

Operational Policy

Policy title:	Check Signing Controls		
Policy number:	DHS OHA-040-011		
Original date:	04/23/2010 (DHS only)	Last update:	12/04/2015 (Joint DHS OHA)
Approved:	Jim Scherzinger, DHS COO Mark Fairbanks, OHA CFO		

Purpose

The Department of Human Services (DHS) and the Oregon Health Authority (OHA) are committed to communication and collaboration on operational policies affecting both agencies, including those developed by the Shared Service offices. The Office of Financial Services (OFS) ensures honesty, integrity and accountability by efficiently and effectively providing accurate, accountable and responsive financial management, management and business services to their clients, stakeholders and employees. In this way OFS supports the DHS|OHA mission and is in compliance with state laws and federal policies, rules and regulations.

Description

This policy requires the establishment of internal controls to safeguard check-signing machines, check-signing machine keys and signature plates bearing the signature of the DHS|OHA Controller.

Applicability

This policy applies to all DHS and OHA staff including employees, volunteers, trainees and interns.

As keepers of the public trust, all agency employees have a responsibility to comply with state and agency policies, administrative rule, and state and federal law. The agency takes this responsibility seriously and failure to fulfill this responsibility is not treated lightly. Employees who fail to comply with state or agency policy, administrative rule, or state and federal law may face progressive discipline, up to and including dismissal from state service.

Policy

1. The Office of Financial Services (OFS) shall establish internal controls to account for and safeguard the check-signing machine, check-signing keys that operate the machine, signature plates and blank check stock.
2. OFS shall establish segregation of duties and adequate internal controls to mitigate risk and detect and prevent fraudulent activities due to the misuse of the check-signing machine, check-signing keys and signature plates.
3. OFS shall establish controls for custodians for the check-signing machine, check-signing keys that operate the machine, and for signature plates, including.
 - a. Designating a custodian for the signature plate and insertion key who does not have access to the blank check stock or the check-signing machine activation key.

- b. Designating a custodian for the signing machine and activation key who does not have access to the signature plate, signature plate insertion key, or blank check stock and does not approve expenditures.
 - c. No one person shall have access or be custodian of both the insertion and activation keys.
4. OFS shall establish controls for remote locations where staffing limitations may prohibit or restrict the appropriate segregation of duties.
- a. OFS shall work with the location to exercise active oversight of operations as compensating controls.
 - b. The remote location manager shall be accountable for any illegal, improper or unauthorized use of the check-signing machine, check-signing keys, signature plate, blank check stock, and voided or cancelled checks.
5. OFS shall establish guidelines for:
- a. Obtaining a check-signing machine, check-signing keys that operate the machines, signature plates and blank check stock.
 - b. The return, destruction and post-audits plans for any location assigned a check-signing machine, check-signing keys that operate the machines, signature plates and blank check stock and the related voided and cancelled checks and final check logs.

References

[Oregon Accounting Manual \(OAM\): Section 10.20.00.PR](#)

[Oregon Secretary of State Archives](#)

[DHS|OHA Field Business Procedures Manual http://www.dhs.state.or.us/caf/manual/](http://www.dhs.state.or.us/caf/manual/)

[DHS|OHA SPD Support Staff Assistance Manual](#)

[Common Terms](#) for all Finance policies

[Common Terms](#) for all Administrative Services Division policies

Forms referenced

[MSC 0249 Stock Control Log](#)

[MSC 0249A Revolving Fund Check Issuance Log & Meter Reading](#)

[DHS 0293 Check Destruction Affidavit](#)

[DHS 0294 Revolving or Suspense Checking Account Closure](#)

Related policies and guidelines

[DHS|OHA-040-001: Check Stock Management](#)

[DHS|OHA-040-001-01: Check Stock Management Procedure](#)

[DHS|OHA-040-010: Delegation of Expenditure Decision Authority](#)

[DHS|OHA-040-010-01: Exercising Expenditure Decision Authority](#)

[DHS|OHA-040-010-02: Inappropriate Actions](#)

[DHS|OHA-040-011-01: Check Signing Machine](#)

[DHS|OHA-040-012: Revolving Fund 180-Day Check Cancellation](#)

[DHS|OHA-040-012-01: Revolving Fund 180 Day Check Cancellation Procedure](#)

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