

POLICY TITLE: CHECKS RETURNED FOR INSUFFICIENT FUNDS

When a check is returned to the school agency because of insufficient funds a certified letter (Appendix 7225-1) will be sent to the person writing the check requesting that they contact the school agency within five (5) working days with cash or a certified check to cover the face amount of the check and fees (bank fees plus a \$6.00 administration fee). The following also applies:

Partial payment will not be accepted.

The agency will not agree to additional time for payment in full.

The agency will not let the purchaser have the original check until complete payment is made, then receipt check back to purchaser.

If the school agency is not contacted, the check may be presented to the proper authorities for collection or prosecution in accordance with I.C. 18-3106.

If a person continues to write insufficient fund checks, they will be placed on a "cash only" basis.

LEGAL REFERENCE:

I.C. § 18-3106

POLICY HISTORY:

Adopted: July 17, 2017

Originally issued as Policy 209. Revised and reissued as Policy 7225 on January 19, 2022.

Revised: September 18, 2023

**Appendix 7225-1
Insufficient Funds Check Letter**

To: _____ Date: _____

Subject: Returned Check for Insufficient Funds

We have received a check back from your bank account for insufficient funds. Please contact:

(Name)
At _____
(School/Phone)
By _____
(Date)

With cash or a certified check to cover the face amount of the check and fees. If this situation is not quickly resolved it may be presented to the proper authorities for collection or prosecution under I.C. 18-3106.

Check Number: _____

Date: _____

Amount: _____

Bank Fee: _____

Admin. Fee: \$10.00

Total Amount Due: _____

After notification by this letter, we will only accept a certified check or cash for payment of this check and fees. You will be placed on a "cash only" basis if we continue to receive insufficient funds checks.

Please understand that the school is unable to have outstanding checks because of bookkeeping procedures and state auditing guidelines. We appreciate your prompt response to this letter.

Sincerely,
