

ACCEPTANCE OF CHECKS AND MONEY ORDERS

(Revised 8/01)

All checks, money orders, and warrants received for deposit will be restrictively endorsed for deposit as soon as possible after receipt, but no later than the end of the working day. See SAM Section 8034.1. If the payee space is blank on any instrument received for deposit, the State agency's name will be entered *immediately*.

Checks and money orders for amounts in excess of the payment required may, at the State agency's discretion and upon proper identification of the payer, be accepted over-the-counter. Immediately refund the amount in excess of the required payment made from cash receipts, except when the person presenting the check has prepared the check for an amount in excess of the required payment.

As a general principle, State agencies will accept personal checks to provide convenience to the public. See Government Code Section 6157. However, State agencies may require payment by cash, certified check, cashiers check, or money order when:

- a. Service or materials that cannot be withdrawn if the check is dishonored by the bank are furnished to other than well-established firms or well-known persons.
- b. The payer previously gave the State agency a check that was dishonored by the bank.
- c. The check is drawn on a financial institution outside the United States.

State agencies accepting personal checks over-the-counter for cash or for services or materials that cannot be withdrawn will assure that enough information is available, either on the check or from available records, to enable tracing the person who presents the check if it is dishonored by the bank. Supplemental information, such as residence or business address, driver's license number, etc., may be essential in locating such individuals.