

CHECK DEPOSIT PROCEDURE

A. General

1. Checks are stored in the **CHECKS** folder in the bottom drawer of the locked three-drawer file cabinet, and separated as: **In-House A/R** or **Miscellaneous**.
2. Checks are deposited every Friday. The deposit should be ready by 2:30 p.m.
3. On the last day of the fiscal month, check with the Credit Department collectors around 1:30 p.m. to ensure you have all checks for that day. This ensures they are assigned to the correct accounting month. If the mail came early in the morning, they should have given you their checks by 12:00 noon.

B. Making Copies

1. On Friday, separate **In-House** from the **Miscellaneous** checks.
 - a. **In-House** checks have the Collector's initials in the upper corner. When separating them, keep the backup in the same order as the checks will be copied to reduce confusion when Credit gets the backup and copies back.
 - b. **Miscellaneous** checks have an account number.
 - c. If a check does not have initials or an account number, have someone in Accounts Payable classify it. If **Miscellaneous**, assign an account number from the Company Posting Accounts list on the wall behind the desk (additional copy in the **CHECK** hanging folder). If you cannot determine the proper account, see the Senior Accountant.
2. Cash: Check inside the envelope and remove any checks. Change the amount on the cash envelope to reflect the actual cash inside. Count the money to ensure it is correct. Copy the front of the envelope, not the actual currency.
3. Copy as many checks on a sheet as possible, keeping **In-house** and **Miscellaneous** separate. Make two (2) copies of the **In-House** checks and one (1) of the **Miscellaneous** checks. Do not copy the backup or check stub for either type of check.

C. Preparing the Deposits

1. For each group of checks, use **AcctDir/Misc/General Calculating.xls**, the **Bank Deposit** sheet, to total the checks. On the **Miscellaneous** totals, enter the cash amount **first**. Total both the checks and the copies to double check that all checks have been copied and no keying errors made. Print the spreadsheet, cut out the totals, and paper clip the appropriate totals to the appropriate checks.

2. Stamp the back of all checks with the Company stamp (in the **CHECKS** drawer).
3. For the **In-House** checks, give the checks with the totals, any back-up, including check stubs, and one set of check copies to Accounts Receivable.
 - a. Accounts Receivable verifies your total, returns the checks and tape to you, and keeps the back-ups.
4. Make out one deposit slip for the **In-House** checks and one for the **Miscellaneous**, entering the totals and date (see sample A). On the back of the **Miscellaneous** Deposit, write the cash portion of the deposit, i.e. CASH: \$55
5. Make copies of the deposit slips.
6. Attach the **In-House** deposit slip to the **In-House** checks and the **Miscellaneous** slip, plus one of the totals, to the **Miscellaneous** checks. On the **Miscellaneous** total, highlight the cash amount and write **CASH**. Put checks and cash in the bank bag and give to Accounts Payable to take to the bank.
7. On the copies of the **Miscellaneous** checks, write the account for posting. This is on the backup material or sometimes already on the check.
8. Give the copies of the deposit slip, the copies of the checks, and the **Miscellaneous** backup/check stubs to the Finance Accountant.

D. Canadian Checks

1. Canadian payments are deposited to the lockbox in Canada. Make two copies of the check. One copy and the backup go to the Finance Accountant. The other check copy goes to Accounts Receivable (Credit).
2. Do not stamp the back of the check. Send it in a Company envelope to:

Company D
P.O. Box XXXX, Station A
Toronto, Ontario, Canada
M9W2F4