

## Indiana University Office of Procurement Services

### STANDARD OPERATING PROCEDURE

<b>SOP NO:</b>	SOP-AP-1
<b>SUBJECT:</b>	Refund Checks
<b>SOURCE:</b>	University Procurement Services
<b>ORIGINAL DATE OF ISSUE:</b>	03/24/21
<b>DATE OF LAST REVISION:</b>	07/26/2023
<b>DISCLAIMER:</b>	The information provided in this Standard Operating Procedure (SOP) is designed to provide helpful information on this procedure. Purchasing reserves the right to determine on a case by case basis if a SOP should be adjusted for a particular situation. This SOP is not intended to cover each and every situation nor can it anticipate specific circumstances.
<b>RATIONALE:</b>	Credit memos are the preferred method for refunds owed to Indiana University. However in some circumstances, a credit memo is not possible. In these situations, a refund check should be requested.
<b>PROCEDURES:</b>	<ol style="list-style-type: none"> <li>1) Accounts Payable or the department contacts the supplier to request a refund check. The supplier should be provided the following instructions for issuing the refund: <ul style="list-style-type: none"> <li>• Checks must be sent to Accounts Payable at: <ul style="list-style-type: none"> <li>○ 501 N. Morton St, #110</li> <li>○ Bloomington, IN 47404</li> </ul> </li> <li>• Refund checks must not be sent to the department.</li> <li>• The check should reference the PO number and invoice number of the original payment that is being refunded.</li> </ul> </li> <li>2) Once the check is received, Accounts Payable will document which University account the check should be deposited into based on the information on the invoice and give the check to Procurement Services to deposit.</li> <li>3) Procurement Services will process an Advanced Deposit (AD) document and send the check via AccountableMail to the campus Bursar. The AD document number should be clearly printed on the check.</li> <li>4) If Accounts Payable is unable to identify the correct account for funds received, the check will be deposited into University suspense account #68-127-87. Those funds will be available for claiming for 6 months. <ul style="list-style-type: none"> <li>• Accounts Payable will produce a monthly report of outstanding deposits to the suspense account. This report will be posted at: <a href="https://purchasing.iu.edu/resources/doc/Deposited-Refund-Checks.pdf">https://purchasing.iu.edu/resources/doc/Deposited-Refund-Checks.pdf</a></li> <li>• Departments expecting refunds that have not been received should review the report monthly to identify any funds to claim.</li> </ul> </li> </ol>

	<ul style="list-style-type: none"><li>• If funds belonging to your department were deposited into the default account, a DI should be completed to transfer the funds from 68-127-87, object code 1800, to the correct departmental account. The Advanced Deposit (AD) number must be included in the explanation section of the DI to claim your refund.</li></ul>
<b>DEFINITIONS:</b>	Unclaimed funds – Funds that have been deposited to the default suspense account 68-127-87, because Accounts Payable was unable to determine where they belonged.
<b>CROSS REFERENCE:</b>	