

On-Line Check Procedures and Controls

On-Line Check Requests

Campus Departments

- One of the department's administrative or fiscal personnel will need to access the Online Check Request form (see a copy of the form below) on the Records Management Website with other HR/Payroll forms. The URL is <http://www.umsystem.edu/ums/departments/fa/management/records/forms/>. It should be noted that when an online check is requested, the payment will not be made by direct deposit to the employees bank account.

University of Missouri
On-Line Check Request

1. Requesting Department	2. Contact Phone	3. Date of Request
4. Employee Name (last, first, middle)	6. EmplID and Empl Rad#	

Line#	6. Earning Code	7. Earning Code	8. Budget Unit	9. Funding Department	10. Job Code	11. Account Code No Code Amount	12. Earning Code	13. Hours/Unit	14. Hourly/Unit Rate	15. Amount
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										

16. Reason/Comments	17. Authorized Departmental Representative
	18. PAF/Additional Pay Form Attached? <input type="checkbox"/>
	Payroll Use Only - Check#: <input type="text"/>
	Date: <input type="text"/>

** The requester further certifies that the above individual has rendered service as required for the period given and has earned the gross amounts as indicated.

UM 140 (JAN 02)

- Complete the entire employee and pay information requested, and explain in the reason/comments section the reason the online check is being requested. Once the requested information has been completed on the form, the form should be attached to an e-mail message and sent to the Campus HR/Payroll Office.
- To ensure the check is printed the same day, the e-mailed request must be sent to the Campus HR/Payroll Office early enough for them to review it, resolve problems or obtain additional information as necessary, and approve it in time to print the check.

4. However, the Campus Department personnel should be aware that **there will be specific days or periods during which this activity will be restricted by the payroll processing schedule**. To determine if an online check can be processed on a specific day or at a specific time, they can refer to the Online Check Processing Schedules on the Controllers Office website (i.e. gray out days no online checks are processed) or consult with Campus HR/Payroll Office personnel. The Controllers Office website address is: <http://www.umsystem.edu/ums/departments/fa/controller/payroll/processing.shtml>
5. Even if the check cannot be printed the same day because the Campus HR/Payroll Office will not have adequate time to approve and process a check or because of restrictions involving the payroll processing schedule, it is recommended that the online check request be forwarded as early as possible.

Campus HR/Payroll Offices

6. Open the Campus HR/Payroll Office mailbox to access the requests for online checks that have been received by e-mail from the Campus Departments.
7. Review each request for online checks to determine that all information needed to process the check request and print the check has been completed. Also, review the reason provided for the check request in the reason/comments section to evaluate the appropriateness of processing an online check for the employee. Ensure that the payment is supported in the system in either the job data or additional pay areas.
8. If the request for an online check relates to prior period wages, determine if an online check is appropriate based on the amount the employee was underpaid, the length of time before the employee's next on-cycle check would be created, and any other special circumstances involved.
9. If the request for an online check cannot be approved, explain the situation to the Campus Department. Discuss the issues involved and, if appropriate, notify them of any additional information they need to provide or of any actions they need to initiate so their check request can be approved.
10. Once a request for an online check has been approved but before the online check is processed, the Campus HR/Payroll Office personnel should consult the payroll processing schedule to determine if an online check can be processed for the employee at that time. Remember, because of the potential for interference between processes, online checks cannot be processed on specific days or during specific periods when the bi-weekly and/or monthly payroll cycles are being closed. To determine if an online check can be processed, the Online Check Processing Schedules on the Controllers Office website should be consulted:
(<http://www.umsystem.edu/ums/departments/fa/controller/payroll/processing.shtml>)

11. During certain periods, most users will be restricted to read only access so no interference will occur with confirming bi-weekly or monthly payrolls. As a result, consulting the Online Check Processing Schedules will provide needed information about these periods when online checks cannot be created or printed.
12. The Campus HR/Payroll Office should determine if the Vice Chancellor in charge of the Cashier's Office or that person's designee wants this e-mail with the attached Online Check Request to be forwarded to them on a routine basis or if they want it to be forwarded only when specifically requested. This decision should be made separately on each campus. (See item Review of On-Line Checks section for further discussion - #50)
13. After the on-line request has been approved, it is time to process the check. **Special disaster recovery reminder – Be sure to backup your on-line check requests on a daily basis. If the request is in email format, be sure to back it up to a secure off-site server. If the request is in paper format, develop a backup method for your campus (ie – UMSYS is investing in a scanner).

