



Financial Transaction SOP: Financial Processing, Advance Deposit (AD)

SOP Owner: Financial Processing Manager

Version Number, Date Revised: #6, 08/13/13

Date Implemented:

Approval(s):

1. Purpose

The Advance Deposit (AD) e-doc is used to record deposits that go directly to the bank. This e-doc enables distribution of the amount received to the appropriate accounts in the financial system. It is used by university departments that make physical cash deposits or remote capture check deposits, departments that use a lockbox at the bank for cash receipts, and anyone who needs to record bank deposits. The AD is used when checks or cash are received and need to be credited to an account. The user creating the AD is responsible for ensuring that the actual bank deposit occurs. The AD e-doc creates the specified accounting entries in KFS.

The system will choose the default bank account for deposits; however, based on an assigned Bank Account Selector role, it might be necessary to select another bank account. (**Note:** very few people at Cornell will have this role).

DO process an AD the same day the deposit is processed to the bank. Delay causes significant reconciliation difficulty.

Do NOT use an AD to correct an account number or object code. Use the General Error Correction (GEC) e-doc.

Do NOT adjust the bank account deposit amount when processing an accounting line correction.

A check's bank account information (including the bank account number in the MICR) must be protected, per University Policy (*see University Policy 5.10*).

If a department does not have a remote capture machine, any checks received should be sent to their FTC or BSC.

2. Procedure

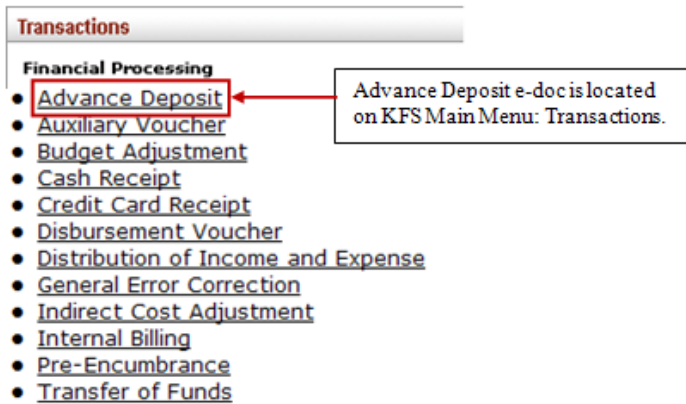


Figure 1– KFS Financial Processing Transactions menu

1. To initiate, choose the AD e-doc from the Main Menu.
2. Complete the Advance Deposits tab and click **add**.
 - Funds should be counted per “Safekeeping of Financial Assets, Including Cash, Checks, and Securities” (*see page 1 of University Policy 3.22*).
3. Continue adding deposits to the Advance Deposits tab as necessary.
4. Complete the standard tabs.



Advance Deposit ?	Doc Nbr: 10002190	Status: INITIATED
	Initiator: rid46	Created: 02:23 PM 02/11/2011

* required field

Document Overview ▼ hide

Document Overview

* Description: Explanation:

Org. Doc. #:

Financial Document Detail Total Amount:

Advance Deposits ▼ hide

Advance Deposits

	* Bank Code	* Date	* Reference Number	Description	* Amt	Actions
add:	DEPS Depository TTC	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="button" value="add"/>
					Total: 0.00	

Accounting Lines ▼ hide

Accounting Lines hide detail import lines

	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
add:	IT	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	0.00	<input type="button" value="add"/>
									Total: 0.00

Capital Edit

General Ledger Pending Entries

Notes and Attachments (0)

Ad Hoc Recipients

Route Log

Figure 2 – Advance Deposit e-doc



Advance Deposit ?

