



# Minnesota Management & Budget Statewide Operating Policy

Minnesota Management and Budget, Cash Management Unit  
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## New Deposit Accounts

### Objective

To be in compliance with [Minnesota Statute 16A.275](https://www.revisor.mn.gov/statutes/?id=16a.275) (https://www.revisor.mn.gov/statutes/?id=16a.275), an agency must deposit daily receipts that total \$1,000 or more into the state treasury. Pursuant to [Minnesota Statute 16A.27](https://www.revisor.mn.gov/statutes/?id=16A.27) (https://www.revisor.mn.gov/statutes/?id=16A.27), the Commissioner of Minnesota Management & Budget (MMB) is responsible for establishing these depository bank accounts. The law further specifies that state accounts are to be awarded through competitive bidding to that bank submitting the lowest bid.

### Policy

The state maintains depository bank accounts throughout the state for use by state agencies and deputy registrars to deposit fees and payments into these accounts. If a state agency is in need of a new deposit account to be in compliance with statutory requirements, they must notify MMB so the account can be competitively bid and established.

When an agency needs a depository account opened, it must request the MMB Cash Management Unit to open the account in the community where the state agency office is located. The request to open a new depository bank account must be received a minimum of eight weeks before the first deposit will be made. This will allow time for the competitive bidding of the bank account and to order supplies for the accounts including deposit slips and endorsement stamps. State law dictates that state contracts cannot exceed five years. MMB Cash Management Unit policy groups the depository accounts into different subgroups (Major Revenue Accounts, Multiple Bank Community Accounts and Single Bank Community Accounts). Each subgroup of bank accounts is competitively bid on a rotating five year cycle in the local communities. This procedure does not apply to Imprest Cash Accounts or to depository accounts for Minnesota State Colleges and Universities (MnSCU), pursuant to [Minnesota Statute 15.191](https://www.revisor.mn.gov/statutes/?id=15.191) (https://www.revisor.mn.gov/statutes/?id=15.191) and [Minnesota Statute 136F.71](https://www.revisor.mn.gov/statutes/?id=136F.71) (https://www.revisor.mn.gov/statutes/?id=136F.71) respectively.

### Related Policies and Procedures

[MMB Statewide Operating Procedure 0601-01.1 Establishing New Deposit Accounts](http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-6/0601-01-01-request-establish-deposit-account-procedure.pdf) (http://mn.gov/mmb-stat/documents/accounting/fin-policies/chapter-6/0601-01-01-request-establish-deposit-account-procedure.pdf)