



*Office of Treasury
and Fiscal Services*



Streamlined Banking
Local Depository Accounts
April 11th, 2007

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Streamlined Banking Local Depository Accounts

Agenda

- Introductions
- Roll Call
- Local Depository Accounts
 - Initial Procedures to be Performed on Day 1 for Streamlined Banking
 - Ongoing Operations with Streamlined Banking



Streamlined Banking Local Depository Accounts Introductions

**Joyce Smith – Functional Lead – Cash
Management Team**

Donna Bowman – OTFS Accounting Director

Roll Call



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Local Depository Accounts

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Streamlined Banking Local Depository Accounts

Streamlined Banking and Local Depository Accounts

- ❑ Local depository accounts (LDAs) are used when:
 - Bank of America locations not conducive to business needs
 - Operational needs require a separate deposit account
- ❑ Objectives for LDAs within Streamlined Banking
 - LDAs used only for deposits
 - Timely moving of deposits from LDA to main depository account at BOA (weekly basis for collected balance over \$500)
 - Ability to identify funds held at all bank accounts in general ledger cash accounts
 - Ability to identify funds moved from LDA to main depository account at BOA



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Local Depository Accounts

**Initial Procedures to be
Performed on Day 1 for
Streamlined Banking**

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Streamlined Banking Local Depository Accounts

Initial Procedures for LDAs with Streamlined Banking

- All transfers from the LDA to the Agency Main Depository Account at BOA are initiated through ARIS
 - Use New Radio Button in ARIS: “Local Depository Remittance”
- OTFS requires the following ACH instructions for LDAs:
 - LDA Bank name, address
 - Account number
 - ABA routing number

Agency To Do

Please give this information to OTFS (even if you have already) for the LDAs you are keeping by April 20th

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Streamlined Banking Local Depository Accounts Set Up LDA



**Beginning Scenario:
Local Deposit Account
(LDA) Has a \$10,000
Balance Consisting
Entirely of State Funds**

LDA Bank Balance (All State Funds) \$10,000



Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
Beg	\$10,000	\$0	\$0	\$10,000	\$0	\$0	\$0



Streamlined Banking Local Depository Accounts Set Up LDA

1. Convert LDA to “Deposit Only” (once outstanding checks clear)



2. Calculate Excess Amount Over Minimum Balance Needed to Cover NSF Deposits

Bank Balance	\$10,000
Minimum Balance	<u>(1,000)</u>
Excess Balance	\$9,000

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
1							
2							
Total	\$10,000	\$0	\$0	\$10,000	\$0	\$0	\$0

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Streamlined Banking Local Depository Accounts

Determining Minimum Balance to Keep in LDA

Agency To Do

Calculate a reasonable minimum balance to cover average NSF deposits, bank fees, bank requirements

Inform OTFS by April 20th:

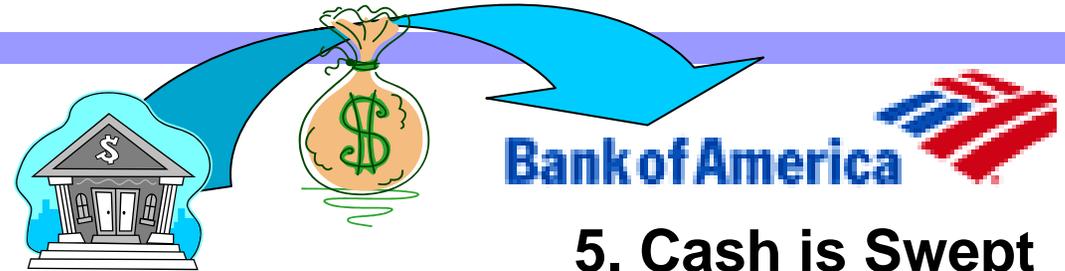
Minimum balance amount for each LDA

Factors considered and calculation of minimum balance



Streamlined Banking Local Depository Accounts Set Up LDA - continued

3. Agency Submits Transaction in ARIS for OTFS to Move \$9,000 to Agency Main Depository Account at BOA



4. OTFS Moves Cash to Agency Main Deposit Account at BOA

5. Cash is Swept to State Main Concentration Account

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
3							
4	-\$9,000	\$9,000					
5		-\$9,000	\$9,000				
Total	\$1,000	\$0	\$9,000	\$10,000	\$0	\$0	\$0