Doc Nbr: 10000784 Status: FINAL
Initiator: CCS1 Created: 11:15 AM 01/04/2011

[expand all](#) [collapse all](#)
* required field

Document Overview ▼ hide

Document Overview

* Description: Conference Fees Other Universities Explanation:

Org. Doc. #:

Financial Document Detail

Total Amount: 1,000.00

Advance Deposits ▼ hide

Advance Deposits

	* Bank Code	* Date	* Reference Number	Description	* Amt
1:	DEPS Depository TTC	01/12/2011	Jan12	Cash Universities	1,000.00
					Total: 1,000.00

Accounting Lines ▼ hide

Accounting Lines ? [hide detail](#)

	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
1	IT Ithaca Campus	H193800 CONFERENCE SERVICES		4030 Conferences Revenue				1,000.00	
								Total: 1,000.00	

Capital Edit ▶ show

General Ledger Pending Entries ▶ show

Notes and Attachments (0) ▶ show

Ad Hoc Recipients ▶ show

Route Log ▶ show

[send ad hoc request](#) [close](#) [copy](#)

Figure 3 – AD example

AD e-doc has its own unique tab called **Advance Deposits** (in addition to the standard financial transaction tabs).

Bank Code defaults to: DEPS, Depository TTC. Only staff with the Bank Account Selector role (which will be limited to very few individuals) will be able to choose a different bank from a drop-down list.

Advance Deposits ▼ hide

Advance Deposits

	* Bank Code	* Date	* Reference Number	Description	* Amt	Actions
add:	DEPS Depository TTC	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	add
					Total: 0.00	

Figure 4 – Advance Deposits tab



Table 1 Advance Deposits tab definitions

Field Name	Description (* indicates a required field)
Bank Code	* Enter the bank code number to which the funds are deposited, or search for a bank account from the lookup. (The bank code is automatically carried over.)
Date	* Enter the actual date of the deposit or select it from the calendar.
Reference Number	* Enter the transaction number or anything that meets your tracking needs.
Description	* Enter a brief description of the transaction. This is for departmental use only, and can be very helpful in reconciling.
Amt	* Enter the total amount of the deposit.

Physical Cash Deposit

Note: each line in the Advance Deposits tab represents a physical deposit and generates a debit to the bank account (i.e., an asset). In the scenario outlined in Figure 5 (below), locked bags (already double counted per University Policy 3.22) are ready for deposit:

- Bag #1 contains \$1,500.00 (cash received on 05/24/11)
- Bag #2 contains \$700.00 (cash received on 05/25/11)

Advance Deposits						
	* Bank Code	* Date	* Reference Number	Description	* Amt	Actions
add:	DEPS TTC Depository					add
1:	DEPS TTC Depository	05/24/2011	123		1,500.00	delete
2:	DEPS TTC Depository	05/25/2011	456		700.00	delete
					Total: 2,200.00	

Figure 5 – Advance Deposits tab, example, two amounts

Remote Capture Check Deposit

Checks deposited via the Tompkins Trust Company web-based remote capture software are processed in the AD e-doc in a similar fashion to physical cash deposits. Each remote deposit batch that is approved and released represents a bank deposit.

For example, in this scenario, there were four individual checks included in one batch transmitted to the bank.

- Check #1 \$ 50.00
- Check #2 \$ 50.00
- Check #3 \$ 50.00
- Check #4 \$ 5.51
- Total Batch = \$ 155.51



Document Overview hide

Document Overview

* Description: Explanation:

Org. Doc. #:

Financial Document Detail Total Amount: 155.51

Advance Deposits hide

Advance Deposits

	* Bank Code	* Date	* Reference Number	Description	* Amt	Actions
add:	DEPS TTC Depository	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="button" value="add"/>
1:	DEPS TTC Depository	05/06/2011	146686	Remote Deposit	155.51	<input type="button" value="delete"/>
					Total: 155.51	

Accounting Lines hide

Accounting Lines hide detail

	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
add:	IT	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	0.00	<input type="button" value="import lines"/>
Line Description									
1:	IT Ithaca Campus	G091901 EMERITUS PROFESSORS	<input type="text"/>	4090 Revenue - Royalty	<input type="text"/>	<input type="text"/>	<input type="text"/>	155.51	<input type="button" value="delete"/> <input type="button" value="bal inquiry"/>
Line Description									
								Total: 155.51	

Figure 6 – Advance Deposits tab, Remote Deposit example

Tompkins Remote Deposit - Windows Internet Explorer

https://goldleafach.com/ach/Home.aspx

TOMPKINS TRUST COMPANY — Tompkins Remote Deposit —

Home | Contact Us | Help | Logout

Transactions Administration Report Manager Security File Transfer Links

CU G05-0003-9550 Edit Save | Cancel | Delete | Return to List

Transaction Detail

Individual Name:

