

## College Operating Procedures (COP)



**Procedure Title:** Dishonored Checks  
**Procedure Number:** 04-0305  
**Originating Department:** Office of Financial Services

**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: 07/1993; 07/2009; 01/20/2021

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

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### 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 Bursar's Office 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 Bursar's Office receives a DDA charge notification from the bank, an electronic communication will be established with the student immediately. This electronic communication 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 electronic communication will also state that failure to remit payment by the date specified will result in the student's immediate withdrawal from all classes.
- 2.2 The Bursar's Office 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 A student for which a dishonored check was presented as payment of the student's fees will be withdrawn on the next business day after the date specified in the dishonored check letter. After 3 Returned Items have been presented to the College, the student will be electronically notified of restrictions that prevent future check/ACH payments.

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 Bursar's Office will immediately notify the student electronic communication.
- 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 Bursar's Office will notify the student via electronic communication when this occurs.
- 3.3 The electronic communication will demand that the student remit cash, or cashier's check to the college's cashier immediately 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 notification will also state that a hold has been 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 Bursar's Office will immediately place a financial hold on the student's record until all amounts due the college have been paid.
- 3.5 The Bursar's Office will notify the collection agency of the delinquent account and request that collection action commence.