On-Line Check Processing

Campus HR/Payroll Offices

14. Navigation to the Online Check page is: Payroll For North America > Payroll Processing USA > Create Online Checks > Create Online Check ** Since online checks are not processed in batches, the online check page will have to be accessed for each individual online check created.



15. First enter the EmplID (and Empl Rcd Nbr if necessary) and hit Search. The next screen you will generally see is pictured in #16 below. However, it is possible that your search returns more than one possible Pay Period End Date. It is critical the appropriate Pay Period End Date be selected. Depending on the pay group (BIW or MON), the appropriate Pay Period End Date can be found by consulting the Online Check Processing Schedules at the website address:
<http://www.umssystem.edu/ums/departments/fa/controller/payroll/processing.shtml>

18. PeopleSoft Version 8.9 has a drop down for Benefit Deductions as well as General Deductions. Note that the “none” or “deductions” option can be selected in either box. The deductions can be added or overridden using the one-time deductions button. It appears that deductions should generally be used sparingly and with a high degree of caution, since they might easily be taken more than once against an employee’s paycheck.

19. As a rule, entries should normally not be made to the one-time taxes page that can be accessed from this same page. When changes are not made here, taxes will be processed based on the employee tax data pages. If the employee has any garnishments, the Central Payroll Office employee in charge of garnishments should be contacted and necessary entries in the one-time garnishment page can be made appropriately.

20. Once the data entered on the online check page appears to be correct, check the Ok to Pay box, and press the Save and Calculate button to calculate the online check. The next page (see below) will display the resulting earnings, deductions, garnishments, and tax withholdings. These amounts should be reviewed for appropriateness. Once you have chosen to “Save and Calculate,” the on-line check is saved in the system. At this point, the only way to remove the check from the system is to “Confirm and Print” or “Delete.” **DO NOT LEAVE CALCULATED ON-LINE CHECKS IN THE SYSTEM PAST 5:00 PM.**

Online Check Print

Name: Dodson, Monique Ann	ID: 01014305	Page: 1
Company: UM	Earnings: 1,069.60	Employment Record Number: 0
Pay Group: BIW	Taxes: 196.53	Paycheck Number:
Pay Period End Date: 05/20/2006	Deductions: 35.00	Paycheck Option: Check
	Net Pay: 838.07	Paysheet Source: On-line

21. Corrections can be made if necessary. Simply press the change data button, make the corrections, and calculate the online check again. When the online check data has been properly entered, the check can be confirmed and printed by pressing the “Confirm and Print” button. If it is determined that the check is not needed or should not be processed for any reason, delete the online check by pressing the delete button on this page.

22. On those campuses where checks are printed at a location other than the Campus HR/Payroll Office, communication will be necessary between the two locations to ensure the printer is working and that a check or checks are going to be processed and printed. This should be done each day at the time the HR/Payroll Office is ready to confirm and

print their online checks. Any known printer problems should then be discussed between the two locations.

23. Checks can be confirmed and printed once each day by calculating online checks as they are created, then confirming and printing all of them at one time each day. The View/Print Online Check page can be used to recall the checks that are waiting to be confirmed and printed. Please see #31 for setting up your On-Line Printer Configuration.

On-Line Check Printing

Check Printing Locations

24. Each check printing location, which will typically be the Campus Cashier's Office but in some cases the Campus HR/Payroll Office, will have an authorized employee who exercises responsibility over the check printing process. This authorized employee is also accountable for the unused check stock.
25. Although the authorized employee maintains principal responsibility, he or she can designate a few other employees (designees) to perform the tasks related to check printing and the handling of check stock. The Campus HR/Payroll Offices and the Central Payroll Office need to be notified who is designated to perform these tasks, and should notify them immediately of any changes.
26. The authorized person should ensure unused check stock is stored in a secure location that is kept locked at all times when not in use. Appropriate locations for storing check stock would include the locked printers which are dedicated to printing checks, vaults, or a locked drawer in a cabinet or other storage unit heavy enough to be difficult to remove.
27. When the HR/Payroll Office personnel call to notify the check printing location that the online check(s) will soon be printed, the authorized employee or designee needs to determine the readiness of the printer.
28. Before checks are printed, the authorized employee or designee will ensure the printer being used has an adequate supply of check stock and micro toner. This person should also ensure that the first sheet of check stock to be used is the appropriate one based on the control number on the back of this sheet of check stock and the next available control number on the Record of Checks Printed (to be discussed and illustrated below). The face or front of the check stock should be face down in the copier tray, and should be ordered consistently with the numbering of the control numbers on the Record of Checks Printed.
29. If the secure dedicated printer cannot be used (because it is experiencing technical difficulties or for other reasons), the authorized employee or designee should notify the Campus Payroll Office as quickly as possible that the normal printer is not available.

