

SECTION: 4.0 Administrative

SUBJECT: Returned Checks

Background: This policy is provided to summarize the accounting policies and practices followed at Lewis-Clark State College relative to checks returned due to insufficient funds.

Point of Contact: Controller's Office

Other LCSC offices directly involved with implementation of this policy, or significantly affected by the policy: Student Affairs

Date of approval by LCSC authority: May 2, 2019

Date of State Board Approval: N/A

Date of Most Recent Review: May 2019

Summary of Major Changes incorporated in this revision to the policy: Clarification to paragraphs one, two, and four.

Policy:

- A. A returned check service charge will be levied for a paper check or electronic check (e-check) that is issued to Lewis-Clark State College and returned due to insufficient funds, or for any other reason, such as incorrect bank account information.
1. Checks or e-check payments received from a student, or third party payer, for student account charges that are subsequently returned by the issuing bank will be charged to the student's account and the student will be responsible for payment of that check and the associated returned check service charge.
 2. Consequences of not paying a returned check or e-check may include the withholding of registration privileges, transcripts and/or the immediate cancellation of the student's classes. Returned checks, and credit card payments disputed by the cardholder, are subject to late fees and cancellation of classes as if the payment had not been made. Payment plan contracts will be voided if the down payment was made using an invalid payment. Checks or e-checks issued by former students or non-students are subject to the same policy.
 3. A department of Lewis-Clark State College that accepts a check that is subsequently returned unpaid will be charged the amount that remains uncollected after collection efforts have proven unsuccessful.
 4. Returned checks or e-checks for amounts of \$30.00 or more that are not paid promptly may be referred to a collection agency for further action and reported to a nationwide credit reporting agency. Returned items for amounts less than \$30.00 will be considered for further action on a case by case basis.

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5. Payments to cover a returned check and associated returned check service charge may be made at the Controller's Office Cashier's Window with cash, cashier's checks or credit/debit cards. Payments made with a credit/debit card may incur an additional service fee.
6. Exceptions to the returned check service charge will be considered if the check was returned due to an error by a bank or credit union. Waiver of the service charge must be documented by correspondence from the financial institution on official letterhead.