Northeastern Illinois University

NEIU POLICY

Volume F1: Finance	**F1.99.1** **Returned Check**	**Responsible Office:** Controller's Office/Bursar
Chapter 99: General	**Effective Date:** 01/19/2012 **Last Revision:** 09/27/2013	**Responsible Officer:** Controller/Director

POLICY STATEMENT

In order to maintain efficient and cost effective operations, Northeastern Illinois University (NEIU) will assess a return check fee for checks returned to the University for non-sufficient funds, stopped payment, or closed accounts.

PURPOSE OF THE POLICY

To outline the rules, procedures and actions that the University will take when checks are returned to the University as unpaid by a bank or other financial institution.

WHO IS AFFECTED BY THIS POLICY

The University community and vendors

REGULATIONS

When an unpaid check is returned to the University, a fee will be assessed by the University. The University may refuse to accept checks from individuals or companies who have previously had checks returned.

Students whose checks are returned will be precluded from making a payment by check for the next two years. Courses will not automatically be cancelled due to receipt of a returned check. Students must take the appropriate action to drop a course if he/she is seeking to withdraw from the course.

The amount of the returned check fee will be established each July by the NEIU Controller.

PROCEDURES

1. STUDENTS' CHECKS

1. The check returned from the bank is forwarded to the Bursar Office.
2. The returned check letter shall be completed by the Bursar Office and mailed to the student.
3. The student's account is debited for the amount of the returned check and a returned check fee is assessed and posted to the student's account.
4. The student's account is flagged with a financial hold. The student shall be ineligible for registration, transcripts, diplomas or other University services until the returned check fee is paid and the student's account is current.

2. NON-STUDENTS' CHECKS

1. The check returned from the bank is held by the Controller's Office.
2. The returned check letter shall be completed by the Controller's Office and mailed to the individual.
3. An attempt shall be made to contact the individual by phone.
4. A returned check fee shall be assessed, and the appropriate account debited.

5. If payment of a returned check is not received within 60 days of the mailing of the returned check letter, the debt shall be sent to the State for state offset.

HISTORY

09/27/2013 – Revised; revised policy code number
08/27/2013 – Revised; revised policy code number
N/A

RELATED POLICIES, DOCUMENTS, AND LINKS

Policy F1.5 – Stop Payment Replacement and Stale Checks

CONTACT INFORMATION

Please direct questions or concerns about this policy to:

Contact	Phone	E-Mail
Bursar	(773) 442-5199	TE-Lambert@neiu
Controller's Office	(773) 442-5143	k-ho1@neiu.edu

DISCLAIMER

The University reserves the right to modify or amend sections of this policy at any time at its sole discretion. This policy remains in effect until such time as the Responsible Officer calls for a review. Requests for exception to any portion of this policy, but not to the policy statement, must be presented in writing to the Responsible Officer.