OP 69.03: Replacement of Payroll Checks

DATE: November 27, 2013

PURPOSE: The purpose of this Operating Policy/Procedure (OP) is to establish the policy and procedure for issuing replacement payroll checks that have been reported lost or stolen.

REVIEW: This OP will be reviewed in October of odd-numbered years by the managing director of Payroll Services and the managing director of Accounts Receivable with substantive revisions forwarded to the chief of staff to the president and the vice president for administration and finance and chief financial officer.

POLICY/PROCEDURE

1. Persons whose payroll checks are lost or stolen may apply for replacement checks by initiating a stop payment request in Payroll Services.

2. The check amount, check number, and date issued is obtained from the payroll records and included on the Stop Payment Request form (see attachment). Accounts Receivable (AR) will review online banking records in order to determine whether the check has cleared the bank.

3. If the original check has not cleared, AR will prepare a written request to the bank and complete the stop payment process in the online banking system. Once this is complete, AR will notify Payroll Services to issue a replacement check, which must be issued with a new check number.

4. If the bank or a third party notifies Texas Tech that the check has been presented for payment, a replacement check will not be issued until there is further investigation.

5. The person requesting the stop payment is responsible for notifying Payroll Services if the original check is found. The person will be requested to return the original check to Payroll Services for destruction if a replacement check has been issued.

6. If the original check has already cleared, AR will send a copy of both sides of the check to Payroll Services. A copy of the endorsement will be provided to the person requesting the stop payment. If the endorsement is a forgery, the person will be directed to the bank to submit an Unauthorized Check Activity Form.

Attachment: Stop Payment Request