

All NGPC Installations Collecting Payments Procedures for Uncollectible Checks

All Commission facilities that accept checks as a form of payment for goods or services may receive a check that is uncollectible. A check may fall into this category due to NSF (Non-Sufficient Funds), account closure, account cannot be located or for some other reason. Local banks will routinely present the check for payment through their normal process two times before declaring the check uncollectible and forwarding it to the State Treasurer's Office.

Potentially, before routing a NSF check to the Treasurer's Office, the local bank might contact your area regarding the check; however, you should NOT pick up the check. If it is a personal check, the Treasurer's Office will attempt to collect the money owed to the State by doing an electronic sweep of the person's account. It should be noted the State Treasurer cannot use the electronic sweep method until the customer has been notified. Therefore, a sign informing the public of the Commission's "Electronic Check Re-Presentation Policy" must be posted near the point of sale (cash register) or by written notification in the case of mail transactions. If you have any questions about this requirement, you should contact the Budget and Fiscal Division's Lincoln Office – phone (402)471-5570.

If the Treasurer's Office is unsuccessful in their attempt to collect the money owed to the State, the Commission's Budget and Fiscal Accounts Receivable Lincoln Office is notified and is provided a copy of the check. The Budget and Fiscal Division, which serves as the Agency's clearinghouse for uncollectible checks, will make an adjustment to the financial records for the area that initially received the check and will provide the area with a copy of the returned check. The financial adjustment cannot be made unless it is clear as to what the check was written for. The "memo section" of the check is used to make this determination; therefore, it is important that employees ensure that this information is provided on all checks.

When a copy of the returned check is received, an area employee must attempt to contact the person a minimum of two times to collect the money. The first contact may be by phone and the second by written letter. In either situation, it must be communicated that "replacement" funds must be in the form of cash, cashier's check or money order for the dishonored check plus a Returned Check Fee of \$20.00. This fee cannot be waived under any circumstance.

Your copy of the letter sent will serve to document your effort to collect the money owed to the State. It is important that you also document telephone calls. This documentation must include the telephone number called, the date and time of the call, length of the call, the name of the person you spoke to, a summary of what was said, and any other information deemed pertinent. If you make more than one call, be sure to document each one.

If you are successful in collecting the payment for the returned check you must deposit the cash, cashier's check or money order at your local bank. The payment should be the sole subject of a single Deposit Ticket including the customer's name and the notation "Re-deposit". The yellow copy of the validated Deposit Ticket should be sent to the Budget and Fiscal Division's Lincoln Office, Attention Accounts Receivable Section, to reinstate the original sale/reverse the previously noted financial adjustment.

If you are not successful in collecting the payment within ten business days after the second contact nor have any arrangements been made with the customer for payment within a reasonable period of time, you should send a letter to the Budget and Fiscal Lincoln Office indicating that you have been unable to collect the payment. You must provide a detailed description of the steps that you took in your collection efforts and include copies of all the documentation. You should also indicate if Law Enforcement and/or the County Attorney was involved and to what degree.

The copy of the check that was provided to you for collection purposes should be returned as an attachment to your letter. The Commission will eventually submit a claim to the State Claims Board requesting permission to write the amount off as an uncollectible debt. It is imperative that we provide documentation to the Claims Board showing every reasonable attempt to collect the debt was completed.

If the insufficient fund check was written for a permit and you are fairly certain that the check is uncollectible, you should provide all available information to the Assistant Division Administrator in charge of the Budget and Fiscal Permit Section, who will void the permit and notify Law Enforcement. If the check was written for a park reservation for a future date, the reservation or event should be canceled.

The Accounts Receivable Office handles all inquiries regarding uncollectable debt. If you have a question about any outstanding debt, please contact a member of the Accounts Receivable Office.

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