

Requirements for Depositing Funds

Background

In July of 2018, a State of Washington accountability audit of the UW revealed that the handling of checks for gifts (and grants) was not in compliance with subsection 85.50.20.a of the State Accounting and Administration Manual (SAAM).

85.50.20 July 1, 2008	Deposit of local receipts
85.50.20.a	<p>Cash receipts for deposit in local accounts, established pursuant to RCW 43.88.195 or other statutory provision, are to be deposited intact each day for the collections of the preceding day refer to Subsection 85.65.12 for an illustrative entry unless:</p> <ul style="list-style-type: none">• A specific written waiver is granted by the Office of Financial Management, or• Total cash receipts on hand (exclusive of change accounts) are under \$500. However regardless of the amount on hand, local account receipts are to be deposited weekly.

The Office of Financial Management ruled that UW possession of a check begins when it is received by a department or unit, not when it is delivered to the Office of Gift Services or Grant and Contract Accounting.



UW Response

- In September and October, GS, GCA, Internal Audit, and Banking and Accounting Operations met to draft a “partial” waiver request and outlined our unique challenges on SAAM 85.50.20.a compliance.
- UW exception requested five business days to receive and process checks, allowing for internal transit and the review of gifts and grants with complex acceptance requirements.
- While 85.50.20.a specifies checks over \$500, we agreed that the best practice, and best service to our donors, is to handle all checks alike.
- In December, Associate Controller Dan Schaaf submitted the waiver request to the Office of Financial Management.



OFM Response

- Waiver was granted on January 15, 2019 and expires at midnight on June 30, 2019 (end of the current biennium).
- UW is required to resubmit the waiver request prior to each biennium.
- Cash/checks must be deposited within five business days from receipt, regardless of amount.
- Exception only applies to Office of Gift Services and Grant and Contract Accounting.
- All areas other than Gift Services and GCA must continue to comply with SAAM 85.50.20.a



Requirements to Remain Compliant

- **Endorse checks before sending through campus mail.**
 - Banking Operations will provide endorsement stamps for all UA departments and units receiving checks.
- **Secure checks in locked location until sent to Gift Services.**
- **Date Stamp Mail.**
 - Gift Services will track transit times to show compliance.
 - Best Practice: use Online Gift Transmittal.
 - Exploring options with Mailing Services.



Next Steps

- > **Use BOX 359505 on your response envelopes:**
 - This mail is delivered directly to Gift Services reducing transit time.
 - Include Allocation and Appeal on response devices.
- > **New Budget requests:** giftfund@uw.edu.
- > **Online Gift Transmittal:** Credit Card processing and check capture.
- > **Notify GS in advance:** larger mailings, campaigns, events, and/or complex gift agreements.
- > **Microsoft Teams: og_ua_cop_giftserv** (in beta with March 1 rollout)
 - An avenue for UA coordinators and admins to communicate laterally with Gift Services on procedure questions and gift inquiries.
 - Will allow GS to send announcements, post documentation, calendar, and production schedules.