Streamlined Banking Local Depository Accounts Set Up LDA - continued

6. Record Direct Journal for \$9,000 using FC10200 in PeopleSoft AR to Move Cash to Agency Main Depository Account



7. AR Update, Journal Generator, Edit, and Post Run in Batch Nightly

8. Nightly Allocation Moves Amounts from Agency Account 102400 to OTFS Account 101006 (and also records transfer activity)

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
6							
7				-\$9,000		\$9,000	
8						-\$9,000	
Total	\$1,000	\$0	\$9,000	\$1,000	\$0	\$0	\$0



Streamlined Banking Local Depository Accounts Accounting Balances

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
Beginning Balance	\$10,000			\$10,000			
Total Activity of Set Up	-\$9,000	\$0	\$9,000	-\$9,000	\$0	\$0	\$0
Ending Balance	\$1,000		\$9,000	\$1,000			

New Query

0GL074_LOCAL_DEP_FUNDS_AGENCY

This query shows the posted total amount in the Ledger per business unit, fund, and funding source for the Local Depository Cash Accounts



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Local Depository Accounts

**Ongoing Operations with
Streamlined Banking**



Streamlined Banking Local Depository Accounts Deposit to LDA

**1. Agency Deposits
\$1,500 of State Funds in
Local Depository Bank**



**2. Agency Submits
Transaction in ARIS for
OTFS to Move \$1,500 to
Agency Main Depository
Account at BOA**

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
1	\$1,500						
2							
Total	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0



Streamlined Banking Local Depository Accounts Deposit to LDA - Continued



**3. OTFS Moves Cash to
Agency Main Deposit
Account at BOA**

**4. Cash is Swept to
State Main
Concentration Account**

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
3	-\$1,500	\$1,500					
4		-\$1,500	\$1,500				
Total	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0



Streamlined Banking Local Depository Accounts

Deposit to LDA - Continued

5. \$1,500 Deposit
Recorded in
PeopleSoft To
Local Depository
Account (101060)
Using FC10200



6. Direct Journal Entered in AR to Move
\$1,500 Entered in ARIS to Agency Main
Deposit Account Using FC10200 and
Retaining Chartfield Values

7. Nightly Allocation Moves Amounts from
Agency Account 102400 to OTFS Account
101006 (and also records transfer activity)

Step	Agency LDA	ROA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
5				\$1,500			
6				-\$1,500		\$1,500	
7						-\$1,500	
Total	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0

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Streamlined Banking Local Depository Accounts Accounting Balances



Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
Beginning Balance	\$10,000			\$10,000			
Activity of Set Up	-\$9,000	\$0	\$9,000	-\$9,000	\$0	\$0	\$0
Activity Dep. #1	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0
Ending Balance	\$1,000		\$10,500	\$1,000			



Streamlined Banking Local Depository Accounts NSF Check Returned to LDA

1. \$200 Check (State Funds) Returned to LDA for Insufficient Funds



2. Return of Deposit Recorded in PeopleSoft AR Against LDA (101060) Using FC10200

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
1	-\$200						
2				-\$200			
Total	-\$200	\$0	\$0	-\$200	\$0	\$0	\$0

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Streamlined Banking Local Depository Accounts Accounting Balances



Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
Beginning Balance	\$10,000			\$10,000			
Activity of Set Up	-\$9,000	\$0	\$9,000	-\$9,000	\$0	\$0	\$0
Activity Dep. #1	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0
Activity NSF	-\$200	\$0	\$0	-\$200	\$0	\$0	\$0
Ending Balance	\$800		\$10,500	\$800			



Streamlined Banking Local Depository Accounts 2nd Deposit to LDA

**1. Agency Deposits
\$2,500 of State Funds in
Local Depository Bank**



**2. Agency Submits Transaction
in ARIS for OTFS to Move \$2,300
to Agency Main Depository
Account at BOA (\$2,500 Deposit
Less \$200 Needed to Replenish
Minimum Balance)**

