

Bureau of State Accounting Operations

Cash Management



NYS COMPTROLLER
THOMAS P. DiNAPOLI

2020 Fall Conference

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Cash Management Unit (CMU)

Responsibilities

Daily Cash Position

Ensure availability of funds for daily State operations

Fund/sweep agency sole custody accounts

Banking Services & Admin

Authorize banks for deposits of State monies

Security administration

Banking Consolidation and Initiatives

Reduce bank accounts

Streamline banking processes

Cash Advances

Transactions and queries

Reporting

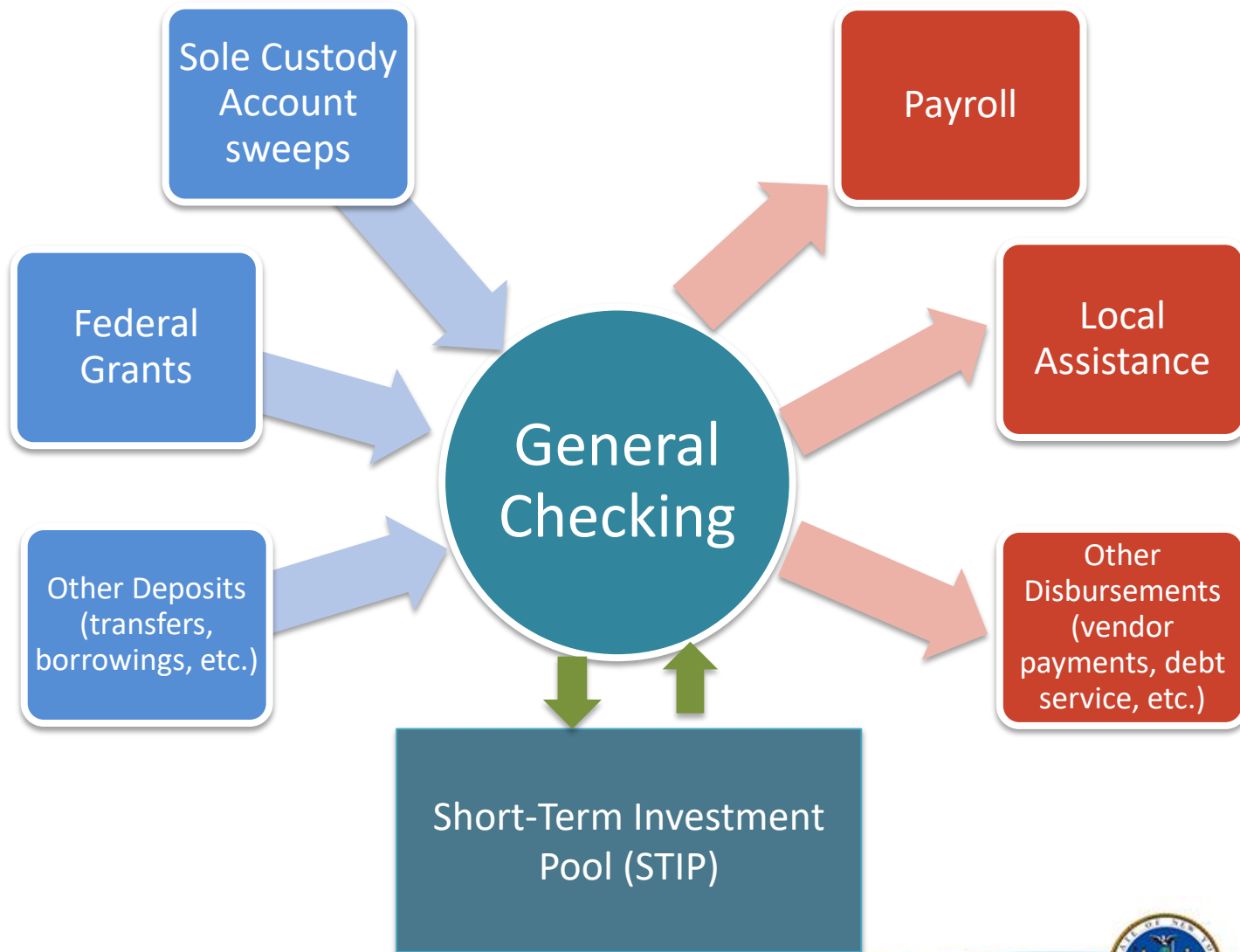


Management of New York State Monies

- State Finance Law §98-a authorizes the Comptroller to invest any monies held in any fund that is not needed for payments
- On a daily basis, CMU staff monitor the balances in agency sole custody accounts, Federal monies that are being drawn into the State, any large revenues expected, and compare those receipts to the payments expected for that night
- Any residual monies are reported to OSC's Pension Investment and Cash Management Unit who then purchase securities with the idle monies
- These investments make up the Short Term Investment Pool and monies earned are distributed on a monthly basis to eligible funds



Management of NYS Monies



Cash Management Notifications

CashManagement@osc.ny.gov

- Large deposits and dates of deposits
- Unexpected payments and disbursements
- Same day funding requests – by 10am
- This will allow CMU to better manage the State's cash and investments



