



# UNIVERSITY OF ROCHESTER

## Foreign Currency Check and Acceptance & Canadian Coin Policy

APPROVED BY:  
Foreign Currency

DATE:  
August 30, 2011

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- I. **Date of Initiation/Revision:** October 2004, July 2010, March 2011, June 6, 2011, August 30, 2011
- 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 prepare a deposit ticket (Bursar's Office, Gift & Donor Records) or a 9 control ticket (Medical Center Cashiers' Office) 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.

Deposit slips and 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 receive information 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. 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. Items will be deposited with appropriate deposit ticket to Bursar's Office on the Bursar's Office deposit ticket or the Medical Center Cashiers' Office on the 9 control ticket or Gift and Donor Records' deposit ticket. The business administrator area that is depositing the item will retain a copy of each foreign currency check.

The Bursar's Office, Gift and Donor Records and Medical Center Cashiers' Office will prepare a deposit ticket for HSBC for each different foreign currency. A copy of each foreign currency check will be retained by the cashiering location prior to mailing the deposit ticket and items in the "Bank By Mail" postage paid envelope. A copy of the front and back of each item with the HSBC deposit ticket 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 deposit ticket.** The deposit ticket and 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: fee of \$10 per item; 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 currencies: Canada-dollars, United Kingdom-pounds, Australia-dollars, Switzerland-francs, Denmark-kroner, Hong Kong-dollars, and European Union-euro.

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 \$45 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 \$50 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 HSBC 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 1475 Mt. Hope Avenue HSBC branch. The branch associate should initial and date the deposit slip receipt for assurance of deposit receipt by bank branch. The branch will send the deposit to the Money Center in Buffalo. 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.