

Helpful Tips When Accepting Checks in Your Business

The best way to protect yourself and lower your risk of loss is to avoid taking bad checks in the first place. The procedures that follow are guidelines and suggestions to help you establish best practices for accepting checks.

Establish a Check Acceptance Policy

Adopt a firm but courteous policy of accepting checks. Clearly post your policies which should include what types of checks you will and won't accept.

Educate your Employees

Fully educate your employees so they are familiar with your check acceptance policy and the requirements of the bad check restitution program.

Identify the Check Writer

Identity must be established using a picture I.D. The writer's driver's license or social security number and date of birth must be written on the checks at the time the checks are issued and accepted. Compare all information on the check with that on the writer's picture I.D. including name, address and identifiers. Get a phone number and write that on the check as well.

Make Sure the Check is Properly Signed

The check should be signed in the presence of the person accepting the check. Do not accept previously signed checks or checks where the signature does not match the printed name on the check. Make sure the signature is legible on company checks and, if not, print the name of the individual on the front of the check.

Verify the Address

Do not accept a post office box for an address. Arrest warrants cannot be served on a post office box. Also, do not accept out-of-state checks.

Make sure the check is completely filled out

Do not accept checks with missing information. Make sure the written and numerical amounts on the check match. *(Cont. on back)*

(Helpful Tips continued)

Record the initials of the person accepting the check on the check

Being able to identify who accepted the check will assist you and us if the employee is able to identify the bad check writer should criminal charges be filed.

Be Cautious

Be extremely cautious when accepting low check numbers, counter checks, checks with alterations or erasures, and two-party checks. The vast majority of bad checks are written on newer accounts with check numbers under 150. You should avoid accepting these types of checks.

Only Accept Checks for Today's Date

Never accept postdated checks and never agree to hold a check.

Empower Yourself and Your Employees!

You are **NEVER** required to accept a check from anyone. If you are suspicious or uncomfortable about a transaction you should trust your instincts. Refuse the check and ask for another form of payment.

Get More Info

Review this information any time 24/7 on our website as well as download forms and other useful materials. You can also contact our office with any questions.

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Spencer County Prosecutor's Office BAD CHECK RESTITUTION PROGRAM



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**Eligibility
and
Procedures**

www.spencoprosecutor.org

OVERVIEW OF THE BAD CHECK RESTITUTION PROGRAM

What is the Bad Check Restitution Program?

The Spencer County Bad Check Restitution Program is designed to assist honest merchants and professionals in reducing losses from criminal check deception. The program allows merchants and the Prosecutor's Office to each recover a \$27.50 fee (*this is the maximum fee permitted by statute*) on top of the face amount of the check to help cover your expenses and our expenses in collecting the check.

Since the inception of the program, over \$150,000 involving over 1000 checks have been collected for local merchants at no charge to them. The funds collected include mandatory fees that went back to the merchants. Additional checks were collected through prosecution and deferral cases.

Those who wish to participate in this program **must follow all guidelines and procedures** to assist us in assisting you as effectively and efficiently as possible. Our office reserves the right to refuse any checks that are not accompanied by sufficient information as required.

Please take the time to review the guidelines and procedures **before** submitting a check to the Bad Check Restitution Program. You will find helpful information in this brochure and on our website to help you not only recover losses due to bad checks, but to prevent and reduce losses due to bad checks. The required affidavit form is also available on our website or contact our office.



What Checks Are Eligible?

Types of checks accepted through the Bad Check Restitution Program

If a check was received in Spencer County, by a business in the regular course of business, our program will accept the check if returned under the following conditions:

NON-SUFFICIENT FUNDS
CLOSED ACCOUNTS
NO ACCOUNT
UNABLE TO LOCATE ACCOUNT
REFER TO MAKER

What are the Procedures For Submitting a Check?

Don't Delay! Never hold a returned check past sixty (60) days. The original check should be forwarded to the Prosecutor's Office as soon as possible.

Complete the Affidavit Form. A printed or typed **Bad Check Affidavit** must be completed for each bad check writer at the time a check is submitted to the Prosecutor's Office. Multiple checks by one writer may be listed on one Bad Check Affidavit. The affidavit is now available as a printable fill-in form on our website. The affidavit with original signature can be either mailed or hand delivered to the office.

Include the Original Check. The program requires that the original check(s) be held at the Prosecutor's Office. Once payment is received from the bad check writer, the original check(s) will be released as record of payment. Always keep a photocopy of the check for your records.

DO NOT Accept Payments. Never accept payment of any kind (full or partial) from the bad check writer once checks have been submitted to the Bad Check Restitution Program. If a bad check writer attempts to make payment after a check is submitted, refer them to the Prosecutor's Office.

Keep Good Records! Keep a log of all checks submitted to the program for your records.