



TOWN OF BARRINGTON

NEW HAMPSHIRE

Office of the Select Board

Returned Check/ACH and Uncashed Check Policy

I. PURPOSE

This policy serves to protect the Town from the administrative and financial burden of processing returned checks/ACH and to establish guidelines for uncashed checks.

II. APPLICATION

This policy applies to all payees and payors of the Town of Barrington.

III. POLICIES FOR RETURNED CHECKS/ACH

1. Notification Schedule

- a. First Returned Check/ACH: The customer will be notified in writing by the applicable Department Head using the attached: "Returned Check Policy Form Letter." This notification will also indicate that a returned check cannot be covered with another personal check.
- b. Second Returned Check/ACH: The customer will be notified in writing that they may now only make payments with cash, money order, credit card or bank certified check within any town department. The customer also that the option to use a credit card for departments that accept such payment.

2. Fees

- a. It is the responsibility of the customer to cover all associated bank fees regarding returned checks/ACH. The fee owed to the Town when a check is returned is \$25 and will be listed as such on the notification letter.

3. Authority to Reinstate

- a. With the consultation of the applicable Department Head, the Finance Administrator has the authority to reinstate a repeat offender due to unusual or extenuating circumstances. A written petition by the offender must be made to the Finance Office.

4. Tracking/Notification Responsibility

- a. Each Department Head shall track returned check/ACH offenders separately and share an updated list with the Finance Officer monthly.
- b. The Finance Officer will create a compiled list of offenders and make it available to Department Heads monthly.
- c. The Finance Administrator will track returned checks and compare records with the Finance Officer on a regular basis.

IV. POLICIES FOR UNCASHED CHECKS

1. Notification Schedule

- a. A first attempt to contact a vendor or individual will occur after 60 days from the date of issuance on an uncashed check. If the first attempt to contact the individual or vendor is unsuccessful a second attempt will occur after 120 days. The second attempt letter will notify them that this



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- is their last notification before turning the money over to the State of New Hampshire Abandoned Property.
2. Turning Uncashed Checks over to the State of New Hampshire Abandoned Property
 - a. Any remaining uncashed checks at the end of the calendar year, that are over a year old and have no successful contacts, will be turned over to the State of New Hampshire Unclaimed Property.
 - b. All checks being turned over to the state will receive written notification between August and September of each year.
 - c. Filing for abandoned property will be completed by November of each year.