



Human Resources

HR-420 Void a Vendor Check (an "End Check")

Occasionally, a vendor check issued directly with a payroll warrant must be voided. This describes the steps required to void a check.

Void the Check

Contact the bank to void the check

- Notify the bank that the check is void. Even if the check has not been issued, notify the bank as it will be included in the positive pay (recon) file for the warrant
- Mark the check as void by entering a void date on the Vendor Check History screen

Journal Entry

Create a journal entry with a note that references the HR Check number

- Debit the cash account used for the disbursement bank
- Credit the employee's gl account(s) and cost code expense account from the cost code table if the check includes benefits (use the same account(s) on the new voucher)
- The expense and cash have already been accounted for during the payroll posting
- **If the check should only be voided and not re-issued, do not re-issue via AP, only the Journal Entry is required**

Re-Issue via AP

Create a voucher for the replacement check

- Use the same vendor number
- Use the same **expense account(s)** used in the journal entry
- Reference the Journal Entry number in the voucher details for audit trail purposes

1 Notify the Bank that the Check is Void

Even if the check was not distributed, notify the issuing bank, as that check will be included in the positive pay file (recon) for the payroll warrant.

| | | | |
|---|-------------------------|----------------|---|
| TOWN OF ADMINS ANYTOWN, MASSACHUSETTS | PAYROLL - CITIZENS BANK | 5-7017 2110 | Check # 080659 15-Jul-2016 |
| Pay **Nine Hundred Twenty Five and 23/100 Dollars ** | | | \$\$\$925.23 |
| <small>In Pks</small> BOSTON MUTUAL LIFE INS. CO.-G | | | |

2 Create A Journal Entry to Reverse the Check

- Debit the cash account used for the disbursement bank
- Credit the expense account (if re-issuing an AP Check, use the same account in the voucher)

The **actual** expense (if any) and **cash** have already been accounted for during the payroll posting and are unaffected by the journal entry and voucher.



Create both the JE and the voucher and toggle between the two to have the #'s to be used for reference

In the illustration, the notes field is used to reference the original check number and HR warrant #, in addition to the Code and Ref# entries.

| Line | Code | Ref# | Bank | Account# | Debit | Credit | Line Note |
|------|------|--------|------|-------------------------------|--------|--------|-----------|
| 1 | HR01 | 080659 | PAYR | 1000-000-0000-00-00-10400 | 925.23 | | |
| 2 | AP01 | 353835 | | 1000-162-0000-001-00-00-52900 | | 925.23 | |
| 3 | | | | 0000-000-0000-000-00-00-00000 | | | |
| 4 | | | | 0000-000-0000-000-00-00-00000 | | | |

3 Create an AP Voucher for the Replacement Vendor Check

Go to the **Cost Code Table** to view the information pertinent to the vendor check.

For example, code BSTVOL uses the vendor number 166. That is the vendor number to be used on the Accounts Payable voucher.

Create an accounts payable voucher to provide a new check to the vendor. Issue a manual check if the matter is urgent or add the check for payment to an existing batch for a regular disbursement warrant.

| Line Item | Item Description | Qty | UOM | Price | Freight | Other | Ext Amount |
|-----------|---|--------|-----|----------|---------|-------|------------|
| 1 | HR Check: 3080659 In Warrant: 930001 Payroll Batch 1538 | 1.0000 | | 925.2300 | | | 925.23 |

Reference the JE # on the voucher as well.

Refer to the original HR check by warrant and check number in the Item Description on the voucher to provide an audit trail.



Issue a check from the Accounts Payable System.



Once the journal entry and disbursements are posted, the GL Transaction screen shows both entries on the account:

Showing All Transaction History

| Trx Date | Reference# | Line | GL# | TrxCode | User Bat# | Posting# | Amount | Type | Display - Transaction Desc |
|-------------|------------|------|-----|---------|-----------|----------|--------|------|----------------------------|
| 22-Jul-2016 | 353835 | 1 | 1 | AP02 | 13156 | 8846501 | 925,23 | DR | Voucher Posting |
| 22-Jul-2016 | 20906 | 2 | 1 | JE01 | 8846502 | 8846502 | 925,23 | CR | Journal Entry |

The journal entry and voucher in combination net to zero, so there is no impact to the subsidiary ledger. The **Account Balance Inquiry Screen** shows a zero balance on this account (as no other transactions exist):

Account Balance Inquiry

| Actuals | Appropriation | Appropriation Adj | Encumbrance | Debits | Credits | Remaining Balance |
|---------------------------------|---------------|-------------------|-------------|--------|---------|-------------------|
| Work In Progress | | | | 925,23 | 925,23 | |
| Actuals by Period for Fund 1000 | | | | | | |
| Jul 01 - Jul 31 | | | | 925,23 | 925,23 | |

Enter a void date for the check to in the Vendor Check History screen to complete the process. This will allow users to immediately see which checks were voided. To enter a void date, from the menu, select:

Human Resources ▶ Queries ▶ Vendor Check History

Find the check in the History screen. Click on the **5 Ck#** button to activate the column and type the check number.

Click in the void date field and enter the void date.

Vendor Check History

| 1 Vendor | 2 Bank | 3 Warrant | 4 CkDate | 5 Ck# | 6 Check Type | Amount | | |
|----------|--------|-------------------------------|----------|--------|--------------|---------|--------------------|----------|
| 002439 | 01 | TSA CONSULTING GROUP | PHWR | 903300 | 09-Jan-2020 | 0095748 | HR Deduction Check | 2437 |
| 002439 | 01 | TSA CONSULTING GROUP | PHWR | 903289 | 12-Dec-2019 | 0095652 | HR Deduction Check | 3287 |
| 002439 | 01 | TSA CONSULTING GROUP | PHWR | 903290 | 11-Dec-2019 | 0095682 | HR Deduction Check | 3287 |
| 002439 | 01 | TSA CONSULTING GROUP | PHWR | 903287 | 27-Nov-2019 | 0095586 | HR Deduction Check | 3237 |
| 002439 | 01 | TSA CONSULTING GROUP | PHWR | 903288 | 27-Nov-2019 | 0095621 | HR Deduction Check | 3287 |
| 002439 | 01 | TSA CONSULTING GROUP | PHWR | 903274 | 12-Oct-2019 | 0965694 | HR Deduction Wire | -250 |
| 002928 | 01 | TOWN OF BELL-GROUP INS CL T F | PHWR | 903300 | 09-Jan-2020 | 0963056 | HR Deduction Wire | -4871 |
| 002928 | 01 | TOWN OF BELL-GROUP INS CL T F | PHWR | 903291 | 12-Dec-2019 | 0095701 | HR Deduction Check | 170 |
| 002928 | 01 | TOWN OF BELL-GROUP INS CL T F | PHWR | 903292 | 12-Dec-2019 | 0095708 | HR Deduction Check | 170 |
| 002928 | 01 | TOWN OF BELL-GROUP INS CL T F | PHWR | 903289 | 12-Dec-2019 | 0966965 | HR Deduction Wire | -4273 |
| 002928 | 01 | TOWN OF BELL-GROUP INS CL T F | PHWR | 903290 | 11-Dec-2019 | 0967517 | HR Deduction Wire | -4273,93 |

Void Date

12-Dec-2019
11-Dec-2019