



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATEWIDE REPORTING AND ACCOUNTING POLICY

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August 12, 2003

OSRAP MEMORANDUM 04-06

TO: Fiscal Officers
All ISIS Agencies

FROM: F. Howard Karlton, CPA, CGFM
Director

SUBJECT: Voiding Stale Dated ISIS Checks

It is the agency responsibility to monitor the Aged Outstanding Check Report which is available to you through the OSRAP web page. Currently, the Aged Outstanding Check Report is updated monthly but in the near future, we will begin updating the report biweekly. You are encouraged to contact the vendor to see why checks were not cashed in a timely manner. Sometimes the check was lost or sent to the incorrect address. In OSRAP Memorandum 03-27, you were informed about the involvement of OSRAP in clearing stale dated checks. By keeping the outstanding checks current, the number of voids during the annual close as well as the number of checks going to Unclaimed Property would be reduced.

As OSRAP is reviewing only those checks for \$3,000 or more, many other checks are therefore allowed to become stale dated and ultimately go to Unclaimed Property. To address this situation, **effective immediately**, OSRAP personnel will void all ISIS checks (regardless of the amount) within 5 days of the checks becoming stale dated. We will process a Check Cancellation Type 3 that voids the checks without reissuing as well as the J1 document(s). After the checks have been voided, it will be the decision and responsibility of the agency to issue a replacement check to the vendor, if needed.

You should be aware that this is a profound change in procedure. If an agency discovered a check voided and not reissued in a prior fiscal year should be reissued, the money would come out of the agency appropriation for the year in which the check was reissued. You would not have the ability to go to the State Treasurer's escrow account or have the vendor go to Unclaimed Property to process the vendor claim. Obviously, it is to your advantage to ensure that the outstanding checks are kept current.

Page 2
OSRAP MEMORANDUM 04-06
August 12, 2003

If you have questions regarding this memorandum, you may contact the OSRAP Help Desk at (225)342-1097. Remember, the Aged Outstanding Check Report, OSRAP memorandums and forms may be accessed through our home page at <http://www.state.la.us/OSRAP/INDEX.HTM>.

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