



Policy – Returned Checks

The Academy

“Pursuing Truth, Wisdom, Excellence”

Mission Statement: The Academy’s mission is to assist families in developing exemplary citizens by equipping students with core foundational knowledge enabling them to be culturally literate, prepared for college, and virtuous in character. We accomplish this through a rigorous curriculum of traditional content taught in a safe environment.

Policy: Administrative Actions for Checks returned because of lack of funds or closed account.

Background: The school receives checks on a continuous basis and has a percentage that is returned by banks for non-sufficient funds or closed accounts. This causes issues for the finance department and the various programs that funds are collected to support.

Note: Checks are required to be submitted for payment a minimum of two weeks in advance for all field trips and other offsite events. This will allow for checks to be processed and payment received prior to the event being held.

Procedure:

1. When the school receives returned checks we will make an attempt by mail/email or phone call to have the amount due made good by cash or money order. If the amount due is not cleared in five (5) working days the matter will be referred to our collection agency.
2. Once the amount due is referred to the collection agency the school will no longer accept checks from these individuals. Only cash and/or money orders will be accepted.
3. If the amount due is not cleared or collected by the collection agency the parents will be notified that they will not be able to continue use of the programs at the school that require payment for participation.

Note: If parents/guardians are not able to pay for these programs they may apply for the *Free or Reduced Meal Program*. If the family is eligible for this program, meals served through the Academy Cafeteria, as well as fees and/or tuition, may be waived or reduced as applicable. The application for this program is available on the school’s website, www.theacademyk12.org, the Nutrition page, *Family Economic Data Survey*.

The Academy
 Submittal to the Academy Board

Moved by Julia Robinson
 2nd by Rob Swanson

Y/N/P/A	Name
Y	Laszlo, J.
Y	Miller-Carlson, T.
Y	Robinson, J.
Y	Stock, M.
Y	Swanson, R.
Y	Zamora, J.

EXECUTIVE SUMMARY

Topic: Returned Check

Issue(s):

Parents and guardians submit a large number of checks for payments to multiple school, enterprise and school events and outings.

In most cases there are no issues but the school does receive a number of checks returned for non-sufficient funds or closed accounts.

Background:

The school receives payments for multiple programs in all forms: cash, check, credit card and money orders. There are a number of checks from this year and past year that have been returned and this has had an impact on the cash flow of the school in general, nutrition, other enterprise accounts and to pay for fundraising or school activities.

The school needs to put in place a policy on what to do with the returned checks, notification to parents / guardians, referral to collection agency and effect on students and their continued participation.

Students enrolled in the pre-k or kindergarten program may have to be withdrawn from the program since these are optional programs. Students engaged in other school activities and sports will need to be withdrawn from the program and meals will not be served.

While this seems harsh it is an action that needs to be taken so that the programs can maintain the level of funded need. In cases of extreme financial hardship the school already waives or reduces fee for those qualified.

Evaluation:

The school has a method in place to refer these checks to a collection agency after attempted efforts by the school.

The school has several thousand dollars in un-retrieved checks and the students are still attending the school and benefitting from the program. There needs to be a formal method that allows school administrators and enterprise program directors a policy on who they can deal with the issues and loss of funds for their programs and the school overall.

Recommendation:

Approve the returned check policy.

REFERENCES: DISTRICT POLICY #: _____ WAIVER – YES, NO (CIRCLE ONE)

Date submitted: September 30, 2013 Submitted by: Lee Barratt
 Approved: [Signature] Denied/Postponed: _____