

Utilities and Engineering Department (U&E)
Check Acceptance Procedures and Policy

The U&E Check Acceptance Procedures and Policy is in conjunction with the Catawba County Check Policy (See page 3). By writing a check to Catawba County, the person issuing the check authorizes U&E to either withdraw the full amount of the check from their checking account by standard deposit, or by utilizing Electronic Funds Transfer (EFT).

- 1) A valid picture ID must be presented to verify that the information printed on the check matches the ID, i.e., name and address.
- 2) The drivers' license number, state of issuance, and expiration date should be clearly written on the check.
- 3) The check signer and presenter must match unless it is a business check.
- 4) If the check is a business check and the signer and presenter do not match, print the presenter's name and ID information on the check, including their driver's license number, expiration date and phone number. The person who signs the check is responsible for the validity of the check.
- 5) Initials of the person accepting the check must be printed on the check. Should legal proceedings be necessary for collection of the check, the person accepting the check may need to appear as a witness on behalf of the County.
- 6) Other pertinent information should be printed on the check, including the permit number, billing account number, ticket transaction number, etc.
- 7) Check information may be accepted by telephone for the purpose of utilizing EFT. By providing this information, the person issuing the check authorizes U&E to withdraw the full amount indicated from their checking account by EFT.

Do Not Accept the following:

- 1) **Checks that the signature is not clearly identifiable, unless the presenter provides matching ID and the name is printed under the signature on the check.**
- 2) **If no valid picture ID is available.**
- 3) **If the department has received two (2) previous worthless checks that were paid without legal action.**
- 4) **If legal action has been taken previously to collect a worthless check from the same check writer, company or business.**
- 5) **Cashiers or Certified Bank checks or money orders to be deposited or processed by EFT.**

Utilities and Engineering Department (U&E)
Handling a Worthless Check

If the department receives notification from the bank of a worthless check, the U&E Administration Office will begin the process of collection. Should a division inadvertently receive a worthless check from the Finance Department, please forward the check immediately to the U&E Administration Office.

After documentation, the check will be processed through the Federal Check Recovery System for collection.

A processing fee of \$25.00 per returned check will be charged to the party responsible for the worthless check by the Federal Check Recovery System.

Please address all questions concerning this procedure to the U&E Administration Office at 828.465.8261.

MEMORANDUM

TO: Department Heads
FROM: Rodney Miller
DATE: April 28, 2009
SUBJECT: CHECK POLICY

As a result of the Red Flag Identity Theft Policy we discussed at our last department head meeting, below is the check acceptance policy that needs to be used by all personnel receiving check payments on behalf of Catawba County, effective immediately:

1. Anyone accepting a check in person **MUST** verify the person's identity with a valid picture identification. A driver's license is the best form of picture ID but any picture ID is acceptable.
2. Verify picture, address and phone number. Any information (address, phone #) not already on the check must be written on the front of the check.
3. If the check is a business check, make sure the signature is legible and verify the check writer's identity with a valid picture.

In order to improve our legal standing in efforts to recover monies due the County, consistent implementation of this policy is critical.

As soon as your department receives notice of a worthless check, call the telephone number on the check AND send a letter demanding full payment within 14-21 days, along with a \$25.00 worthless check charge. See the attached sample letter. Send the letter to the party listed on the face of the check. The letter must stress that only cash, money order or cashier's checks are acceptable. Specify the actual date the payment must be received by the County. Also provide a department or contact person and telephone number.

If, and when, payment for the worthless check is received, the coding should be as follows:

110-000000-129002	Amount of Original Check
110-170050-670550	\$25.00 Worthless Check Charge

If payment has not been received by the specified date, send a copy of the letter that your department sent, the original returned worthless check and the date of verification of non-payment to the attention of Cari Burns in the Legal Department. You will need to keep a copy of the letter and check for your records.

Once the above information is sent to Legal, they will send a demand letter via certified mail and provide the department with a copy. If payment is still not received the case will be submitted to the District Attorney's Office for prosecution. Once a case is sent to Legal, **NO** payment should be accepted at County Offices before contacting Legal to see how to proceed. This step is very important.

Cc: Legal Department
Lisa Royal, Finance
Kenneth Maynor, Finance