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
1	\$2,500						
2							
Total	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0



Streamlined Banking Local Depository Accounts 2nd Deposit to LDA - Continued



**3. OTFS Moves \$2,300
Cash to Agency Main
Deposit Account at BOA**

**4. Cash is Swept to
State Main
Concentration Account**

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
3	-\$2,300	\$2,300					
4		-\$2,300	\$2,300				
Total	\$200	\$0	\$2,300	\$0	\$0	\$0	\$0



Streamlined Banking Local Depository Accounts

2nd Deposit to LDA - Continued

5. Deposit of \$2,500 Recorded in PeopleSoft Using FC10200 To Local Depository Account (101060)



6. Direct Journal Entered in AR to Move \$2,300 Entered in ARIS to Agency Main Deposit Account Using FC10200 and Retaining Chartfield Values

7. Nightly Allocation Moves Amounts from Agency Account 102400 to OTFS Account 101006 (and also records transfer activity)

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
5				\$2,500			
6				-\$2,300		\$2,300	
7						-\$2,300	
Total	\$200	\$0	\$2,300	\$200	\$0	\$0	\$0



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Streamlined Banking Local Depository Accounts Accounting Balances

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
Beginning Balance	\$10,000			\$10,000			
Activity of Set Up	-\$9,000	\$0	\$9,000	-\$9,000	\$0	\$0	\$0
Activity Dep. #1	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0
Activity NSF	-\$200	\$0	\$0	-\$200	\$0	\$0	\$0
Activity Dep. #2	\$200	\$0	\$2,300	\$200	\$0	\$0	\$0
Ending Balance	\$1,000		\$12,800	\$1,000			



Streamlined Banking Local Depository Accounts 3rd Deposit to LDA

**1. Agency Deposits \$700
of Other Funds in Local
Depository Bank**



**2. Agency Submits Transaction
in ARIS for OTFS to Move \$700
to Agency Main Depository
Account at BOA**

Step	BOA Accounts			Agency GL in PeopleSoft			
	Agency LDA	Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
1	\$700						
2							
Total	\$700	\$0	\$0	\$0	\$0	\$0	\$0



Streamlined Banking Local Depository Accounts 3rd Deposit to LDA - Continued



**3. OTFS Moves \$700
Cash to Agency Main
Deposit Account at BOA**

**4. Cash is Swept to
State Main
Concentration Account**

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
3	-\$700	\$700					
4		-\$700	\$700				
Total	\$0	\$0	\$700	\$0	\$0	\$0	\$0



Streamlined Banking Local Depository Accounts

3rd Deposit to LDA - Continued

5. Deposit of \$700
Recorded in
PeopleSoft Using
FC1XXXX To Local
Depository
Account (101060)



6. Direct Journal Entered in AR to
Move \$700 Entered in ARIS to Agency
Main Deposit Account Using FC1XXXX
and Retaining Chartfield Values

7. Nightly Allocation Moves Amounts
from Agency Account 102400 to
Agency Cash Account 101005

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
5					\$700		
6					-\$700	\$700	
7						-\$700	\$700
Total	\$0	\$0	\$700	\$0	\$0	\$0	\$700



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Streamlined Banking Local Depository Accounts Accounting Balances

Step	Agency LDA	BOA Accounts		Agency GL in PeopleSoft			
		Agency	State	101060 FC10200	101060 FC1XXXX	102400	101005
Beginning Balance	\$10,000			\$10,000			
Set Up	-\$9,000	\$0	\$9,000	-\$9,000	\$0	\$0	\$0
Deposit #1	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0
NSF	-\$200	\$0	\$0	-\$200	\$0	\$0	\$0
Deposit #2	\$200	\$0	\$2,300	\$200	\$0	\$0	\$0
Deposit #3	\$0	\$0	\$700	\$0	\$0	\$0	\$700
Ending Balance	\$1,000		\$13,500	\$1,000			\$700



Information Sources

- E-Mail
 - SLBFeedback@sao.ga.gov
- Web Site
 - www.sao.georgia.gov
 - Click on Streamlined Banking

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