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COMMISSIONER

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DIRECTOR

Administrative Procedure # A - B - 1

Subject: Handling Bad Checks

Effective Date: January 31, 2014

Procedure Statement:

To provide a means for site staff to collect for a check that is returned unpaid by the bank.

Procedure:

1. Receive a check that has been returned unpaid.
2. Contact the individual's bank to find out if there are funds available in the individual's account. If funds are available, immediately go to the bank and re-deposit the check. Deposit slip should indicate that the check is a re-deposit so that it is not counted as revenue again.
3. Is the check returned a second time?
 - a. No- no further action needed
 - b. Yes- Attempt to obtain the money from the person responsible by telephone and/or certified letter (A \$25 fee should be collected in addition to the amount of the bad check for processing. Amount due to park is bad check amount +\$25)
4. Is money received?
 - a. If Yes
 - i. Deposit the total (bad check amount +\$25 imposed bad check fee) in the park account as a redeposit or replacement for bad check. Do not re-enter into Active, but do enter the deposit amount into the daily deposit function in Active and enter in the notes that this is a bad check collected by staff/court.
 - ii. Enter the \$25 imposed bad check fee amount into Active (item # 172815 Bad Check Fees) and include it in the deposit for the day and the wire transfer for the week.
 - b. If No – complete steps below

- i. **Take a copy of the check and certified letter to your county magistrate court (or other if no magistrate court) and let them attempt to retrieve the money.**
 - ii. Subtract the amount from your cash disbursement journal (bank balance) by entering the amount of bad check under the “check amount” column and under “Other” column
 - iii. Complete a request for payment to reimburse the bank account for the amount of the funds plus any insufficient fund fees imposed by the bank to the Site’s bank account. (See Sample B)
 - iv. Attach the bad check (**original** plus three copies of the front and back) and a copy of your Cash Disbursement Journal to the request form.
 - v. Send these documents to the DNR Accounts Payable Office.
- c. If funds are received back from the court after reimbursement is received back from DNR, then the following steps should be taken:
- i. Deposit court check in Bank Account - Operating account. Do not re-enter into Active, but do enter the deposit amount into the daily deposit function in Active and enter in the notes that this is a bad check collected by staff/court.
 - ii. If the Court collects the Site’s imposed bad check fee amount of \$25, enter the \$25 into Active (item # 172815 Bad Check Fees) and include it in the deposit for the day and the wire transfer for the week.

Note: no reimbursement voucher should be completed for this amount.

Attachments:

Attachment 1 – Deposit Slip

Attachment 2 - Voucher