- 30. In this case, it should also be determined if any online checks should be printed at an alternate location. The Campus HR/Payroll Office personnel should then try to identify an alternate printer that is available on which to have the checks printed. Since only printers that can imprint the signature can be used, the alternate printer will have to be one of those used for online checks at the other campuses. Although there are several of these printers in Columbia, the Kansas City, Rolla, and St. Louis campuses have only one, and the time involved in transporting the check(s) from another campus should be considered at these campuses.

Campus HR/Payroll Office

- 31. If an alternate printer is to be used, the Campus HR/Payroll Office person(s) who will be confirming and printing the online checks will have to make the appropriate changes to printer specifications on the Configure Online Printing page (see example below) to send the print information to the appropriate alternate printer. Again, this must be done before the online check can be confirmed and printed on the alternate printer. At all locations, the Server Name is PSUNX, Type is Printer, Destination is “-p check1” (where check1 should be substituted with your specific on-line check printer name), and the Format is Other.

Set Up HRMS > Product Related > Payroll For North America > Configure Online Printing > Search > Find User ID:

Configure Online Printing

User ID: BROWNCHRI

Server Name: PSUNX

Output Details

Type: (None) File Printer

Destination: "-p uactpr2" Format: OTHER

Check Printing Locations

- 32. Without any action by the check printing location employees, PeopleSoft will attempt to print the online check once the Campus HR/Payroll Office employee has pressed the confirm and print button on the final Online Check page. Checks will print one at a time as they are individually confirmed and printed.

Central Payroll Office and Campus Vice Chancellors or Their Designees

- 33. The PAYROLL_ONLINE_CHECKS_PRINTED query should be prepared daily by each campus for the Vice Chancellor (or designee). The query contains important information about the online check(s) printed for a specific day. Criteria can be added to pull for specific dates and for a specific campus. **PLEASE DO NOT SAVE YOUR CHANGES TO THE ORIGINAL PUBLIC QUERY.** The reports received by the Central Payroll Office should include the online check(s) processed by all campuses. (See item Review of On-Line Checks section for further discussion - #50)
- 34. These reports need to be reviewed in a timely manner to determine if the recipients and amounts paid on these online checks appear to be reasonable and appropriate. Those reviewing the reports should request additional documentation if necessary to support the appropriateness of the online checks, and, if their concerns are not adequately answered; they should request additional information as appropriate. They should also consider alerting the Central Payroll Office, depending on the circumstances.

Check Stock

Check Printing Locations

- 35. When the check stock has either been used or damaged (whether a check was printed on the check stock or not), record the requested information on the Record of Checks Printed (see below) for each sheet of check stock.

Record of Checks printed by University of Missouri Columbia						
Rwd by:	Control #	PS Check#	Date	Signature of person picking check up	Reason check not issued	Page #
	003154					
	003153					
	003152					
	003151					
	003150					
	003149					
	003148					
	003147					
	003146					
	003145					
	003144					
	003143					
	003142					
	003141					
	003140					
	003139					

36. The information related to each sheet of check stock should be recorded next to the control number on the Record of Checks Printed that corresponds to the control number found on the back of the check stock.
37. If the paycheck has been printed and will be distributed, record the check date and check number assigned by PeopleSoft on the Record of Checks Printed. (See the instructions below for the procedures to follow if the check is to be voided or if it is too badly damaged to be used.)
38. If the authorized employee or designee discovers that a sheet(s) of check stock is too damaged to use for printing a check, it should not be placed or left in the printer. In this case, no online check will be created in the PeopleSoft database associated with this sheet(s) of check stock, so no check number(s) can be recorded for the associated control number(s) on the Record of Checks Printed. In this case, record the date when the damage was discovered on the Record of Checks Printed, and provide a brief explanation in the Reason the Check Was Not Issued column. Also, write void on the face of the check if the damage does not prevent doing so, and store the check stock (or pieces of check stock depending on the damage) with the Record of Checks Printed. Since no online check has been created in the PeopleSoft database, this check stock should not be sent to the Central Payroll Office immediately since no check reversal is necessary.

