VUMC
DEPARTMENT OF FINANCE

DAILY DEPOSIT PROCEDURES

Depositing & Recording of Checks Received by VUMC Finance
PURPOSE

To document policies and procedures followed by the Department of Finance for endorsing, depositing and subsequently recording checks (no cash) received. These procedures are effective as of July 1, 2008.

RECEIVING CHECKS

- Medical Payroll will continue as a drop-off site for checks (no cash) to be deposited. Checks are to be addressed to Deposit, Department of Finance, S-2311 MCN.
- Department of Finance receives checks throughout the day via campus mail; all checks (no cash) are to be addressed to Deposit, Department of Finance, Suite 700 CT.
  Note: Cash deposits are to be taken directly to the Cashier’s Office in the Vanderbilt University Hospital.
  *Ref: Cash Collections and Reconciliation Procedures OP-40-10.02

ENDORSing CHECKS

- All checks received by Finance will be deposited by Finance; this means that no live checks will be mailed to other departments – transfers via journal entry will move the money to other departments if necessary (see “Allocation to Other Departments” below)
- All checks are to be endorsed upon receipt; stamps will be located in the following areas:
  o Crystal Terrace – 7th Floor, Accountant Document Review Area (778A)
  o Crystal Terrace – 8th Floor, Contracts & Grants Division
  o Medical Payroll – MCN S-2311

DAILY DEPOSITS

- Finance will have 2 check deposits each day – one made by Medical Payroll and the other by Finance-Administrative Support staff located in Crystal Terrace. Each of these areas must have at least one deposit each day unless no checks have been received.
  Note: Any single check of $500,000 or more received after the daily deposit has been made will automatically result in a required additional deposit for that day.
- END of MONTH – on the last business day of each month, both locations (Crystal Terrace & Medical Payroll) must create a second deposit regardless of the amount of the checks held; the purpose of this deposit is the timely recording of all possible checks in the month received.

COURIER PROCEDURES

- The sealed Crystal Terrace deposit will be retrieved by the Finance courier each morning at 8:00 a.m. Courier will initial Deposit Drop off/Pickup Log.
- The sealed Medical Payroll deposit will be given to the courier each morning at 8:30 a.m.
- The Finance courier will take both deposit bags to the VUH Cashier’s Office on the 8:00 – 8:45 run.
- The Finance courier will return BOTH RECEIPTS to Crystal Terrace, Department of Finance-Academic and Research Enterprise responsible accountant in their area.
MEDICAL CENTER PAYROLL DEPOSIT

• Once each day (at a time to be determined based upon other duties performed by Medical Payroll), all checks collected during the current/previous day will be batched for deposit. The deposit must be ready for pickup by the Finance courier at **8:30 a.m.** each morning:
  o Make copies of all checks to be deposited that day
  o Detach the live check from the backup; attach the check COPY to the backup and set aside
  o Run 2 tapes on the live checks; verify the tapes match
  o Verify all checks have been endorsed
  o Complete deposit slip and bank bag; attach deposit slip and 1 calculator tape to checks and seal in bag
  o Attach deposit slip copy and 1 calculator tape to check copies (including corresponding backup)
  o Log deposit into S:\ENTPRS\DEPOSIT\log.xls (you will need the bank-bag number to complete the log)

• Courier Pickup
  o Actual Deposit – to be picked up by the Courier on the 8:00 a.m. run each morning (see “Courier Procedures” for additional detail).
  o The check copies, backup, 1 calculator tape and 1 copy of the deposit slip should be stapled together and mailed to Department of Finance-Academic and Research Enterprise responsible accountant at Suite 800 Crystal Terrace, (8480).

CRYSTAL TERRACE DEPOSIT

• Once each day, all checks collected during the current/previous day will be batched for deposit. The deposit must be ready for pickup by the courier at **8:00 a.m.** each morning.
  o Make copies of all checks to be deposited that day
  o Detach the live check from the backup; attach the check COPY to the backup and set aside
  o Run 2 tapes on the live checks; verify the tapes match
  o Verify all checks have been endorsed
  o Complete deposit slip (remember the deposit will be made the next work day and that is the date to put on everything) and bank bag; attach deposit slip and 1 calculator tape with checks and seal in bag
  o Attach deposit slip copy and 1 calculator tape to check copies (including corresponding backup)
  o Log deposit into S:\ENTPRS\DEPOSIT\log.xls (you will need the bank-bag number to complete the log with bank deposit date).

• Courier Pickup
  o Actual Deposit – to be picked up by the Finance courier on the 8:30 a.m. run each morning (see “Courier Procedures” below for additional detail).
  o The check copies, backup, 1 calculator tape and 1 copy of the deposit slip should be stapled together and given to Department of Finance-Academic and Research Enterprise responsible accountant at Suite 800 Crystal Terrace, (8480).
RECORDING DEPOSITS

- After copies have been made and checks are sealed in bag, ready for courier, the responsible accountant in the Finance-Academic and Research Enterprise can begin coding the deposit.
- Coding must be completed by 2:00 p.m. daily for the morning deposit; other deposits made during the day should be coded by 2:00 p.m. the following day.
- Create the “pink journal entry” cover sheet
  
  **Note:** By signing the pink journal entry form, the signor acknowledges that the deposit is in balance, it agrees to the deposit slip and the Cashier’s Office receipt has been received.
  - One upload per day will be created using the access database; this means that all deposits for the day will appear as a single deposit on the access database.
  - Use the Deposit Slip totals as the batch total.
  - Use the Deposit Slip date as the deposit date.
  - Use Finance person actually coding the checks as the “Source” name on the journal entry upload “pink sheet.”
- An Accounting Assistant in the Enterprise Wide division will input the deposit into the access database program; an Accountant in the Finance-Academic and Research Enterprise will act as backup.

ALLOCATIONS TO OTHER DEPARTMENTS

- Finance will deposit all checks (no cash) received, thus live checks will no longer be mailed to other departments for deposit.
- Any deposit made by Finance but belonging to another department must be given to that department in one of 2 ways:
  - Journal Entry (or 1180) – a copy of the check, backup and journal entry must be mailed to the department on the same day the deposit is made.
  - Direct application of the funds based on instruction received from the department (via the deposit Access upload program).

ORDERING SUPPLIES FOR DEPOSIT

Deposit slip booklets and required Bank deposit bags should be ordered by the accountant in the Enterprise Wide division. Any supplies needed for the deposit should be ordered 10 business days prior to depleting your supply. (When you are down to only 10 deposit slips or deposit bags, you should contact the banking accountant.)

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This document updated by Paula Webb, Executive Secretary-Enterprise Wide - VUMC Department of Finance, June 4, 2008