

CENTRALIZED STATE TREASURY SYSTEM

8001

(Revised 09/10)

Except when otherwise authorized by the Director of Finance or unless deposited directly in the State Treasury, all money in the possession of or controlled by any department will be deposited in the Centralized State Treasury System (CTS), subject to disbursement upon order of the department.

The CTS is a system, authorized by Government Code Section 16305, whereby state moneys are deposited in specified local banks for credit to central accounts of the State Treasurer's Office (STO). Under this system, each depositing department notifies the STO whenever a deposit is made. From such data, the STO maintains central accounts with respect to each approved depository. Although deposits may be made at any branch of an approved depository, only one account is maintained for each depository by the STO. The State Controller's Office (SCO) maintains accountability for deposits by specific account of the depositing department to be credited rather than by approved depository.

Withdrawals are made by checks drawn by the department and by SCO transfers from the bank account to a state fund. The SCO sends statements of accounts at least monthly to each department with a CTS bank account. The STO maintains the online statewide Agency Paid System for departments to access and print images of their agency checks. The system is updated daily and check data is retained for five years from the date paid. To obtain access to the Agency Paid System, departments shall complete the STO's User ID Assignment/Removal Form STO-IP 130. The form and information can be obtained by contacting the STO Item Processing Section at Item.Processing@Treasurer.ca.gov.

The purpose of the CTS is to maximize the earning of interest consistent with safe and prudent treasury management and to assure that depository banks provide the state with proper and adequate security for deposits of state moneys.