

Returned Checks—Prevention and Processing

NOTE: The website URL for **Workday reference guides** that are referenced in this section is:
<https://confluence.esg.wsu.edu/display/WKB/Workday>

RESPONSIBILITY

Any University department that accepts checks payable to WSU is responsible for following check processing procedures described in this section. These procedures are intended to minimize the possibility of returned and/or unpaid checks.

APPROVAL PROCEDURE

Positive Identification

Require that each check writer provide positive identification. The following identification documents are acceptable.

For Staff/Faculty/Students

A valid WSU identification document with visible photograph and signature (e.g., driver's license) and a valid staff or student identification card.

For Non-WSU Personnel

A valid identification document with visible photograph and signature (e.g., driver's license) and one credit card or check guarantee card.

ID Processing

Compare the document signature with the check signature and compare the photograph with the appearance of the check writer.

On the front of the check write the identifying number of each piece of identification.

The WSU employee who accepts the check enters his or her initials in the upper-right corner of the check front.

ENDORISING CHECKS

Checks are to be endorsed when received.

IMPORTANT: The endorsement should clearly indicate the department or organization name and specify that the check is *For Deposit Only*.

The endorsement must be legible. Controller's Office personnel must be able to determine the origin of the check.

Departments which regularly accept checks are required to use an endorsement stamp. The endorsement should include the following:

- Department name
- The phrase: *For deposit only to any account of Washington State University.*

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RETURNED CHECKS

Banks redeposit returned checks once. If the check is returned to a bank again, the bank sends the returned check to the Controller's Office for initial handling.

The Controller's Office routes the check to the Bursar's Office or the endorsing department for collection. Generally, it is more efficient for the Bursar's Office to collect bad checks.

The Controller's Office sends a copy of the Receipt Coding Form to the endorsing department. The Receipt Coding Form charges the check amount to a departmental account.

The Bursar's Office sends a monthly bad check report to departments using the Bursar's Office's collection process.

Department Procedures

If the department attempts to collect the bad check, departmental personnel contact the check writer. The department informs the check writer that he or she owes WSU the amount of the check plus a \$30.00 returned check fee. The amount due must be paid to WSU in cash, cashier's check, or money order within two weeks of the contact date (or date of the contact letter).

After the check amount and the returned check fee are recovered, the endorsing department deposits the cash in the Bursar's Office. See deposit procedures in *BPPM* 30.53 and the Workday Record Cash Sale reference guide. The check and the returned check fee should both be deposited in the same account (cost center/function/program).