



APD ALERT

Prohibition on Writing Convenience Checks over \$2,500

Purpose

The purpose of this Alert is to remind procurement personnel of the prohibition of writing convenience checks over \$2,500.

Policy

Agriculture Acquisition Regulations (AGAR) Advisory No. 52, Prohibition on Using Convenience Checks for Purchases or Payments, dated July 2, 2003, provides guidance on issuing checks over \$2,500. As stated in the AGAR, cardholders who need to make purchases over \$2,500 due to a documented emergency shall secure approval from their Agency Program Coordinator (APC) to make purchases over \$2,500 during the duration of the emergency. The cardholder shall document such approval and maintain documentation with the purchase card file. Unless it is not possible to contact the APC, approval must be secured before writing checks over \$2,500.

How does this affect me?

ARS procurement personnel shall not issue checks over \$2,500 to make payments, except in a bona fide emergency and where a Debt Collection Improvement Act Waiver is applicable. An emergency is defined as an unexpected, serious occurrence or situation that would result in injury, financial or otherwise, to the Government.

What do I do if I can't get prior approval?

1. Submit a written request for approval to the Research, Education, and Economics APC. Include applicable waiver number with the request.
2. Provide an explanation of the emergency.
3. Explain why there was no other way to accomplish payment other than by check. Your documentation should disclose whether merchants or payees were asked if they accept credit cards or Purchase Orders.
4. Submit the request for approval within one business day after the check has been issued.