

Dealing with Outstanding Checks

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This document shows how to handle outstanding checks in a variety of circumstances. Find the circumstance below that most nearly fits the check you are dealing with and follow the instructions on the correct page.

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If you have the check and want to void it:
See Appendix on page 15.

If you want to reissue a check:

1. Look at your most recent Church Unit Financial Statement to make sure the check has not cleared. If it has cleared, do not reissue the check.
2. If the check was written in the current month and has not cleared on the statement, telephone Church headquarters* to see if the check is still outstanding. If it has cleared, do not reissue the check.
3. If the check has not cleared, void the check (see Appendix on page 15) and then reissue it.

*Telephone Church headquarters at 1-800-453-3860, extension 23500 (long distance) or 801-240-3500 (Salt Lake area)

If you issued the check to an individual or business but they do not want to cash the check:

1. Ask the business or individual to endorse the back of the check and give or mail it to you. The endorsement should read: "For deposit only to the account of the Church of Jesus Christ of Latter-day Saints"
2. Complete a Tithing and Other Offerings slip and deposit the check to the correct category. If it is a Budget category check, write "Budget" on the Other line on the slip and enter the amount there. However, deposit it to Budget.

You issued the check to an individual or business and they lost the check but still want the money:

1. Look at your most recent Church Unit Financial Statement to make sure the check has not cleared. If it has cleared, do not reissue the check.
2. If the check was written in the current month and has not cleared on the statement, telephone Church headquarters* to see if the check is still outstanding. If it has cleared, do not reissue the check.
3. If the check has not cleared, void the check (see Appendix on page 15) and then reissue it.

*Telephone Church headquarters at 1-800-453-3860, extension 23500 (long distance) or 801-240-3500 (Salt Lake area)

If you issued the check to an individual or business and they lost the check and do not want the money:

If the check is \$50 or less:

1. Telephone or visit with the check owner to make sure they don't want the check.
2. Void the check in MLS (see Appendix on page 15).
3. When the window appears that asks the reason for the adjustment, type that owner does not want check and the date you contacted the owner (example: **Owner does not want check 12/20/08**).

If the check over \$50:

1. Obtain a written and signed letter or note from the check owner stating that he or she no longer wants the funds.
2. Void the check in MLS (see Appendix on page 15).
3. When the window appears that asks the reason for the adjustment, type that owner does not want check and the date you contacted the owner (example: **Owner does not want check 12/20/08**).

If you issued the check to an individual or business and after multiple attempts have been unable to contact the payee:

If your unit is in the United States:

Do not void the check. In February or March of each year, your unit will receive an Outstanding Checks—Annual Report form. List the check on the form and follow instructions on the back of the form. Once the stake sends your report to Church headquarters, it goes through a process that can take several months. During this time, leave the check as outstanding. Once the Church Unit Financial Statement shows the check as cleared, mark it off in your reconciliation as if it cleared the bank.

If your unit is outside the United States:

Void the check (see Appendix on page 15).

If you issued a fast-offering check and after contacting the business and/or recipient, you have determined that the debt still exists:

The fast-offering recipient should work with the bishop on this matter to help him decide whether to reissue the check.

If the fast-offering check will be reissued:

1. Void the check in MLS (see Appendix on page 15)
2. Reissue the check.

If the fast-offering check will not be reissued:

If your unit is in the United States, do not void the check. In February or March of each year, your unit will receive an Outstanding Checks—Annual Report form. List the check on the form and follow instructions on the back of the form. Once the stake sends your report to Church headquarters, it goes through a process that can take several months. During this time, leave the check as outstanding. Once the Church Unit Financial Statement shows the check as cleared, mark it off in your reconciliation as if it cleared the bank.

If your unit is outside the United States, void the check in MLS (see Appendix on page 15).

If you issued a fast offering check and after contacting the business and/or recipient, you have determined that the debt was satisfied by some other means:

1. Void the check in MLS (see Appendix on page 15).
2. Give as the reason for the adjustment, "The debt has been satisfied."

If you issued a fast offering check and after multiple attempts you have been unable to contact the business or recipient to see if the debt has been satisfied:

If your unit is in the United States, do not void the check. In February or March of each year, your unit will receive an Outstanding Checks—Annual Report form. List the check on the form and follow instructions on the back of the form. Once the stake sends your report to Church headquarters, it goes through a process that can take several months. During this time, leave the check as outstanding. Once the Church Unit Financial Statement shows the check as cleared, mark it off in your reconciliation as if it cleared the bank.

If your unit is outside the United States, void the check in MLS (see Appendix on page 15).

If you issued a check to another Church unit:

If the check was written in the current budget year:

Void the check in MLS (see Appendix on page 15)

If the check was written in a prior budget year:

If your unit is in the United States, do not void the check. In February or March of each year, your unit will receive an Outstanding Checks—Annual Report form. List the check on the form and follow instructions on the back of the form. Once the stake sends your report to Church headquarters, it goes through a process that can take several months. During this time, leave the check as outstanding. Once the Church Unit Financial Statement shows the check as cleared, mark it off in your reconciliation as if it cleared the bank.

If your unit is outside the United States, void the check in MLS (see Appendix on page 15).

If you issued a check and it cleared with 9s in the front of the number, but it is still listed as an outstanding check:

Contact Church headquarters at:

1-800-453-3860, extension 23500 (long distance)

801-240-3500 (Salt Lake area)

If you issued a check that the payee cashed, but it still is listed as outstanding:

This is what is known as a check “Lost in Banking.” The Church still owes the money to the bank as long as it has not cleared.

If your unit is in the United States, do not void the check. In February or March of each year, your unit will receive an Outstanding Checks—Annual Report form. List the check on the form and follow instructions on the back of the form. Once the stake sends your report to Church headquarters, it goes through a process that can take several months. During this time, leave the check as outstanding. Once the Church Unit Financial Statement shows the check as cleared, mark it off in your reconciliation as if it cleared the bank.

If your unit is outside the United States, do not void the check. Continue to leave it as outstanding.

If none of the circumstances listed in this document fit the outstanding check:

Contact Church headquarters at:

1-800-453-3860, extension 23500 (long distance)
801-240-3500 (Salt Lake area)

Appendix: Voiding a Check

Void the Physical Check

If you still have the check, do the following before voiding the check in MLS. If you do not have the check, go straight to “Void the Check Entry in MLS.”

1. Tear out and destroy the signature lines on the check.
2. Write “**VOID**” on the check and any copies of the check.
3. File the voided check in numeric order with the other expense documents.

Void the Check Entry in MLS

In MLS, do the following:

1. Under Finances, click **More**.
2. Under Expenses, click **View/Update Expenses**.
3. In the Ref. No. column, click on the check number. The Expense screen displays the details of the check.
4. Click **Void**.
5. Click **Continue**.
6. Enter the reason for the adjustment. This will depend upon the situation.
7. Click **OK**.