



<b>BUSINESS POLICY AND PROCEDURE MANUAL</b>	Date Issued: 9/90	Revision Date: 4/98	Page: 1 of 1
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Subject: BAD CHECKS			

GENERAL STATEMENT OF POLICY

1. **Student Personal Checks** - A student who presents to the University a check which for any reason is not honored by the bank on which it is drawn will be charged a \$20 fee per returned item. Failure to pay for the returned check and \$20 processing fee after written notification to the student will subject the student to disciplinary action by the University. If more than two returned checks are received from a student, the University will no longer honor checks from that student.
2. **Employee Personal Checks** - Cashiers in the Cashier's Office can cash faculty and staff personal checks up to \$25 only. An employee who presents to the University a check which for any reason is not honored by the bank on which it is drawn will be charged a \$20 fee per returned check. Check cashing privileges will be suspended for employees upon a second check being returned to the University.
3. **Non-Student Personal Checks** - A non-student (who is not employed by the University) who presents a check to the University which for any reason is not honored by the bank on which it is drawn, where possible, will be charged a \$20 fee per returned check and will be notified by mail, telephone, or personal contact requesting payment for the returned check.

If payment is not received within a reasonable amount of time as requested, the individual who presented the check to the University will be notified and one of the following actions will be taken by the University with the approval of the Vice President for Finance and Administration:

- A. Referral to a collection agency.
- B. Referral to the county prosecuting attorney if payment is not received within ten (10) days from the date of the certified letter forwarded to the individual.



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OPERATING PROCEDURES

1. “Insufficient funds” (NSF) checks are routinely run through the University bank account twice to attempt clearance before processing with other collection attempts.
2. NSF checks (or returned Web Payments) are forwarded to Student Financial Services for collections.
3. A written request for payment will be sent to the check-writer. Special collection attempts such as phone calls, personal visits, etc., are permitted.
4. Returned checks may be referred to a collection agency if collection attempts at the campus level are unsuccessful.
5. Returned checks issued on a student’s account will warrant a “Delinquent” hold as well as a “No Check-Writing” hold being placed on the student’s records and the possibility of class cancellation.
6. Returned checks of sufficient size may warrant immediate referral to an outside collection agency or referral to the county prosecuting attorney.