

CASH MANAGEMENT AGENCY MANUAL		NUMBER 02 18 03 PO
OFFICE OF THE STATE TREASURER	POLICY	EFFECTIVE December 1, 2006
CHAPTER	CASH MANAGEMENT	
PART	REDEEMED CHECK TRUNCATION	
SECTION		APPROVAL

Authority ORS 293.285

PURPOSE OF THE POLICY

- .101 To describe the responsibilities of state agencies, boards, and commissions who issue checks on the State Treasurer and desire to have those checks truncated (destroyed) by the Treasurer's disbursement bank, in lieu of having them returned.

AGENCY RESPONSIBILITIES

- .102 Agency accounts with significant check issuance volume have the option of having the Treasurer's Office send an electronic file each day of the checks redeemed on their account. Agencies compare the redeemed check listing to their check issuance file and identify checks that do not match. Unmatched items thought to be counterfeit can be immediately identified. The Treasurer's disbursement bank can locate the actual check, because they wait several days after presentment before the checks are actually destroyed. Agencies are able to initiate the return of the counterfeit check within the Midnight Deadline and will bear no loss of funds.
- .103 State agencies, boards, and commissions who draw checks on the State Treasurer's Office, and who desire to have the Treasurer's disbursement bank truncate the redeemed checks, shall:
- Maintain a complete check issuance file for the account that will be truncated.
 - Receive a daily redeemed check file from The Treasurer's Office.
 - Perform a matching process of the daily redeemed check file to the agency check issuance file each day to identify counterfeit checks or other discrepancies.
 - Contact the Treasurer's Office immediately on all counterfeit checks.

.104 The Treasurer reserves the right to determine whether the check volume on an account is sufficient to warrant the resources necessary to produce the redeemed check file. The Treasurer's Office, at its sole discretion, may also determine whether truncation of checks for any specific account is in the best interest of the state.