



Rowan College of South Jersey

Administrative Procedure: 6103

CHECK WRITING AND SIGNATORY AUTHORITY

All vendor and expense reimbursement check requests will be produced in accordance with the following guidelines:

1. Expenditures must be supported in conformity with RCSJ purchasing, accounts payable, and/or travel reimbursement policies.
2. Timing of disbursements should generally be made to take advantage of all early payment discounts offered by vendors.
3. Generally, all vendors should be paid by the corresponding due date shown on the invoice after delivery of the requested goods or services.
4. Total cash requirements associated with each check run is monitored in conjunction with available cash balance in bank prior to the release of any checks.
5. Checks shall be utilized in numerical order (unused checks are stored in a locked safe in Financial Services).
6. Checks will never be made payable to "bearer" or "cash", except for Petty Cash replenishment.
7. Authority for check signing is detailed in the chart listed on page three (3). For any reimbursement checks to the President of the College, the Board Chairperson or designee will serve as the sole approving authority.

Use of Positive Pay System

The College utilizes a "Positive Pay" system with its financial institution for all checks drawn on the Accounts Payable account. Under this Positive Pay system, the Associate Vice President, Financial Services (AVP, FS) and/or designee electronically transmits to the financial institution a list of check numbers, amounts, and vendors in connection with each check run. The financial institution then notifies the College if any check is presented for payment that does not match the three characteristics for valid checks.

Mailing of Checks

All checks are mailed except for employee reimbursement or checks requiring special handling. Checks over \$25,000 require a second signature by the President or Executive Vice President and Chief Operating Officer/Chief Financial Officer (EVP/COO/CFO),

Administrative Procedure: 6103 Check Writing and Signatory Authority

depending on the nature of the check, prior to mailing. Checks are not mailed by or returned to individuals who authorize expenditures.

Voided Checks and Stop Payments

Checks may be voided due to processing errors by making proper notations in the ERP System and defacing the check by clearly marking it as “VOID”. All voided checks will be retained to aid in preparation of bank reconciliation.

Stop payment orders are made for checks lost in the mail or other valid reasons. Stop payments are communicated electronically to the bank by the AVP, FS and/or a staff member with this authority. The stop payment is then recorded in the ERP system to void the transaction.

Record Keeping Associated with Independent Contractors

The College will track payment to independent contractors for the preparation of IRS 1099's at the end of each calendar year.

Signatory Authority

In order to ensure uninterrupted operation of the College's finance and administrative processes, the Executive Vice President and Chief Operating Officer/Chief Financial Officer (EVP/COO/CFO) and Associate Vice President, Financial Services (AVP, FS) will review and revise, at the beginning of every fiscal year and at other points as warranted, the primary and first/second alternate signatory assignments for College bank accounts, investment accounts, contracts, grants, electronic authorizations, and any other critical control points associated with College financial or administrative operations. In the absence of the EVP/COO/CFO, the AVP, FS, will assume this responsibility.

Where unanticipated Trustee and employee transitions occur, the next person with signatory responsibility will be responsible for completing the assigned processes necessary to ensure that operations proceed smoothly. The EVP/COO/CFO and AVP, FS, will be responsible for ensuring that external organizations and agencies know of and have approved appropriate alternate signatories to ensure continued College operations in the event of unplanned transitions.

In all cases, it will be the responsibility of the EVP/COO/CFO or, in the EVP/COO/CFO's absence the AVP, FS, to ensure that those in authority externally are aware of the current names and titles of those at the College with signatory authority. When changes in this chart occur, a copy will also be forwarded to the College's auditing firm and a copy of the revised chart maintained in the historical records in anticipation of the next regular audit.

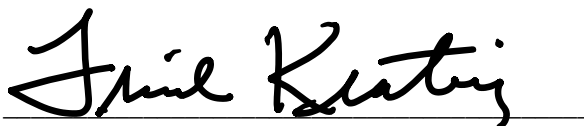
Signature Responsibilities					
With Dollar Threshold					
Under \$25,000			Over \$25,000		
Critical Control Point	Primary	Alternate	Primary	Alternate	Notes
Bank Accounts	Associate Vice President, Financial Services (AVP, FS)	Senior Executive Director, Financial Services (SED, FS)	Executive Vice President and Chief Operating Officer/Chief Financial Officer (EVP/COO/CFO)	President	Two signatures required above state mandated threshold
Financial Contracts	Controller, Purchasing Operations		EVP/COO/CFO	President	Some contracts may require other signatures
Academic Contracts	Provost and Vice President, Academic Services	Vice President, Chief Administrative Officer	EVP/COO/CFO	President	Some contracts may require other signatures
Without Dollar Threshold					
Critical Control Point	Primary	First Alternate	Second Alternate	Third Alternate	Notes
Wire Transfers from Main Accounts	AVP, FS	SED, FS	Director, Payroll	Accountant	Selection for "transfer to" made from a list, includes electronic fund transfers for payroll
Grants (applications, reports)	AVP, FS	SED, FS	President	EVP/COO/CFO	Some grants may require other signatures
Investment Accounts	AVP, FS	SED, FS	Director, Accounting Services	Accountant	
County and State Billings	AVP, FS	SED, FS	EVP/COO/CFO		
ERP Access	AVP, FS	SED, FS			
Tax Returns	EVP/COO/CFO	President	Foundation President		
Audits (College or Foundation)	EVP/COO/CFO	AVP, FS	SED, FS	College President or Foundation President	
Other	EVP/COO/CFO	AVP, FS	President		Email, Alert System, Telephone System

Area: Finance

Approved: 07/01/19

Revised: 07/30/24

President's Authorization:



References:

Rowan College of South Jersey Board of Trustees Policy Manual, *6103 Check Writing and Signatory Authority*