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Banking Administration



Setting up New Bank
Accounts



Granting/Managing
Online Access



Setting Up a New Bank Account

- Contact CMU to request new account. Request should include:
 - Name and purpose
 - Justification for establishment
 - The account (bank and account number) that the new account will replace, if any
- If approved, we will contact the bank and give them the new account name and agency contact information
- The bank will work directly with the agency to set up the account
- Once the account is established, the agency must submit the account number and name to Cash Management where it will be added to the State's Bank Account Inventory
- We will set up agency users for on-line bank statements and services as needed
- See GFO Chapter XIV, Section 4.B – Establishment and Closing of Bank Accounts



Requesting Online Banking Access

For questions pertaining to online access or to add a new user, please email Cash Management at: BankingServices@osc.ny.gov

The following information is needed to add a user to online access:

- Employee's name, email address, phone number
- Type of access the user needs (bank statements, previous day reporting, etc.)
- Which bank and which account(s) the user needs access to
- Is there a current online user at your agency that this new user can be cloned after?
- Is there a current online user that no longer requires access and can be removed from online banking?

It is also important to note that it is the responsibility of the agency to notify CMU not only when a new user needs to be setup, but when a user has left the agency and can be deleted.



Common Types of Online Access Requests

Some of the common requests we get for online access include:

- Online Bank Statements
- Previous Day Reporting
- Remote Deposit
- Image Access/Inquiry
- Positive Pay/Stop Payments
- Same Day/Current Day Reporting



Banking Modernization and Consolidation Goals

**Reduce Number
of Bank Accounts**

**Streamline
Banking Process**



Reducing Number of Bank Accounts

OSC assists in managing over 2,000+ agency bank accounts, within 60+ different banks, for NYS agencies across New York State.

- There is an ongoing enterprise initiative to save NYS money by reducing banking costs.

- Sole Custody Accounts
 - Sole Custody – established in law
 - Revenue Collection Sole Custody – administratively created

- Closing unnecessary Revenue Collection Accounts
 - Benefits include:
 - Reduction of administrative work
 - Reduction in banking fees / costs
 - Fewer reconciliations and Sole Custody filings



Streamlining Banking Processes

Process Improvements:

- Transitioning true Sole Custody Accounts into Statewide Financial System (SFS) – using SFS for accounting, disbursements and reporting
- Depositing directly into General Checking

Cost Savings Measures:

- Eliminating paper reports
- Increasing use of remote deposit and other deposit methods

Additional Benefits:

- Reduce instances of fraud



Cash Advance Accounts



Cash Advance Accounts Overview

- Authorized by Section 115 of the State Finance Law
- Established from money appropriated to the agency
- Special Use Vendor ID required (requested through the Vendor Management Unit)
- Operated on the imprest basis, i.e. the fund is replenished for the exact amount of the expenditures reported



Cash Advance Account Transactions and Helpful Queries

Increase / Decrease Advance Transactions

- Special Cash Advance expenditure accounts used **ONLY** to increase/reduce advance amount (59001-59005) or to reduce advances charged against a lapsed appropriation (32209-32213)
- NY_AP_CASHADV_AUTHORIZED_LIMIT public query in the SFS

Advance Replenishment Transactions

- Non Personal Service account codes should be used on all replenishment vouchers
- NY_AP_CASHADV_REPLENISHMENT public query in the SFS



Reporting Cash Advance Accounts

- State Finance Law Section 107 - Advance accounts must be reconciled monthly
- All Cash Advances should be maintained in a consolidated bank account, in the name of the Agency, titled “Agency Advance Account”
- Annual confirmation and reconciliation request sent to agencies in April and must be returned promptly with requested backup
- Any cash shortages are the responsibility of the custodian in charge of the advance and must be reported to OSC immediately

See GFO Chapter VII, Section 10 – Cash Advances



Reducing Cash Advance Accounts

OSC is actively requiring that agencies reduce their advances by:

- Using purchasing cards (P-cards) instead of Petty Cash advances
- Using travel cards (T-cards) instead of Travel advances
- Utilizing expense reports for employee reimbursable expenses
- Reviewing appropriate funding levels for advances that are still needed and reduce the advance to the necessary amount
- Returning advance funds and closing bank accounts when there has been no activity within the past year



Cash Management Contact Information

- For daily inflows and outflows and to request sweeps or transfers between bank accounts, email CashManagement@osc.ny.gov
- For bank account questions, including security requests and access to certain reports or services, email BankingServices@osc.ny.gov
- For cash advance account questions, email CashAdvance@osc.ny.gov



Helpful GFO Resources

Establishment and Closing of Bank Accounts

XIV. Special Procedures > 4. Agency Bank Accounts > B. Establishment and Closing of Bank Accounts

Bank Account Reporting and Reconciliations

XIV. Special Procedures > 4. Agency Bank Accounts > C. Bank Account Reporting and Reconciliations

Banking Services Contracts

XI. Procurement and Contract Management > 11. Miscellaneous > C. Banking Services Contracts

Cash Advances

VII. State Revenues and Appropriated Loan Receivables > 10. Cash Advance



