

## OPERATIONAL SERVICES

### **4:45 Insufficient Fund Checks and Debt Recovery**

#### Insufficient Fund Checks

The Superintendent or designee is responsible for collecting the maximum fee authorized by State law for returned checks written to the District that are not honored upon presentation to the respective bank or other depository institution for any reason. The Superintendent is authorized to contact the Board Attorney whenever necessary to collect the returned check amount, fee, collection costs and expenses, and interest.

#### Delinquent Debt Recovery

The Superintendent is authorized to seek collection of delinquent debt owed the District.

A Local Debt Recovery Program may be available through the Illinois Office of the Comptroller (IOC). To participate in it, an intergovernmental agreement (IGA) must be in existence. The Superintendent or designee shall execute the requirements in any intergovernmental agreement between the District and the Illinois Office of the Comptroller (Comptroller) that has the purpose of debt recovery. The intergovernmental agreement establishes the terms under which the District may request, and the Comptroller will execute, a deduction (offset) of the amount of a debt owed the District from a future payment that the State makes to an individual or entity responsible for paying the debt. The Comptroller will pay the amount deducted to the District and the District will credit that amount against the balance owed to the District until the debt is paid. The Superintendent or designee is responsible, without limitation, for each of the following:

1. Providing a District-wide, uniform, method of notice and due process to the individual or entity against whom a claim for delinquent debt payment (*claim*) is made. Written notice and an opportunity to be heard must be given to the individual or entity responsible for paying a delinquent debt before the claim is certified to the IOC for offset. The notice must state the claim's amount, the reason for the amount due, the claim's date or time period, and a description of the process to challenge the claim
2. An individual or entity challenging a claim shall be provided an informal proceeding to refute the claim's existence, amount, or current collectability; the decision following this proceeding shall be reviewable.
  - a. If a waiver of student fees is requested as a challenge to paying the claim, and the waiver of student fees is denied, an appeal of the denial of a fee waiver request shall be handled according to 4:140, Waiver of Student Fees. If no waiver of student fees is requested, reviews regarding payment of the claim shall be handled according to this policy before certification to the IOC for offset.
  - b. If application for meal benefits pursuant to policy 4:130, Free and Reduced-Price Food Services, is requested as a challenge to paying the claim, and the request is denied, an appeal of the denial of the request shall be handled according to 4:130, Free and Reduced-Price Food Services. If no request for meal benefits is received, review of the claim's payment shall be handled according to this policy before certification to the IOC for offset.
3. Certifying to the Comptroller that the debt is past due and legally enforceable, and notifying the Comptroller of any change in the status of an offset claim.
4. Responding to requests for information from the Comptroller to facilitate the prompt resolution of any protest received by the Comptroller.

LEGAL REF.:

15 ILCS 405/10.05 and 10.05d, State Comptroller Act.

105 ILCS 123/, Hunger-Free Students' Bill of Rights Act.

810 ILCS 5/3-806, Uniform Commercial Code.

Adopted: August 21, 2023

**Carrollton CUSD 1**

---