

PROCEDURE WHEN TAKING A CHECK

It is vital that you stress to your employees the importance of being thorough when accepting a check. If your establishment has set a policy for all customers then no one should have any reason to feel they are being treated unfairly. It is a good idea to have a "checklist" where a cashier can see it easily. It should include at least the following:

IS IT DATED TODAY?

Checks must be dated the same day they're given. Post-dated checks are not prosecutable.

IS THE SIGNATURE LEGIBLE?

Do **NOT** accept checks previously signed. Have them signed in your presence and compare with driver's license or other I.D.

IS THE ADDRESS COMPLETE?

Require a permanent street address, not a P.O. Box number unless you know the writer.

CAN YOU CONFIRM IDENTITY?

Every kind of I.D. can be forged. The most reliable are the ones with physical descriptions, photos, etc. If you are suspicious, ask the writer to hand you the license and while it's in your hand, ask his address and/or birth date. If it is not his license, he may be caught off guard and give the wrong information.

DO WRITTEN AMOUNTS AND NUMBERS CORRESPOND?

Banks will not honor checks with discrepancies.

IS THE I.D. USED RECORDED?

Record on the check the type of I.D. numbers as well as the clerk's initials who takes the check.

CHECKS TO AVOID

The following check usually will not be prosecuted as "hot" checks:

A check marked "**refer to maker**", "**drawn against uncollected funds**" or "**unable to locate account**";

A **post-dated check**;

A **stop-payment check**;

A **check on an out-of-state bank**;

A **two-party check**;

A **check more than two years old**;

This pamphlet is intended to explain the importance of your role in getting the necessary information to enable this office to control the problem and get you the restitution you deserve.

Dear Mr./Mrs. Doe:

Your check #0000 dated June 20, 1980, in the amount of \$000.00 given for the stereo you purchased on the same date has been returned by the State Bank marked "insufficient funds" (or other reason marked on the check by the bank).

You have ten (10) days from receipt of this letter to bring payment in cash, cashier's check or money order for the amount of the check plus a \$00.00 charge for handling or this matter will be turned over to the prosecutor's office.

Sincerely,

Be sure to keep a copy of this letter. If, after 10 days the check has not been paid, you must personally bring it to this office and furnish the following:

1. The original check with the bank flag or notation showing the reason it was not honored;
2. The signed return receipt from the certified letter or the letter (unopened) marked refused or unclaimed;
3. A copy of your letter;
4. The name, address and phone number of the person who accepted the check and who can identify the maker;
5. Specific identification of maker such as driver's license number, date of birth, and physical description. (It will be necessary for you to supply this information on a form when you come in to the office).

PROCEDURE WHEN THE CHECK IS TURNED OVER TO THE PROSECUTOR'S OFFICE.

When you bring in a check, it will be logged and a search made to see if the maker has any other hot check offense pending. If there is, yours will be combined with the one previously filed to expedite your restitution.

If not, this office usually notifies check writers that a case is about to be filed against them. If they do not make restitution and pay the prosecutor's processing fee, prosecution procedures will be started.

The Hot Check Fee Act was passed by the legislature to defray some of the prosecution expense and require the hot check writers to help bear the cost of their misdeeds. The hot check fee may be as much as the amount of the check. After filing a case, there can be the additional expenses of a fine and court costs which can be several hundred dollars.

- A check for less than \$5;**
- A check for which partial payment has been received;**
- A check given in exchange for a returned check;**
- A check which does not identify who accepted it;**
- A check received in the mail;**
- A check not passed within this county;**
- A check not presented to bank within 30 days of issuance; and**
- A check for which no 10-day notice was given.**

It is very important to get the information listed above.

CLUES FOR DETECTING BAD CHECKS

Be careful of low series numbers on personal checks. About 85% of all uncollected "hot checks" are new account numbers between 101 and 150.

Check the finish of the black magnetic computer numbers on the bottom. Magnetic ink is very dull-never shiny.

Check the first four magnetic numbers to the left of the account number. Each area of the state has its own bank routing number- **learn yours.**

Look for a least one perforated edge. All checks except government or computer-produced will be perforated.

Beware of photocopied checks. The best sign of a photocopied check is shiny, tacky, uneven letters. Also beware of photocopied "color" on multi-color checks from large corporations.

PROCEDURE WHEN A CHECK IS RETURNED

There are certain procedures you must follow before this office will accept a returned check for prosecution;

The check must be presented to the bank for payment, even if you know it will not be honored, and stamped by the bank as to the reason for dishonment.

You must send written notification to the check writer informing him or her of the reason the check was not honored. The written notice must be sent certified, return receipt requested. The following sample letter sets out the information which must be included:

THE STATE OF TEXAS

VS.



CASE # _____

MARK A. FOSTER

JUSTICE OF THE PEACE

PRECINCT #7

GALVESTON COUNTY, TEXAS

DRIVERS'S LICENSE # _____

DATE OF BIRTH: _____

IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS:

BEFORE ME, the undersigned authority, on this day personally appeared the undersigned Affiant for _____ who, after being duly sworn on oath deposes and says that Affiant has good reason to believe and does believe and charge that _____, hereafter referred to as the Defendant, on or about the ____ day of _____, 20__ and before making and filing of this Complaint, in Galveston County, Texas, did then and there UNLAWFULLY ISSUED A WORTHLESS CHECK IN THE AMOUNT OF \$ _____, AGAINST THE DIGNITY OF THE STATE.

AS PROBABLE CAUSE, Affiant states further upon his oath that:

On or about the ____ day of _____, 20__, Defendant issued and passed a check dated _____, 20__ payable to the order of _____ in the amount of \$ _____, CK # _____, drawn on _____, for the payment of money without having sufficient funds on deposit with the bank for payment in ful.

Affiant reviewed the records of _____ which includes the check given by the Defendant. The records show that the check was presented for payment within 30 days after it was issued, and it was returned unpaid, marked either: 1) insufficient funds and the records show a written notice was sent to the Defendant by certified mail with return receipt requested; or 2) account closed. The records further show that as of the date of this Affidavit, the Defendant has not paid the check.

Affiant

Address

City, State, Zip Code

Phone #

SWORN TO AND SUBSCRIBED BEFORE ME ON _____, 20__.

Clerk initials