

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: Fiscal Affairs

NUMBER: 03.A.09

AREA: General

SUBJECT: Manual Checks

1. PURPOSE

- 1.1. This administrative memorandum states the policy regarding all checks prepared manually, both those from campus imprest accounts and by the Treasurer's Office.

2. DEFINITIONS

- 2.1. Check Stock: Blank checks which are held in inventory by component universities for ultimate issuance to a payee.

3. POLICY

- 3.1. Imprest Accounts - Component universities may be authorized to have imprest accounts for emergency and exception payments. Also, on an emergency and exception basis only, manual checks may be authorized by the Treasurer's Office for payroll or accounts payable items.
- 3.2. Treasurer's Office - Manual checks written by the Treasurer's Office will be written only after approval of the Accounts Payable Department or the Payroll Department and the Treasurer or their designee. All such non-imprest manual checks must be supported by a State of Texas Purchase Voucher audited by the Accounts Payable Department or by appropriate payroll documents authorized by the Payroll Department. Manual payroll checks will be written only to replace damaged, lost or staledated payroll checks, or in emergency situations after net pay has been determined by the payroll system.
- 3.3. All check stock and facsimile signature plates and/or signature stamps shall be physically safeguarded in a safe, locked drawer, locked file cabinet or similar device when not in immediate use. Access to these secured areas and use of the check stock and facsimile signature plates and/or signature stamps shall be restricted to authorized employees.
- 3.4. Upon notice from the Treasurer's Office of the closure of any bank account on which check stock is maintained by a department, all check stock shall immediately be sent to the Treasurer's Office for proper disposal.

4. MANUAL CHECKS FROM IMPREST ACCOUNTS

- 4.1. Manual checks from an imprest account will be written for emergency purposes only. Requests for checks to be issued from the imprest account must include documentation of the emergency purpose on the front of the voucher or a cover memo, if more space is required. The chief financial officer or designee is responsible for evaluating the justification for and approving of imprest manual check requests.
- 4.2. All imprest manual check requests must be supported by a purchase voucher or comparable authorized expenditure document approved by the appropriate departmental personnel and proper documentation. Under no circumstances will an imprest manual check be issued without such expenditure document and supporting documentation.
- 4.3. Student Financial Aid Awards should be processed through the accounts payable system. An imprest manual check should not be authorized for this type of expenditure.
- 4.4. Employee entertainment and travel reimbursements should be processed through the normal computerized voucher processing system. An imprest manual check should not be authorized for this type of expenditure.
- 4.5. Vouchers for reimbursement of the imprest account should be prepared and submitted to accounts payable no less frequently than monthly for processing and recording in the components' records. Vouchers for reimbursement must be submitted to accounts payable prior to the end of the fiscal year so that expenditures are reported in the proper fiscal year.
- 4.6. Each institution shall develop and forward to the university Treasurer written imprest disbursement policies and procedures.
- 4.7. Imprest account bank reconciliations will be performed monthly by the appropriate accounting department.

5. REVIEW AND RESPONSIBILITY

Responsible Party: Associate Vice Chancellor for Finance

Review: Every Three Years on or before May 1

6. APPROVAL

Approved: Jim McShan
Interim Vice Chancellor for Administration and Finance

John M. Rudley
Interim Chancellor

Date: October 16, 2007

7. INDEXING TERMS

Imprest
Accounts
Manual
Checks