



POLICIES & PROCEDURES

Title: Non-Sufficient Funds (NSF) Check Policy

Document Number: FN_110

Effective Date: 4/27/20

Revised Date:

Department: Finance

Purpose

To establish a policy for the treatment and tracking of returned checks.

Scope

Entire College community.

Compliance

LCTCS Policy # 5.010 requires that each LCTCS institution have a non-sufficient funds (NSF) policy.

Procedure

1. When a NSF check is received from the bank, it is routed to the A/R Accountant. A scanned copy of the check is sent to the Bursar and the original is kept with deposits for the month. If it is a student check, the Bursar adds a detail code on the student's account for the amount of the check as well as a Return Check Fee of \$25. If the NSF is related to an employee or vendor, manual journal entries are made by an Accountant.
2. The Bursar notifies the student/employee/vendor of the NSF check by phone and/or mail and requires payment within 10 days. If no response is received within 10 days, a certified letter is mailed.
3. Only cash, credit/debit card or money order is allowed for payment of the NSF check and fee. When payment is received, it is routed to the A/R Accountant for deposit. The payment is posted to the student's account or a manual journal entry is made if related to an employee or vendor.
4. Checks are not accepted from repeat offenders.