

**RESOLUTION NO. 18R-09**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE BIGHORN-DESERT VIEW WATER AGENCY  
ADOPTING A POLICY REGARDING STALE DATED CHECKS**

The Board of Directors of the Bighorn-Desert View Water Agency desires to implement a policy for processing of stale dated checks.

**WHEREAS**, Bighorn-Desert View Water Agency (BDVWA) issues checks for vendor invoices and checks for refunds on utility billing accounts with a deposit and/or credit balance upon account closure. Once a check is issued, the recipient has 90 days to deposit the check. If the check has not cleared the BDVWA bank after 90 days, the check is considered stale dated.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Bighorn-Desert View Water Agency adopts the following policy regarding stale dated checks.

**BIGHORN-DESERT VIEW WATER AGENCY  
STALE DATED CHECK POLICY**

It is BDVWA's policy to review and process stale dated checks on a quarterly basis.

**PROCEDURE:**

Determining Stale Dated Checks to be Voided:

1. Fiscal quarters shall be defined on a calendar basis as Q1 (Jan-Mar), Q2 (Apr-June), Q3 (July –Sept), Q4 (Oct-Dec).
2. At least 90-days following the end of a calendar quarter period, an Accounting Technician will run a "Void Check" batch in the financial software to determine outstanding checks.
  - a. Most stale dated checks are from closed Utility Billing accounts that failed to provide a good forwarding address, or, for whatever reason, the client doesn't cash the check.
3. In the "Void Check" batch, select all checks older than the last date of the prior quarter (i.e. at least 90-day aged) and run the batch to completion for the identified checks. If none exist, note it in writing and file as directed.

- a. NOTE: In order to completely process voided stale refund checks, a Journal Entry shall also be run to complete the void check process to the General Ledger (connecting the Utility Billing module to the General Ledger). The "Void Check" batch will move the refund amounts from the individual billing account to "Accounts Payable" General Ledger account (01-00-227000). The subsequent Journal Entry will move the Utility Billing refund amounts from the "Accounts Payable" General Ledger account to the "Expense/Income Misc." (01-00-593000) General Ledger account.

4. File the Proof List in the "Check Register" binder under the "void checks" tab.

Re-issuing Stale Dated Checks:

1. Upon request of Client regarding stale refund check. Confirm information and legitimacy of request. Submit documentation to Accounts Payable.
2. Accounts Payable to review request and process check from GL 01-00-593000.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Bighorn-Desert View Water Agency this 26<sup>th</sup> day of June 2018.

By Michael McBride  
Michael McBride, Board President

Attest:

Terry Burkhart  
Terry Burkhart, Board Secretary

