



**POLICY ON ADMINISTRATIVE FEES FOR RD (REFER
TO DRAWER) CHEQUES**



TITLE AND COPYRIGHT

Title	POLICY ON ADMINISTRATIVE FEES FOR RD CHEQUES
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1. PURPOSE

It is the policy of the University of Venda that:

- 1.1 Administrative fees will be charged when cheques made out to the University of Venda are returned by the bank marked "Refer to Drawer" or "Payment Stopped". (Refer to Fee Booklet for amount)
- 1.2 The replacement of an RD cheque must be made in cash, or with a credit card or bank-guaranteed cheque.

2. DEFINITION

An RD (refer to drawer) cheque is a cheque that is sent back by the bank with one of the following indications:

- 2.1 Refer to drawer (insufficient funds);
- 2.2 Account has been closed;
- 2.3 Cheque is not signed; and
- 2.4 Other errors.

3. RULES

- 3.1 The cashiers must check for any altered, post-dated and stale cheques before processing them on the system
- 3.2 Once a student has paid with an RD cheque, his or her account is blocked on the system, so that, in future, the student is forced to pay only in cash, or with a credit card or bank-guaranteed cheque. The administrative costs are debited on the student's account, and the General Income and Administrative Funds Account is credited. If the payee is not a student, a tax invoice will be raised.

4. PROCEDURE

- 4.1 On receipt of an RD cheque, Student Accounts contacts the person concerned and sends a letter to the client or the student to inform him or her accordingly.
- 4.2 The client or student makes a replacement payment within a limited period of time.

5. FORMS

RR - Requisition for the procurement of goods and services.

6. RELATED POLICIES AND DOCUMENTATIONS

Policy on accepted invoices
Policy on Cashier Shortage/Surpluse



7 REGULATORY FRAMEWORK

GAAP
King III report on Corporate Governance
Higher Education Act (Act 107 of 1997)


8 REVIEW DATE

This policy will be reviewed after three years or as and when the need arises.

9 RECORD OF CHANGES

REVISION	DATE	AUTHOR(S)	DESCRIPTION

10 APPROVAL



Registrar (Secretary of Council)