



UNIVERSITY OF ROCHESTER

Foreign Currency Check and Acceptance & Canadian Coin Policy

APPROVED BY:
Foreign Currency

DATE: 04/07/17

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- I. **Date of Initiation/Revision:** April 7, 2017, April 15, 2014, August 30, 2011, June 6, 2011, March 2011, July 2010, October 2004, July 2017
- II. **Policy Classification:** Office of Treasury
- III. **Policy Summary:** This policy establishes the policy and process for collecting funds by the University of Rochester that are not issued by US banks in US Dollars.
- IV. **Related Policies:** N/A
- V. **Delegation of Authority:** Treasury, maintained by the Office of Treasury reporting to Senior VP for Administration & Finance and Chief Financial Officer. Treasury will identify a team of University users of the policy to assist Treasury.
- V. **Policy Statement:** The purpose of the foreign currency check acceptance policy is to identify a University-wide policy and process that will assist in expediting the collection of checks that are not issued by US banks in US Dollars.
- VI. **Definitions:**

ICO: HSBC International Check Operations
 USD: US Dollars

The following country codes have been used for purchased foreign currency:

Currency Code	Currency	Country/Region
GPB	Pounds	United Kingdom
AUD	Dollars	Australia
CHF	Francs	Switzerland
DKK	Kroner	Denmark
HKD	Dollars	Hong Kong
EUR	Euro	European Union
CAD	Dollars	Canada

Purchased item: bank will reimburse UR prior to receiving final payment from the foreign bank.
 Collection item: bank will credit UR when final payment is received from foreign bank.

- VII. **Responsibilities:** Business administrators in the areas accepting foreign currency checks will write the account # on the back of the check for each foreign currency being deposited for collection via postage paid envelope to HSBC Bank's "Bank By Mail". Deposits will be prepared according to outlined process in Section VIII, Procedures.

The International Check Operations (ICO) of HSBC Bank will receive foreign currency items from UR via "Bank By Mail" postage paid envelope. The ICO will attempt to process each item as a purchased item, if not possible, the item will be processed as a collection item.

Treasury will maintain and provide a list of countries from which funds and currencies may not be deposited as it becomes necessary. Items CANNOT be accepted from Cuba, North Korea, Libya, Iraq, Iran, Myanmar, Sudan and former Yugoslavia.

Foreign currency checks will be deposited via Bank By Mail to HSBC Bank in postage paid envelopes. The address for "Bank By Mail" is HSBC PO Box 2690, Buffalo, NY 14240-8892.

General Accounting in Finance/ will credit advices from HSBC Bank and forward to appropriate division/department for necessary action.

VIII. Procedures: Business administrators will receive and accept foreign currency checks as a form of tender. The foreign currency check must exceed \$200 USD for all currencies except Canadian currency. The USD amount can be estimated via an online currency converter such as: <http://finance.yahoo.com/currency-converter/#from=USD;to=EUR;amt=1>. Items may be accepted in the form of foreign currency checks from United Kingdom, Australia, Switzerland, Denmark, Hong Kong, European Union and Canada. Items may also be accepted from foreign banks in these countries in US dollars. Items CANNOT be accepted from Cuba, North Korea, Libya, Iraq, Iran, Myanmar, Sudan and former Yugoslavia. The business area depositing the check will write the account number on the back of the check before depositing into the "Bank by Mail" envelope. The business administrator area that is depositing the item will also retain a copy of each foreign currency check.

A copy of each foreign currency check will be retained by the cashiering location prior to mailing the item in the "Bank By Mail" postage paid envelope. A copy of the front and back of each item will be sent via intramural mail to General Accounting. The face value of the deposit will be noted on the daily/weekly deposit report, which will include the foreign currency, and the amount of the foreign currency. **Do not include the USD conversion on the back of the check.** The foreign currency items will be placed in the "Bank By Mail" postage paid envelope to:

HSBC
PO Box 2690
Buffalo, NY 14240-8892

General Accounting in Finance will receive credit advices in order to confirm and/or match activity from HSBC Bank. Documentation will be forwarded to division/department that made the deposit where they will post the net amount to their daily/weekly deposit report and prepare the corresponding entries.

HSBC Bank will receive foreign currency item deposits from UR via "Bank By Mail" and process as follows:

Purchased Items: Canadian fee is \$2 per item

- \$5,000 USD equivalent or less –IMMEDIATE.
- Over \$5,000 USD equivalent – ICO will place a 15 DAY HOLD on the deposited funds prior to availability.

Purchased items are those items in the following currency: Canada-dollars.

All items are purchased with recourse. If an item is purchased and subsequently returned, the original item is purchased at the buy rate if returned the sell rate will be used and charged to UR account.

Collection Items: fee of \$50 plus a paying bank collection fee

- Collection items are credited to UR account when final payment is received from the foreign bank. This will take two to eight weeks to receive collection/settlement. UR may incur a collection fee from the receiving bank in addition to the paying bank, which will be passed along from HSBC Bank.

Collection items are those foreign currency checks that are not issued in or from Canada, United Kingdom, Australia, Switzerland, Denmark, Hong Kong, or European Union-euro.

Deposits will be processed by ICO in Buffalo within 2 days of receipt. A credit advice, which details the transaction, will be mailed to University of Rochester, Accounting Suite 200, 910 Genesee Street, Rochester, NY, 14611. The credit advice will include the following information: currency, drawer, endorser, UR account number credited, face amount of check, exchange rate, US equivalent, fee and a copy of the check.

If an item is valued at approximately \$200 USD or less, do not deposit to bank because the bank fees of the receiving and paying banks will more than offset the value of the item.

All fees incurred by UR to collect on a foreign currency check will be charged to the department or division that deposited the foreign currency check.

Canadian Coins: New process currently being researched

Canadian coins can be deposited with JPMorgan Chase Bank. The coins are to be segregated by denomination, i.e. 1 ¢, 5 ¢, quarters, dimes, loonies (\$1 Canadian) and toonies (\$2 Canadian). Each denomination will be placed in separate plastic bags (can use small plastic lunch bags) and then all bags are placed in a big bag or envelope. The Bursar's Office, Gift and Donor Records and Medical Center Cashiers' Office will prepare a separate deposit ticket noting "Canadian Coin", the depository location name, and contact telephone number. If the Canadian amount of coins is known, the deposit ticket should include the amount of coins. The deposit ticket and the coin bag should be deposited at the JPMorgan Chase branch. The branch associate should initial and date the deposit slip receipt for assurance of deposit receipt by bank branch. The coin deposit will take 3-4 business days to settle to the University bank account. A copy of the deposit ticket should be sent to General Accounting in Finance for reconciliation purposes.

IX. Policy Review: This procedure will be reviewed and revised in accordance with policy and procedure changes.