



The University Corporation  
Research, Investments and Commercial Services California  
State University, Northridge

Procedure Number: AC044

Date: October 28, 2021  
Last Revised: December 12, 2022

  
Lih Wu, Chief Financial Officer

Title: Administration of Payments to Vendors

### Statement

This procedure is established to maintain effective internal controls over storing and mailing checks after checks are issued.

### Purpose

To provide The University Corporation (TUC) with a procedure that documents the steps of storing and mailing checks, to ensure the adequacy of the segregation of duties and effectiveness of internal controls.

### Procedure

1. After checks are issued/printed by designated Accounts Payable staff member, checks will be given to the Associate Director of Accounting to review. A detailed Check Register and Check Record will be attached to the batch of checks.
2. Associate Director of Accounting will review all checks, then sign and date on the Check Record. When the payment amount exceeds \$10,000, a second signature will be obtained as required by AC033 – Expenditure Authorization Procedure.
3. Once this process is completed, checks are routed back to a different designated Accounts Payable staff member (who is not able to print/issue checks). This staff member will:
  - a. Identify and note on the Check Register the checks that are to be picked up by faculty/staff/student in person.
  - b. Seal and stamp the checks using the postage machine in TUC office
  - c. Hand-off the checks to front desk personnel to release to PPM (Physical Plant Management) when they arrive
4. If the checks are not picked up by PPM on the same day, the Accounts Payable Manager will lock the checks in the safe at the end of the day.
5. To ensure proper segregation of duties, checks will not be mailed by Accounts Payable staff member who handles the issuing/printing of checks nor the Associate Director of Accounting who reviews the checks.