC's required and approved terms and conditions with each of the banks to ensure that bank is not adding new terms.

## Current Sole Custody Topics - Cont'd

#### **Escheatment**



#### <u>Escheatment</u>

Pursuant to §102 of the State Finance Law, the amounts of all uncashed checks and prepaid cards issued by or on behalf of the State for more than one year from the date of issuance shall be paid into the Abandoned Property Fund. The funds must be turned over by the applicable reporting date pursuant to OUF; April 30th. OSC will complete this transfer for the Comptroller's Refund Account and payroll checks. DTF Treasury will complete this transfer for Vendor, Employee Expense and SSI/SSP checks. Business Units are responsible for transferring the funds from their agency sole custody accounts once the required information is transmitted to OSC OUF.

For current escheatment dates for Refund, Payroll, Vendor, Employee Expense and SSI/SSP checks see Operational Advisory 9 - Current Year Escheatment.

Once the proceeds of the uncashed payments for the year have been transferred to OUF, all future claims related to these proceeds shall be referred to OUF.

For further information on transferring funds to OUF, please refer to the OUF website at <a href="www.osc.state.ny.us/ouf">www.osc.state.ny.us/ouf</a>. Questions can be directed to OUF at 1-800-221-9311 or by e-mail to <a href="https://www.osc.ny.gov">NYSOUF@osc.ny.gov</a>.

#### Questions?

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