

College Operating Procedures (COP)



Procedure Title: Dishonored Checks
Procedure Number: 04-0305
Originating Department: Finance & Accounting

Specific Authority:

Board Policy 6Hx6: 4.06
Florida Statute 68.065, 832.07, 832.08, 1001.64, 1010.03
Florida Administrative Code 6A-14.0262, 6A-14.078

Procedure Actions: Adopted: 07/93; 07/09

Purpose Statement: This procedure identifies the process for handling deposited checks that are dishonored by the bank

Guidelines:

This procedure applies to all students, individuals, businesses and private organizations which present a check to Florida SouthWestern State College for payment of loans, notes, fees, tuition, supplies or any other reason

Procedures:

1.0 NOTIFICATION BY BANK

1.1 The college's bank will automatically redeposit a check a second time if it is notified that the check has been dishonored.

1.2 The college's bank will notify the Office of Finance and Accounting via a Demand Deposit Advice (DDA) charge notification when a check is presented to them and has been returned unpaid.

2.0 NOTIFICATION OF DISHONORED CHECK TO STUDENT BEFORE LAST DAY OF REGISTRATION

2.1 When the Office of Finance and Accounting receives a DDCharge notification from the bank, a letter will be prepared immediately, and sent by certified return-receipt mail to the student's home address. The letter will demand that the student remit cash or a bank check to the college's cashier on the next business day after receipt of the letter, or by the last day to register for classes, whichever occurs first, in an amount to cover the amount of the check plus payment of a bad check service fee as defined in Florida Statute §832.08(5). The letter will also state that failure to remit payment by the date specified will result in the student's immediate withdrawal from all classes.

The Office of Finance and Accounting will maintain a log of dishonored checks. A student for which a dishonored check was presented as payment of the student's fees will be withdrawn on the next business day after the date specified in the dishonored check letter.

3.0 NOTIFICATION OF DISHONORED CHECK TO STUDENT AFTER LAST DAY OF REGISTRATION

- 3.1 In situations where a check for payment of fees or other charges has been returned by the bank as dishonored after the last day to register for classes (thus too late to drop the class(es) without penalty), the Office of Finance and Accounting will immediately notify the student by certified return receipt requested mail.
- 3.2 If the student's account was paid by a third party deferred billing and the third party check is returned by the bank, the student's account will be reinstated, as a balance due account and the third party account will be credited. This will re-establish the account receivable with the student and all subsequent action related to the collection of the account will be against the student. The Office of Finance and Accounting will notify the student in writing when this occurs.
- 3.3 The letter will demand that the student remit cash or a blank check to the college's cashier within seven days of receipt of the letter in an amount to cover the amount of the check plus payment of a bad check service fee as defined in Florida Statute §832.08(5). The letter will also state that failure to remit payment by the date specified will result in a hold placed against the student's academic record and the student's account will be turned over for collection action. The letter will also state that the student will be responsible for all expenses associated with collecting the amount owed the college.
- 3.4 The Office of Finance and Accounting will immediately place a financial hold on the student's record until all amounts due the college have been paid.
- 3.5 The Office of Finance and Accounting will notify the collection agency of the delinquent account and request that collection action commence