Stop Payments and Reissue of Disbursement Checks (non-payroll)
FIN-ACC-540

About This Policy

Effective Dates:
02-01-1996

Last Updated:
08-19-2021

Responsible University Administrator:
Vice President and Chief Financial Officer

Policy Contact:
Anna Jensen
Associate Vice President and University Controller
Office of Financial Management Services
anjensen@iu.edu

Scope
All Indiana University units and employees.

Policy Statement
University departments may request that stop payment orders be placed on outstanding disbursement checks that have been lost, stolen, or mutilated, and replacement checks be issued to the payee. Cash Accounting in the Office of the University Controller will be responsible for placing all stop payment orders on university disbursement checks at the appropriate bank. All requests for stop payment orders and check reissue must be submitted using the online stop payment form found on the Office of the University Controller's website. This form routes to Cash Accounting in the Office of the University Controller.

In the event that both the original check and the reissued check are cashed by the payee, the initiating unit will be responsible for pursuing reimbursement from the payee for the duplicate payment. Cash Accounting in the Office of the University Controller will be responsible for any related communications with banks and other financial institutions.

Reason For Policy
To ensure that university financial records are updated in an accurate and timely manner for all transactions relating to the reissue of university disbursement checks that are lost, stolen, or mutilated.

Procedure

1. All stop payments will be placed electronically with the appropriate bank. After 24 to 48 hours, a status inquiry is made. If the bank's system shows that a stop pay is in place, an authorization for a replacement check will be sent to Cash Accounting in the Office of the University Controller.

2. Stop payment orders received by the bank prior to the close of bank business operations (typically 2:30 p.m.) will be processed on the day the request is received.

3. Stop payment order workflow forms must be submitted online in order to cancel a check. The form can be found on the Office of the University Controller's website (https://controller.iu.edu/compliance/form-library).

4. Additional procedural direction will be provided by Cash Accounting in the Office of the University Controller.
Definitions

**Outstanding Check:** A check issued by the university that has not been cashed or canceled.

**Stop Payment Order:** A directive given by the university to the bank on which a particular check is written, that calls for the bank not to honor the check when it is presented for payment.

History

This policy was established on February 1, 1996.

This policy was updated on August 19, 2021.

Related Information

Stop Payment and Reissue of University Payroll Checks, FIN-ACC-541
Check Status and Stop Payments