Distributing the On-Line Check

Check Distribution Location

39. The online checks (or express checks for Accounts Payable) may be distributed at the Check Printing Location, or they can be distributed at another location such as the Campus HR/Payroll Office (or Accounts Payable office in the case of express checks). The departments involved in this process on each campus will need to decide who will distribute these checks, as well as who has responsibility for notifying the employees or payees that the check is available to be picked up at the distribution location.
40. If a check(s) will be distributed by someone other than employees of the check printing location (such as the Payroll Office for online checks or Accounting Office for express checks), a copy of the page(s) of the Record of Checks Printed should be made first. Then on the original Cashier's Office copy, a diagonal line should be drawn through the lines of checks being picked up to be distributed elsewhere, and the employee picking them up should sign along this diagonal line.
41. The personnel who pick up the checks for distribution then become responsible for getting the appropriate signatures on their copy(s) of the Record of Checks Printed and for seeing that these records are returned to the Cashier's Office so they can be sent later to the Central Payroll Office. These copies of the Record of Checks Printed become part of the official documentation for the processing of online checks.

42. If the payee on the check is an employee, the employee must pick up his or her own paycheck, and the employee's signature should be obtained on Record of Checks Printed in the appropriate column before the check is released. Exceptions to this should be rare, and should be approved by the Vice Chancellor or designee at the campus. If the check is made out to an institution such as a bank, investment company, or trustee, the person who picks up the check(s) for mailing should sign the Record of Checks Printed in the appropriate column and note that the check was mailed.

What to do in case of an error in printing

Check Printing Locations

43. In some instances, the Campus HR/Payroll Office might press the confirm and print button on the online check page and cause a check to be printed, but then they or someone else might determine shortly thereafter that the paycheck should not be distributed. This could occur if the printer damages the check stock beyond use, certain aspects of the check (such as wage amounts, deductions, or earnings codes) are not correct, or someone determines that the online check should not have been processed. If this happens, write void on the face of the check portion of the check stock (including damaged check stock, if possible), and record the check date and check number assigned by PeopleSoft and note the reason the check was voided and not issued on the Record of Checks Printed. Finally, the voided check(s) (whether damaged or voided for other reasons) should be sent immediately to the Central Payroll Office so they can enter the reversal in the database. A copy of the check(s) should be made before forwarding it to the Central Payroll Office and stored with the Record of Checks Printed.
44. In other cases, it is possible the Campus HR/Payroll Office might process an online check by pressing the confirm and print button on the Online Check page, but for some reason the paycheck is printed on something other than check stock. We also understand that through system printer failure, the actual physical printing of the paycheck might not occur even though the "Confirm and Print" button might have been pressed. If a check has been confirmed and printed in circumstances such as this, no check stock will have been affected, and the Record of Checks Printed will not serve to document these situations. Instead, a memo should be created explaining the specific circumstances involved. In addition, the memo should be used to record the date, the check number(s) assigned by PeopleSoft, and the name of the employee or other payee (as well as the EmplID if the check was written to an employee) to whom the check was written. This memo should be sent immediately to the Central Payroll Office (along with copies of paycheck information printed on paper other than check stock, if this has occurred) so they can enter the reversal in the database. A copy of the memo and a copy of the paycheck information printed on paper other than check stock, if this has occurred, should be made before they are sent to the Central Payroll Office and stored with the Record of Checks Printed.
45. If confirm and print has been pressed on the online check page but no check was printed on check stock, the Check Printing Location's authorized employee or designee and the

Campus HR/Payroll Office will need to discuss what has occurred. They should also determine further actions that need to be initiated to respond properly to the specific circumstances. This might include contacting information services help desks or personnel to repair the printer, creating another check to replace the one(s) not printed, and identifying and using an alternate printer. UNDER NO CIRCUMSTANCES SHOULD THE “RE-ASGN NO” BE USED.

Central Payroll Office

46. In either of these last two instances, the online check confirmed in PeopleSoft will need to be reversed through the View/Print Online Check page (see below).

Online Results

Smith, Lester	ID: 01008847	Page: 1
Company: UM	Earnings: 1,000.00	Empl Rcd#: 0
Pay Group: MON	Taxes: 75.55	Check #: 565574
Pay Period End Date: 09/30/2002	Deductions: 835.47	Form ID: CHECKS
	Net Pay: 88.98	On-line

Re-assign no

47. To reverse a confirmed online check(s), reopen the original online check page on which the online check was created by calling it up through the View/Print Online Check page, and press the reverse and confirm button. This action will create the appropriate cancellation entry in the payroll system. If an error occurs and the reversal cannot be processed, Central Payroll will notify the campus that produced the check that they should process a manual check.

Campus HR/Payroll Offices

48. If it is appropriate to process another online check, open a new online check page and enter the original or corrected paycheck data, whichever is appropriate based on the circumstances involved. Follow the previously described procedures to create the new online check.

49. If the Campus HR/Payroll Office has created a new online check, it should be handled and recorded on the Record of Checks Printed as already described above.

