

Campus Cashiering, Check Cashing, and Returned Checks

(Policy ACG0012)

I. Purpose of the Policy

The UCSC campus accepts personal checks for payment of fees and in exchange for cash or the purchase of goods and/or services. Check cashing is available for students, faculty, and staff with a valid ID. This policy is designed to bring the campus into compliance with UC Business & Finance Bulletin BUS-49, Ch. 1000, § 1719, California Civil Code, and to limit the number of returned checks negotiated on campus.

II. Detailed Policy Statement

A. General Operations of Cashiering and Subcashiering Stations

1. Deposits:
 - a. Collections at Subcashier stations shall be deposited at the Main Cashier's Office at least weekly or whenever collections exceed \$500.
 - b. During peak or high-volume periods, the Main Cashier makes multiple daily deposits to the bank as appropriate. Subcashiers are encouraged to deposit receipts with the Main Cashier by 3:00 p.m. each day in order to have them included in the daily deposit.
2. Security: Subcashier stations are required to maintain security sufficient to safeguard any funds held overnight in the unit. See Business and Finance Bulletin, BUS-49, (V)(1)(2)(a-e). A station that does not have sufficient security must deposit any funds on hand with the Main Cashier's Office at the end of each business day.
3. Audit: Compliance with BUS-49 is the responsibility of the Main Cashier's Office and all Subcashier stations. Audits will be conducted at intervals established by the campus Director of Internal Audit.

B. Identification

Subcashiering stations accepting checks will require of students a validated student picture ID, and of faculty and staff a picture ID and a current driver's license number. In all cases the maker's telephone number should be written on the face of the check. It is preferable to have the check imprinted with an off-campus address.

C. Check Cashing Limits for Cash

1. Main Cashier's Office: the check cashing limit is \$25.00 a day, with a check cashing charge of \$0.25 per check.
2. Bay Tree Bookstore: the check cashing limit is \$10 with no check cashing charge.

D. Returned Check

1. Fees and Charges:

If appropriate, a check returned by the bank will be automatically run through the maker's bank account twice before being designated a returned check. A returned check service charge of \$25.00 will be charged for the first check returned from the maker's bank and \$35 for each subsequent returned check plus the cost of mailing a demand letter, and any related late fees, including late registration fees, late housing fees, etc. Written documentation will be required to waive fees or penalties. *(Note: all service charges are subject to change as approved by the California State Legislature; related fees are subject to change as approved by the campus Direct Costing Committee.)*

2. Redemption of a Returned Check:

A returned check must be redeemed with cash, certified funds, or money order. The returned check service charge, cost of mailing a demand letter and late fees, if any, must be paid before check cashing privileges are reinstated.

3. Failure to Redeem a Returned Check:

If payment in full for the amount of the check, the cost of mailing a demand letter and the returned check service charge is not received within 30 days from the date of the demand letter, the maker will be liable, under Ch. 1000, § 1719 of the California Civil Code, for treble the amount of the returned check, less any partial payment(s). Treble damages will be assessed at no less than \$100, regardless of the amount of the returned check, but will not exceed \$1,500. California Civil Code provides for the following exceptions to this policy:

- a. When a person becomes liable for treble damages for a check that is the subject of a written demand, that person shall no longer be liable for any service charge for that check and/or any costs to mail the written demand.
- b. A person shall not be liable for the service charge, costs to mail the written demand, or treble damages if he/she stops payment in order to resolve a "good faith dispute" with the payee. The payee is entitled to the service charge, costs to mail the written demand, or treble damages only upon proving by clear and convincing evidence that there was no good faith dispute.
- c. A person shall not be liable for the service charge if, at any time, he/she presents the payee with written confirmation from the maker's financial institution that the check was returned to the payee by the financial institution due to an error on the part of the financial institution.

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- d. A person shall not be liable for the service charge if the person presents the payee with written confirmation that the maker's account had insufficient funds as a result of a delay in the regularly scheduled transfer of, or the posting of, a direct deposit of social security or government benefit assistance payment.
- e. Additionally, it is the policy of the campus to waive any returned check service charges and/or penalties if the maker presents written confirmation that the check was returned due to an error on the part of the University.

E. Suspension/Cancellation of Check Writing Privileges

1. An outstanding returned check will suspend campus check writing privileges until redeemed. Four (4) returned checks will suspend check writing privileges for the balance of the academic year.
2. A list of persons whose check writing privileges have been suspended (No Cash List) is distributed twice weekly to all campus units accepting checks as defined above. If a check is accepted from a person on the No Cash List, and the check is returned from the bank and is written off as uncollectable, the unit will be charged back for the returned check, the service charges, and the cost of mailing a demand letter. Additionally, any check returned by the bank that the unit has held for deposit for any reason in excess of 90 calendar days will be immediately returned to the unit, and the check and returned check service charge will be charged back to the department.

F. Cancellation of Enrollment

A student's enrollment is subject to cancellation if returned registration payments are not redeemed within 30 days of the date of notification by the University. *(Note: a student currently enrolled will have his or her name removed from the class roster by the Registrar. If continued attendance is permitted by the instructor, the student will have grades withheld and future enrollment barred until the account is paid in full including damages as provided by law.)*

III. Definitions

Subcashiering Station: any cash collection point that averages a weekly deposit of more than \$500.00.

IV. Getting Help

The campus Cashier provides training and assistance to campus units (including help with completing forms, carrying out procedures, or interpreting policy).

If you need help with ...	Contact ...
...any policy questions	Cashier's Office, x92930.

V. Applicability and Authority

This policy on *Campus Cashiering, Check Cashing, and Returned Checks* applies to all campus units.

This policy is new and thus supersedes any campus practices in existence prior to its effective date.

The Campus Cashiering Coordinator is the campus authority for the policy on *Campus Cashiering, Check Cashing, and Returned Checks*. This policy was reviewed and approved by the Chancellor on September 9, 1997. Next review date is July 1999.

VI. Related Policies/References for More Information

References

UC Business & Finance Bulletin, BUS 49

Chapter 1000, Section 1719, California Civil Code