Auxiliary On-Us:

Account Number:

EPC:

R/T Number*: 02100032

Amount*: 64.02

Is Active*: No

Custom Field 1: 1015897

Custom Field 2:

Custom Field 3:

Custom Field 4:

Custom Field 5:

Notes:

Enter e-doc number into the first check for every batch in the "Custom Field 1"

History

First Transaction Date: 11/8/2010

Previous Transaction Date: 11/8/2010

Times Sent: 1

Figure 7 – Custom Field 1



Training Issue: enter the e-doc number that will be used to record the deposit in KFS when processing the check in the Remote Deposit system. Enter the e-doc number in **Custom Field 1** (as indicated in Figure 7, above) for the first check of every batch processed.

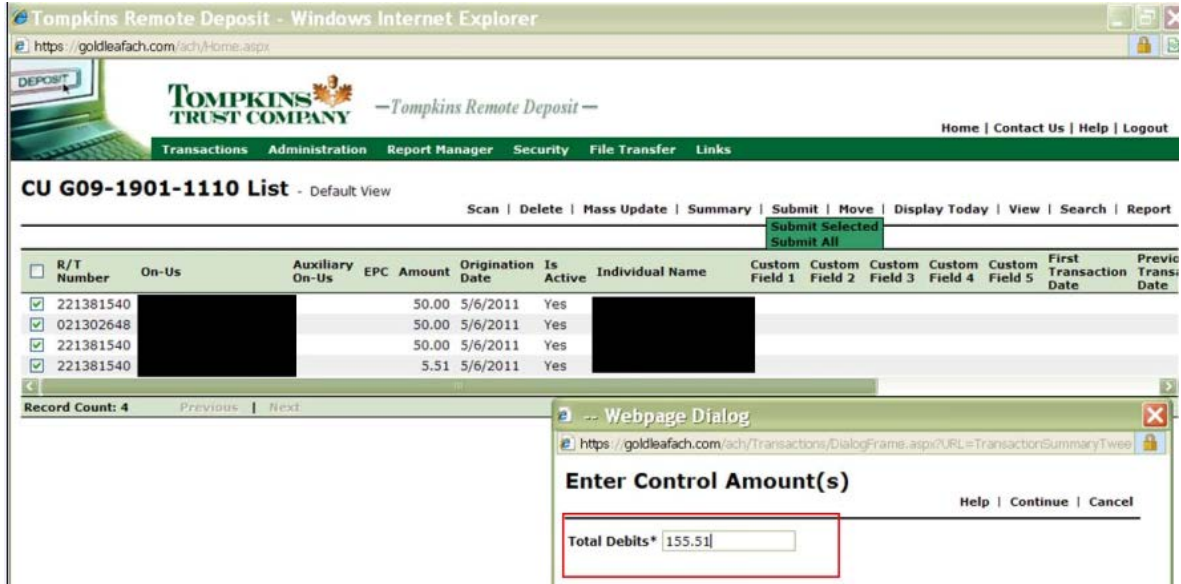


Figure 8(a)

