FINANCE PROCEDURE MANUAL	TITLE: Returned Check Procedure	
	NUMBER: FIN-SAS-001	**VERSION:** 01
	ISSUED DATE: **9/8/2009**	**REVISION DATE:** 7/5/2012

Purpose:

To document steps and action taken for checks returned from the bank.

Definitions:

PantherNet: The online Enterprise Resource Planning (ERP) system used to track and maintain operations at the College including financial, student, and payroll/personnel records.

Receivable: Generally refers to money owed to the College for goods/services provided.

Returned check: A check that was presented to the financial institution, on which it was drawn, refused payment by that institution, and sent back unpaid.

- Worthless checks up to $150.00 constitute a misdemeanor in the first degree.
- Worthless checks over $150.00 constitute a felony in the third degree.

Responsibility:

Accounts Receivable/Accounting Associate II: Sets up receivable on student account; sets up receivable for amount of returned check plus any fee on student account.
Financial Institution: Processes the check; rejects the check upon failure of payment.

Finance Department/Bookkeeping: Receives rejected checks; forwards to Accounts Receivable.

Procedure Details:

1. The bank is instructed to attempt to process the check twice for payment.

2. Once the check is rejected from the bank, it is returned to the College stating the reason for the return.

3. The check is returned to the Finance Department and then forwarded to Accounts Receivable in order to set up the receivable for the student.

4. Accounts Receivable sets up the receivable in PantherNet for the student and adds an additional receivable in PantherNet for the amount of the returned check fee. The College reserves the right to take necessary actions against those check writers including assessing the maximum fees allowable by law including:

    a. Current bank service fee for returned checks plus amount allowed by law; therefore the College returned check fees are as follows:

        - Checks under $50.00 will be charged $26.50
        - Checks from $50.00 - $299.99 will be charged $31.50
        - Checks from $300.00 - $800.00 will be charged $41.50
        - Checks over $800.00 will be charged 5% of the check amount
        - All fees are subject to change.

5. Student/Customer is billed in the normal billing process.

6. Students who have presented 2 returned checks are no longer allowed to pay by personal check.

7. The College's worthless/NSF check complaints may be filed directly with:

    Palm Beach County State Attorney Bad Check Restitution Program –
    PMB 171, 6901 W Okeechobee Blvd. #D5, West Palm Beach, FL 33411

➢ References:

Florida Statutes: FS 832.05

http://www.flsenate.gov/statutes

FS 832.08

http://www.flsenate.gov/statutes

Palm Beach County Sheriff's Office/Financial Crimes Unit:

http://www.pbso.org/index.cfm?fa=fc_badchecks

Student Handbook: http://www.palmbeachstate.edu/catalog/studenthandbook/