

AUDITOR-CONTROLLER

POLICY AND PROCEDURE

SUBJECT: LOST OR DESTROYED CHECKS, REPORTING AND REPLACING	PROCEDURE NUMBER:	PAGE: 1	OF: 2
MANUAL SECTION: Checks	ISSUE DATE: 3/75	REVISION DATE: 9/10/02	
DIVISION: Revenue	ISSUED BY: Letecia Zepeda	APPROVED BY:	

When the Revenue Division is notified of a check lost or destroyed, we to obtain the Fund and check number. This process is used primarily for lost or destroyed check issued to the schools and the Department of Children's Support Services (DCSS).

Check CICS recon to find status of check. If check is paid, give the person the date the check cleared the bank and they will need to contact Treasury for a copy of the front and back of the check.

If the check has not been paid, a replacement check may be issued as follows:

1. If the check was mailed through the Post Office, the check is considered lost only after the addressee has not received it within seven days after the date of mailing. Exclude the date of mailing the original and include the date of issuing the replacement check. If we are notified of the lost check within the seven-day period, wait to prepare a stop payment notice, but the "Declaration to Obtain Duplicate of Lost or Destroyed Warrant (Check)" (Exhibit 2) can begin to be completed by the payee.
2. If it was received in the mail or personal delivery and then lost or destroyed, we may reissue immediately (see Exhibit 1- Code Section 29850)

Steps in replacing a check:

1. Prepare the "Declaration to Obtain Duplicate of Lost or Destroyed Warrant (Check)" (Exhibit 2), explaining the circumstances of loss. If the check was not endorsed, or if a restrictive endorsement was used such as "For Deposit Only" or "Pay to the Order of", we can reissue the check. Give a copy of the signed affidavit to the payee.
2. Prepare the Stop Payment Notice (Exhibit 3) and have a deputy sign it. The original goes to the Treasurer's Office, one copy to Schools Account Clerk's desk, keep one for the check replacement card and one copy goes with the reissue paperwork.
3. Reissue the check with description "Replaces check # _____," being sure to make notations on original paperwork with a copy of the "Declaration to Obtain Duplicate of Lost or Destroyed Warrant (Check)." Note in the check register that the stop payment was done and the reissued check number.

4. "Declaration to Obtain Duplicate of Lost or Destroyed Warrant (Check)" routing:

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Original -- with Check Replacement Card

Pink – Payee

Yellow – with Stop Payment for filing in the Stop Payment binder which is kept under the front counter

Stop Payment routing:

Original – Treasurer’s Office

Pink – Schools’ Desk

Yellow – Check replacement card

5. Complete the Check Replacement Card (Exhibit 4); attach the Original of the “Declaration to Obtain Duplicate of Lost or Destroyed Warrant (Check)” and the yellow copy of the Stop Payment Notice. File in void and cancelled checks in storage room.
6. Cancel (26) the lost check in CICS recon system and complete the canceling of the check. See “Check Reconciliation System” procedure.
7. If lost document is not stale-dated or voided, see “Reissue Cancelled/ Stale-Dated Checks.”