



## Accounting and Administrative Manual

### Section 100: Accounting and Finance

#### Processing of Large Checks

No.: C-11

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#### General:

To strengthen internal financial control, assist in cash management, and comply with State of Alaska legislative audit requirements, the university has instituted the following policy with respect to processing of large checks.

#### Business/Accounting Office

1. Prepares checks through the normal processes provided. All checks in excess of \$25,000 (a lower amount may be specified at the MAU level) will be extracted for special handling.
2. Prior to machine stamping with signatures, these checks will be submitted to the MAU chief financial officer for approval.

#### Chief Financial Officer

3. All checks in excess of \$25,000 (or a lower amount if specified by the MAU) must be approved (initialed) by the chief financial officer. This function may be delegated, if sufficient internal controls are maintained. This delegation must be in writing and must be kept on file at the local unit.

The initials evidence agreement with the appropriateness of the expenditure, that supporting documentation is attached, and that proper procedures have been followed for the expenditure. Detail reviews of account coding, matching of receiving report, and verification of vendor's remittance address are not required at this level unless not completed elsewhere.

4. Sample signatures and/or initials for the chief financial officer or designee must be kept on file at the local unit.



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| Business/Accounting Office | 5. In order to effectively manage cash flow, Statewide (SW) Cash Management must be notified of all external payments (wire, ACH, book transfer, check, etc.) in excess of \$100,000. The day before such a check is issued (or earlier if known), the Cash Analyst at SW Cash Management should be notified: <ul style="list-style-type: none"><li>a. Check number</li><li>b. Check amount</li><li>c. Vendor</li><li>d. Address (city and state is sufficient)</li><li>e. How check is being delivered (picked up by vendor, regular mail, etc.)</li></ul> |
| Cash Analyst               | 6. Approve the cash availability (“ok to release”) for the external payment (wire, ACH, book transfer, check, etc.) in excess of \$100,000.   |
| Business/Accounting Office | 7. Check is signed in accordance with C-12 “Signing of University of Alaska Checks” in Section 100 in the University of Alaska Accounting and Administrative Manual and distributed.  |