

Ocean County College, Toms River, NJ

ACCOUNTS
Collection of Bad Checks #4423

POLICY

College Administration shall be responsible for establishing procedures for the recovery of monies as a result of uncollectible checks issued to Ocean County College.

ADOPTED: October 25, 1971

PROCEDURE

1. Upon receipt of notification from a drawer bank of a check deemed to be dishonored, the college shall:
 - a. Immediately notify the drawee, in writing, of such refusal by the bank to honor said check. Drawer shall be notified that the dishonored check must be made good either by payment of cash, certified check, or Postal Money Order, along with fees levied by the College for dishonored checks received; and
 - b. the drawer shall be notified that unless payment is received within a time set by the Accounting Department, the student for whom the check was issued shall be debarred from class and all academic records and privileges shall be withheld pending final resolution of the matter.
2. If payment is not received from the drawer within a reasonable time, but no later than one week, a second letter shall be sent to the drawer. The drawer shall be notified that unless payment is received within twenty-four (24) hours, legal action may be taken in order to recover said amount of check, together with appropriate fees.

Drawer shall also be advised that issuance of a bad check is a violation of the Disorderly Persons Act and a complaint may be filed in the Dover Township Municipal Court so charging the party involved.

Further, all academic records shall be closed until notice of release is made by the Accounting Department. Any student(s) on whose behalf the dishonored check was issued shall, upon notification to the Associate Vice President of Academic and Student Affairs –Students, by the Accounting Department, be immediately disbarred from class pending full payment, or until such time as a satisfactory arrangement is made for repayment of all monies due the College.

3. In the event the second written notification does not result in full payment by the drawer, or a satisfactory repayment arrangement made, the College Administration shall present appropriate documentation to an approved collection agency for collection proceedings.

Upon advice from the collection agency, the College Administration may elect to seek collection by having the agency institute a legal suit in the Small Claims Court in an effort to obtain a judgment and thereafter pursue collection of same. The college, upon advice of counsel may also file a complaint in the Dover Township Municipal Court charging the drawer of the check in question with a violation of the Disorderly Persons Act.

4. If after all steps outlined above have been exhausted and there remains an unpaid balance, the College Administration shall:
 - a. Submit to the Board of Trustees a list of such uncorrectable checks, along with pertinent information, with a recommendation that said unpaid amounts due shall be deleted from the Accounts Receivable of the college's accounting records;
 - b. That all college records for the individual issuing bad check shall remain frozen and that information requested thereafter by the defaulter or his designee shall remain unavailable until all amounts owed have been fully paid; and

- c. Complete records and files shall be maintained in the accounting records of the College supporting all such deletions, along with all details outlining action taken.

ADOPTED: October 25, 1971

Revised: March 22, 1976

Revised: April 18, 1979

Revised: April 30, 1996

Revised: April 25, 2000