



Treasury Financial Manual

Chapter 2000

DEPOSITING DOMESTIC CHECKS AND CASH RECEIVED IN OVER THE COUNTER (OTC) COLLECTIONS

This chapter prescribes instructions for federal entities to deposit domestic checks and cash.

Section 2010—Authority

12 U.S.C 90, 265-266, 1767, 1789a, and 31 U.S.C 3301-3303, 3720.

Section 2015—Definitions

For terms and definitions related to this chapter, please view the [TFM Glossary](#).

Section 2020—Inscription on Checks

Remitters must inscribe checks to the order of the specific organization maintaining the account to be credited and not to the Department of the Treasury (Treasury). The payee organization must be sufficiently identified to ensure prompt delivery. However, if a check is made payable to Treasury, the federal entity must accept and process it immediately. Under no circumstances should funds remitted to a federal entity be made payable to individual officers or employees of the federal government, whether by checks or through electronic means.

Section 2025—Funds Received for Another Federal Entity

If a federal entity receives funds that must be deposited under another ALC, it must:

- (1) Deposit the funds under its own ALC;
- (2) Classify the transaction to its budget clearing account F3875; and
- (3) Intra-Governmental Payment and Collection funds to the ALC for which the funds were deposited.

Section 2030—Record of Checks Received

Federal entity depositors must keep records of checks received, including the following information:

- Amount;
- Name of the drawer;
- Name of the person from whom received (if other than the drawer);
- Bank on which drawn;
- Date drawn;
- Check number (if cashier's check or similar item);
- Checking account symbol and serial number (if drawn on Treasury); and
- Serial number (if postal money order).

If a check is lost, mutilated, or destroyed, refer to the instructions in [TFM Volume I, Part 5, Chapter 5000](#), Section 5035 (Uncollected, Lost, Destroyed, and Mutilated Checks).

Section 2035—Depositors' Endorsement on Checks Deposited at a Financial Institution

Depositors' endorsements on checks deposited at financial institutions for credit to the Treasury's account must, at a minimum, include:

- The agency location code (ALC); and
- The words "For credit to the U.S. Treasury."

Depositors must show the same ALC as shown on the OTCnet Deposit Ticket in the endorsement on checks deposited at a financial institution.

Section 2040—Making Deposits

2040.10—Deposit Reporting

The federal entity must prepare an OTCnet Deposit Ticket, and print and forward the same to the financial institution along with the check or cash deposit. The deposit must reach the financial institution by its designated cut-off time. When creating an OTCnet Deposit Ticket, the federal entity must enter the voucher date (which shows when the deposit is created), not the date the federal entity expects it to arrive at the financial institution. Federal entities must not post-date the voucher date, even if they are going to mail or send the deposit by courier. If the deposit arrives before the date entered on the OTCnet Deposit Ticket, the financial institution will not be able to confirm the federal entity's deposit in a timely manner.

Federal entities should make copies or digital images of all checks. Copies/images should be safeguarded and retained based on the federal entity's internal policies. Treasury recommends that federal entities retain these copies or images for up to 10 business days, which will enable federal entities to recreate deposits if checks are ever lost or stolen.

2040.20—Check Capture

Federal entities must process checks via OTCnet Check Capture. The following items cannot be processed through OTCnet's Check Capture: Foreign items drawn on non-US financial institutions and Savings Bonds.

[**Note:** Since these items are not deposited at the federal entity's financial institution, there is no need to endorse the back of the check.]

Daily deposits must be received by 9:30 PM ET for next-day settlement.

After being scanned, Treasury recommends retaining physical checks for up to 5 business days to ensure that there are no problems with file transmission, image quality, and processing of the checks. Checks should be safeguarded prior to destruction, and shredding is the method by which checks should be destroyed.

Section 2045—Counterfeit Currency

Financial institutions must surrender to the Secret Service any suspected counterfeit currency deposited to Treasury's General Account. In such cases, the federal entity will receive from the financial institution a photocopy of the Secret Service Form 1604: Counterfeit Note Report, and/or any other documentation that accompanied the surrendered currency. At that point, the federal entity must contact the Secret Service to find out if the surrendered currency was determined to be counterfeit. The federal entity must ensure that the financial institution processes an OTCnet Deposit Ticket for the amount of surrendered currency that the Secret Service determines is not counterfeit. See the Contacts section for more information.

Section 2050—Designated FIs for TGA Deposits

Federal entities must deposit funds at their designated financial institution. Federal entities must hand-deliver the deposits to their designated financial institution or hire a courier or armored car service to make scheduled deliveries. Except as provided in Section 2050.10, deposits must not be mailed to a financial institution, nor will ACH or Fedwire deposit activity be accepted. Federal entities cannot make deposits at a Federal Reserve Bank.

[**Note:** For ACH or Fedwire deposits, federal entities should refer to [TFM Volume I, Part 5, Chapter 7500](#), "Fedwire and Automated Clearing House (ACH) Credit Deposits to the Account of the Bureau of the Fiscal Service".]

Federal entities must request permission from the St. Louis Federal Reserve Bank (FRB St. Louis) to establish or change their financial institution. See the Contacts section for more information.

