

CITY OF DECATUR, TEXAS

NON-SUFFICIENT FUNDS (NSF) RETURNED CHECK/BANK DRAFT/ACH REJECTS POLICY

This policy shall apply to any person making any payment to any department within the City of Decatur via a check, bank draft, Automated Clearing House (ACH), in which the check/bank draft is returned for non-sufficient funds (NSF) or for any other reason by a financial institution.

Any returned check/bank draft will not be re-deposited. Upon the occurrence of an NSF check/bank draft/ACH returned by a financial institution, the payer will not be permitted to issue any future payments to the City by check, bank draft, or ACH; only cash, certified bank check, or money order will be accepted. A charge of \$30.00 will be assessed to the person any time a check/bank draft/ACH has been presented for payment and has been returned by a financial institution for any reason. This fee is subject to modification by separate resolution.

Upon the occurrence of a check or bank draft being returned NSF or and ACH rejected by the financial institution, written notice shall be provided to the payer. This notice shall inform the payer that their payment was returned NSF; the amount due; additional NSF fee of \$30, payable immediately; notice that payment and fees may only be paid by cash, certified bank check, or money order; and notice of service interruptions or suspensions (as applicable).

Departments within the City of Decatur that receive payments of any kind shall maintain a list of persons who have issued an NSF check or bank draft or whose payment has been rejected by ACH along with the date the payment was returned or rejected. This list shall be updated on a monthly basis and submitted to the Finance Department each month.