



Huron School District #2-2

Policies and Regulations

Code: DFG
Insufficient Funds &
No Account Checks

Insufficient Funds & No Account Checks

The District shall conspicuously post a notice at all locations on school property where a personal check may be written to the District as payee that a fee will be assessed against returned checks for insufficient funds or no account and the maker of the check is liable for all reasonable costs and expenses of collection. The fee assessed against returned checks shall not exceed \$40.

The District, before presenting the insufficient funds check or no account check to the state's attorney for prosecution or a collection agency for collection, shall serve a notice of dishonor upon the writer of the check, by registered or certified mail, return receipt requested, or by first class mail, supported by an affidavit of mailing sworn and retained by the sender, in the United States mail and addressed to the recipient's most recent address known to the sender. If the notice is mailed, and not returned as undeliverable by the United States Postal Service, notice is conclusively presumed to have been given on the date of mailing. The District, shall, upon return of the receipt, hold the check insufficient funds check or no account check for a period of at least thirty days if notice is given by first class mail. Upon the expiration of that period the District, within six months after the District receives notice of its dishonor, may present the check with the attached bank return, return receipt or affidavit of mailing and copy of the dishonor notice to the state's attorney for prosecution or a collection agency for collection.

The notice of dishonor required by this policy shall be in substantially the following form:

Date _____
Name of issuer _____
Bank on which drawn _____
Date of check _____
Amount of check _____
Holder of the check _____

You are hereby notified that your check described above has been dishonored and is now being held by the District for a period of thirty days from the date of the mailing of this notice. Full restitution for a check returned due to insufficient funds or no account check (including an insufficient fund or no account check charge of \$40).

Full restitution for a check returned due to insufficient funds (including an insufficient fund charge of \$40) must be received within thirty days of the mailing of this notice of dishonor to you, your check may be delivered to the state's attorney for criminal prosecution for theft or delivered to a collection agency for collection, and you may be liable to the District for an additional civil penalty of an amount equal to twice the amount of the check in addition to the amount of the check and the costs and expenses.