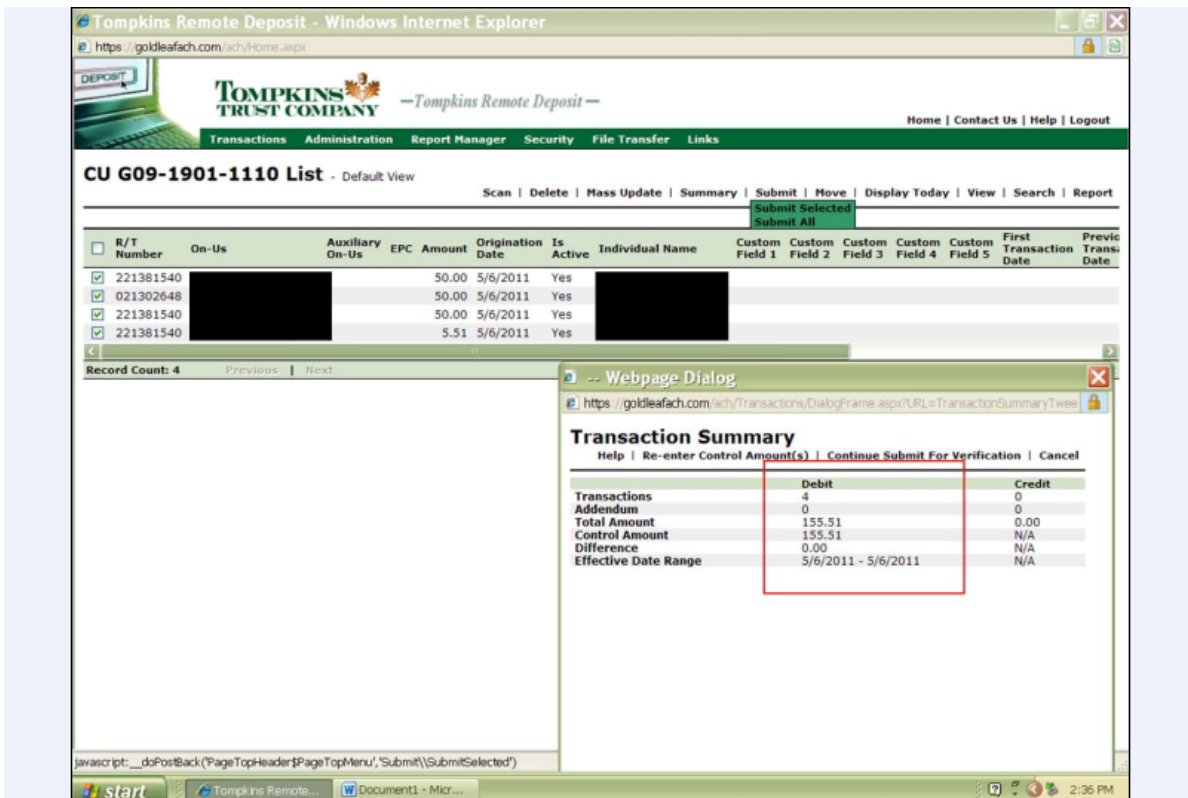


Figure 8(b)



Remote Deposit Transaction Submission Report					
Generated:	5/6/2011 2:37:01 PM				
User:	Cornell University- University Business Service Center [REDACTED]				
ODFI:	021302648 - Tompkins Trust Company				
Category:	CU G09-1901-1110 (CU G09-1901-1110)				
Customer ID	146686				
Customer Name	CU Business				
Trans Collection Submitted: 5/6/2011 2:37:00 PM					
Individual Name	Aux On-U	EPC	Account Number	Debit	R/T Num
[REDACTED]				50.00	221381540
[REDACTED]				50.00	021302648
[REDACTED]				50.00	221381540
[REDACTED]				5.51	221381540
			Subtotal:	155.51	
			Check Count:	4	
			Transaction Subtotal:	4	
Totals For All Transactions					
			Debit		
		Total:		155.51	
		Transaction Count:		4	

Figure 8(c)

Figures 8 (a to c) – Remote Deposit, Tompkins Trust and Report

Training Issues:

- One line item in the Advance Deposits tab should correspond to one remote deposit batch transmitted to the bank.
- The date entered in the Advance Deposits tab for each remote deposit batch should correspond to the date the remote deposit batch is approved and released to the bank.

Whoever is reconciling the bank account will be comparing the advance deposits amount recorded on the e-doc to the entries on the bank statements. For every line that appears, there will be a debit recorded for that line total.

Business Rules

- The advance deposits total must be equal to the total of the Accounting Lines tab.
- Negative accounting line amounts **are** allowed.
- There must be at least one accounting line in the e-doc.

The AD e-doc is one-sided. KFS automatically generates the other side of the entry affecting the cash account, as defined by data entered into the e-doc.



Notes:

- Gift Deposits: gift deposits must follow AA&D procedures. **Training Issue:** if funds are received with a total amount that includes a gift, the procedure will be to send the entire amount to AA&D; they will process and return the non-gift portion.
- Corrections: Please contact Leslie Stow (lcs38@cornell.edu, 5-9664) or Brenda Streeter (bls9@cornell.edu, 5-4860) before processing a deposit correction to determine how the correction should be processed.

Examples of common use at Cornell

- lockbox transactions
- remote capture
- units that receive cash / checks to be deposited