Review of On-Line Checks

Campus Vice Chancellors or Their Designees

50. The Vice Chancellor or designee at each campus should go periodically to the Cashier's Office to perform a review of the check stock and records that are associated with the printing of online checks. The person doing the review should ensure unused check stock on hand is properly locked up in the printer or another secure location. They should also ensure that the information on the Record of Checks Printed is complete, that signatures have been obtained as they should be, that voided checks or damaged stock are accounted for by reviewing the originals, or copies if the originals have been sent for check reversal. They should also review any other documentation kept with the Record of Checks Printed such as the memos documenting checks sent to the Central Payroll office because checks were created in PeopleSoft, but not printed on check stock as discussed above. Since the checks are now printed with the signature, the handling of the check stock is fairly critical. As a result, we suggest this review be performed once each two weeks at a minimum

On-Line Check Supplies and Miscellaneous Information

Check Printing Location

51. When the supply of MICR toner gets low, the authorized employee or designee will order more from their campus procurement office.
52. When the supply of check stock gets low, the authorized employee or designee will send an e-mail message to the Central Payroll Office requesting a six-month supply of blank check stock. The authorized employee or designee should report in this e-mail message the number of sheets of check stock still available when this request is made.

Central Payroll Office

53. Pull the desired number of sheets of check stock from the vault, and insert on the Record of Checks Printed the control numbers for each sheet of check stock being sent to the check printing location.
54. Prepare a Receipt for Checks Issued (see below) indicating the beginning and ending control numbers from the back of the check stock being provided to the check printing location. These numbers should correspond to the first and last number listed on the Record of Checks Printed. Record the information from the receipt onto the OnLine Check Control Number Tracking spreadsheet (Found in the Accounting shared drive P:\Payroll\OnLine Check Control Num Tracking.xls).

**OFFICE OF THE CONTROLLER
UNIVERSITY OF MISSOURI SYSTEM**

RECEIPT FOR CHECKS ISSUED

DATE: July 13, 2001

NUMBER OF CHECKS ISSUED:

BEGINNING CONTROL NUMBER:

ENDING CONTROL NUMBER:

PURPOSE FOR CHECKS:

RECEIVED BY: _____

ADDRESS:

55. The check stock, the Record of Checks Printed, and the Receipt for Checks Issued will be mailed to the check printing location that requested them.

Check Printing Locations

56. The authorized employee or designee will place the check stock in the locked printers or one of the other secure storage locations mentioned above. Once it has been determined that the appropriate check stock has been received, the authorized employee or designee will sign the Receipt for Checks Issued and return it to the Central Payroll Office.
57. As previously noted, the authorized employee at each check printing location is responsible for ensuring designees are properly accounting for used or damaged check stock and that the unused check stock is on hand (based on the Record of Checks Printed) and properly stored. To properly discharge this responsibility, the authorized employee should review (every two weeks) the Record of Checks Printed to ensure reviews, signatures, and other information is properly recorded, and inventory the completeness of unused check stock and ensure it is properly stored. This person should also verify that all originals or copies (in the case of checks sent for cancellation) of damaged or voided checks or check stock listed on the Record of Checks Printed are on hand and give them a cursory review.
58. If check stock has been stolen or is found to be missing from the location where it is supposed to be stored, the authorized employee or designee should immediately notify the authorized employee's supervisor, the Vice Chancellor or designee, the campus

police department, the Central Payroll Office, and other appropriate persons based on individual campus policies. The procedures involved in these circumstances and the persons responsible for the notifications should be determined at each campus in advance, and the Vice Chancellor's approval should be obtained.

59. Once a batch of check stock has been used and all pages of the Record of Checks Printed have been completed, the original copies of the logs and the backup should be sent to the Central Payroll Office along with all damaged sheets of check stock that were not used. So that a complete package of the documentation is available, copies of voided checks, memos, and other paper documentation already sent to the Central Payroll Office for the entry of the check reversal(s) should also be copied and sent with these other items to the Central Payroll Office. The Campus HR/Payroll Offices should exercise discretion in keeping and storing their own copies once sent to the Central Payroll Office.

Central Payroll Office

60. When the original pages of the Record of Checks Printed and originals or copies of voided or damaged checks or check stock arrive in the Central Payroll Office, their receipt should be logged in the OnLine Check Control Number Tracking Spreadsheet spreadsheet (Found in the Accounting shared drive P:\\Payroll\\OnLine Check Control Num Tracking.xls). Once logged an email should be sent to the campus to let them know their record was received.
61. The Central Payroll Office will record the issuance and return of check stock and store returned/completed control lists with records management for four years.