The purpose of this job aid is to provide check numbering guidelines for NCAS.

Introduction

The North Carolina Accounting System (NCAS) users are responsible for assigning and maintaining check numbers for agency checks. This memo provides guidelines for assigning check numbers, especially for agencies that have multiple types of checks. NCAS prevents the use of duplicate check numbers. The system validates all check numbers used against both the payment file and the check reconciliation file. Since several types of checks may exist for an agency, the chance of duplicate check numbers is possible unless a specific range of numbers is assigned for each check (or payment) type.

Types of Checks (or Payments)

An agency may have the following types of checks (or payments) that require special check numbering considerations:

- **Automated Checks**
    - The automated checks are generated each night. The automated checks are produced from a file of vendor payments that is passed from NCAS check printing software. This should be the source for most checks generated by an organization.
    - Users specify the beginning check number for automated checks on the *BCC* screen before each check run.

- **Manual Checks Produced Using the Check Printer Software**
    - These manual checks are produced when a check must be generated immediately. These checks are pushed from the NCAS MPE screen for printing in the check printing software or created by directly entering the check information into the check printing software. A separate transaction is required to record the transaction in NCAS when entering check information directly in the check printing software. The volume of these manual checks should be very light (with some agency-specific exceptions.)

- **Manual Checks Produced Using Old Check Stock**
    - These checks are created by writing a check using the existing supply of check stock. A separate transaction is required to record the transaction in NCAS. This is the fallback process when the check printer is not functioning, and an alternative check printer is not available.

- **Manual Checks Produced Using a Manual Check Book**
    - These checks are created by writing a check from a checkbook. A separate transaction is required to record the transaction in NCAS. The use of these manual checks should be very limited.
- **Electronic Transfer Payments**
    - These are electronic payments made by agencies (e.g., payroll payments). The electronic transfers are processed through the Cash Management System the same way they are presently. To record the transfers in NCAS, an invoice is entered and a manual payment created for the invoice on the *MPE* screen. Do not process an actual check from the check printer or other manual means (remember, the money is transferred electronically). These payments must be cleared manually using the Payment Clearance (*PCR*) screen. A range of numbers must be set aside for these electronic transfer payments. The statewide model for numbering these payments requires that these numbers begin with 9900000000.

Check Numbering Guidelines and Procedures

Listed below are the general check numbering guidelines, as well as specific guidelines for each type of check (or payment).

- **General Guidelines**
    - The check number in NCAS is limited to 9 digits. Although NCAS can support up to 10 digits, the Department of the State Treasury systems are limited to 9 digits.
    - Estimate the annual volume of checks for each type of check (or payment) and multiply by five years to determine the range of numbers that must be reserved for the check type. The State allows outstanding checks to remain open for five years before being escheated.
- **Automated Checks**
    - Since this check series represents the largest volume of checks, avoid assigning an upper limit to the automated check series. This can be achieved by starting the automated check series numbering at a higher number than the ranges assigned to all other check series.
    - For the initial check run in NCAS, it is critical to establish the first check number of the check range on the *BCC* screen. For subsequent check runs, the number of the last check printed is displayed and the user must enter the next check number on the *BCC* screen.
    - The BCC screen is associated to a BAP code, so it is possible to establish a separate check number range for each BAP code. However, if different BAP codes share the same bank account, the same check number range can be shared by all those BAP codes. In general, a

separate check number range should be established for each bank account used to make automated payments.

- **Manual Checks Produced Using the Check Printer Software**
  - It is possible *(but not recommended)* to use the same check series for both automated checks and manual checks produced using the check printer software. If this approach is used, the starting check number for automated checks must be manually adjusted after each time that manual checks are generated. It is not recommended that the same check series be used for both automated and manual checks produced using the check printer.
  - The same exact check number must be used on the manual check and on the transaction entered into NCAS in order to support bank reconciliation for manual checks.
  - For all the manual types of payments, the check number is entered into NCAS at the time the manual check transaction is entered. Maintain a log for each type of manual check (or payment), so users can readily identify the next available check number in the range. It is not required to set up initial check numbering on the *BCC* screen for manual checks (or manual payments).

- **Manual Checks Produced Using Old Check Stock**
  - The range assigned must correspond to the numbers on the pre-printed check stock.
  - The same exact check number must be used on the manual check and on the transaction entered into NCAS in order to support bank reconciliation for manual checks.
  - For all the manual types of payments, the check number will be entered into NCAS at the time the manual check transaction is entered. Maintain a log for each type of manual check (or payment), so the users can readily identify the next available check number in the range. It is not required to set up initial check numbering on the *BCC* screen for manual checks (or manual payments).

- **Manual Checks Produced Using a Manual Check Book**
  - The range assigned must correspond to the numbers on the pre-printed checks in the checkbook.
  - The same exact check number must be used on the manual check and on the transaction entered into NCAS in order to support bank reconciliation for manual checks.
  - For all the manual types of payments, the check number is entered into NCAS at the time the manual check transaction is entered. Maintain a log for each type of manual check (or payment), so users can readily identify the next available check number in the range. It is not required to set up initial check numbering on the *BCC* screen for manual checks (or manual payments).

- **Electronic Transfer Payments**
    - Since the Treasurer's Office does not process these payments, all ten digits of the NCAS check number can be used. The statewide model requires that the use of 9900000000 as the first number in the range of check numbers assigned to this payment type.