In order to establish or change a financial institution, the following information will need to be provided to FRB St. Louis:

- Name of the federal entity;

- OTCnet endpoint name;
- Agency location code (ALC);
- Name, mailing address, phone number, and address of the local federal entity contact;
- Name and location of the federal entity's current financial institution;
- Time and manner in which the federal entity makes deposits with the current financial institution;
- Name and location of the proposed financial institution;
- Name and phone number of a contact person at the proposed financial institution;
- Total dollar amount deposited monthly;
- Total number of checks deposited monthly;
- Dollar amounts and number of Treasury checks deposited monthly;
- Amount of cash deposited monthly; and
- A brief justification statement.

After the appropriate arrangements have been made, FRB St. Louis will notify the requesting federal entity that the setup is complete.

[**Note:** The requested financial institution has 10 business days from the date of receipt of the federal entity profile sheet to respond to the request. Federal entities requesting a financial institution need to provide FRB St. Louis with a 30 day notice prior to the federal entity's first deposit.]

2050.10—Mail In Treasury General Account (MITGA)

The MITGA Program was developed to provide federal entities with an alternative to make TGA deposits when access to a local FI is unavailable. Federal entities that wish to use MITGA must contact FRB St. Louis to obtain an agency profile sheet, which must be filled out and returned to FRB St. Louis. The agency profile sheet is sent to the commercial bank administrator of the MITGA program. The MITGA commercial bank will send the federal entity instructions for sending deposits through the U.S. Postal Service. The federal entity will update its profile in OTCnet with the MITGA commercial bank's routing and transit number and the account number. The federal entity will process a deposit in OTCnet and send the deposit to the MITGA commercial bank for confirmation.

Postage, registration, and other expenses incurred in mailing deposits may not be deducted from the amount of the deposit.

Section 2055—Frequency of Deposits

Federal entity depositors must limit deposits to one per day. Federal entities must make deposits for credit to the U.S. Treasury's account without delay following the procedures below:

- Coordinate processing schedules that allow deposits to reach the financial institution before that financial institution's designated cut-off time;
- Federal entities must deposit receipts totaling \$5,000 or more on the

same day received prior to depository cutoff time. Deposits will be made as late as possible prior to the specified cutoff time to maximize daily deposit amounts. Collections totaling less than \$5,000 may be accumulated and deposited when the total reaches \$5,000. However, deposits must be made by Thursday of each week, regardless of the amount accumulated; and

- If using OTCnet Check Capture, the federal entity must scan checks daily even if the checks total less than \$5,000.

Section 2060—Reporting Large Deposits

Federal entities must report daily aggregate deposits (excluding Treasury checks) of \$50 million or more to the Bureau of the Fiscal Service's Cash Reporting Branch. See "Cash Forecasting Requirements" chapter at [TFM Volume I, Part 6, Chapter 8500](#), section 8530, for instructions. However, federal entities must not accept any check written for more than \$99,999,999.99, as the Federal Reserve banks will not process checks over that amount. See [Federal Reserve Banks Operating Circular 3](#), "Collection of Cash Items and Returned Checks," section 3.3.

Section 2065—Emergency Procedures

The CMITGA program was developed to provide federal entities a contingency solution to their standard OTCnet deposit reporting process. This contingency is used in the event the federal entity's designated financial institution is unable to accept deposits for any reason, including (but not limited to) the following reasons:

- Will not open for business;
- Will be delayed in opening;
- Will have limited hours of operation; and
- Is affected by an environmental limitation that prevents the physical delivery of the federal deposits.

Contact the OTCnet Customer Service Team at 866-945-7920 and notify the customer service representative that your federal entity intends to use the CMITGA program. This notification will ensure that the federal entity is set up properly in the OTCnet application prior to mailing deposits to the CMITGA commercial bank for contingency purposes. Once the CMITGA commercial bank receives a mailed deposit from the federal entity, the CMITGA commercial bank will confirm it in OTCnet.

Additionally, when temporarily switching to the CMITGA process, the affected federal entity should email their federal entity location name, address and ALC to govlbcustsvc@usbank.com.

Contacts

Direct inquiries concerning this chapter to:
Over the Counter Revenue Collection Division

Director: 202-874-5202

Federal Reserve Bank of St. Louis
OTC Support Team Telephone: 866-771-1842
Email: stls.tga.support@stls.frb.org

Direct inquiries concerning counterfeit currency to:
[Secret Service](#)
[U.S. Currency](#)

Summary of Updates

Section No.	Section Title	Summary of Change
2015	Terms and Definitions	Deleted terms and definitions
2015	Terms and Definitions	Added verbiage and hyperlink redirecting readers to the TFM Glossary
2060	Reporting Large Deposits	Updated language referring to Fiscal Service's Cash Forecasting Divison to Fiscal Service's Cash Reporting Branch. Minor adjustment to sentence structure and hyperlink for sentence containing a hyperlink to TFM Volume 1, Part 6, Chapter 8500.
2060	Reporting Large Deposits	Created hyperlink for Federal Reserve Banks Operating Circular 3 and updated section reference from 3.2 to 3.3.