

## **Sherman Independent School District Policy Concerning Insufficient Funds Check**

Sherman Independent School District (Sherman ISD) receives checks from parents, employees, and the general public for various reasons. This written policy is designed to establish procedures and guidelines when an insufficient check is received. This policy is effective on October 1, 2001.

Sherman ISD sends a letter to the check writer after each insufficient funds check is received. In the letter, the check writer is asked to pay (insufficient check amount plus \$25 fee for each returned check) with cashiers check or money order (through the mail or with cash) at the Sherman ISD Business Office. If prompt payment is not received, a certified letter is sent with a request for payment (insufficient check amount plus fees) within seven business days after the certified letter date. After the seven days expire, the names of insufficient check writers are forwarded to the Grayson County Attorney's Office for collection.

Individuals lose their check writing privileges and are placed on a *cash only* list if (1) your name is forwarded to the Grayson County Attorney's Office or (2) SISD receives a third insufficient funds check within a five year period. A third check will automatically place a family on the cash only list, even if prompt payment was received on previous insufficient checks.

How long does an individual stay on the *cash only* list? If an insufficient funds check was received in the last five school years, the family will stay on the *cash only* list. Each summer, the *cash only* list is examined and modified to comply with the five-year rule.

Example: If a person wrote three insufficient checks during the 1997-1998 school year, their family will stay on the *cash only* list through the 2001-2002 school year. Check-writing privileges will be reinstated for the 2002-2003 school year.

Check-writing privileges are restored after five school years have passed. After check-writing privileges are restored, Sherman ISD applies a "one strike and you're out" policy. If another insufficient funds check is received, the check writer's family is placed on the *cash only* list for five more school years.

Effective October 1, 2001, the insufficient check writers (parents or guardian) will receive a letter when their family is placed on the cash only list. The letter will include the effective date of the *cash only* status, information concerning the five-year time period, and appeal procedures.