

# DRAFT UPDATE

Oak Park School District 97

4:45

## Operational Services

### Insufficient Fund Checks and Debt Recovery

The Superintendent or designee is responsible for collecting up to 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 District's 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. ~~The Superintendent or designee shall execute to the requirements~~ fullest extent of the law.

~~To participate in any the Local Debt Recovery Program through the Illinois Office of the Comptroller (IOC), an intergovernmental agreement (IGA) between the District and the Illinois Office of the Comptroller (Comptroller) that has the purpose of debt recovery. The intergovernmental agreement IOC must be in existence. The IGA establishes the terms under which the District may request, and refer delinquent debt owed it over to the Comptroller will IOC for an offset (deduction). The IOC may execute, a an offset of the amount of the delinquent debt owed to the District from a future payment that the State makes to an individual or entity responsible for paying the delinquent debt.~~

~~The Comptroller will pay Superintendent or designee shall execute the amount deducted to requirements of the District and IGA. While executing the District will credit that amount against requirements of the balance owed to the District until the debt is paid. IGA, 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 debt claim is certified to the Comptroller 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. 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. 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.~~
2. ~~Certifying to the Comptroller IOC that the debt is past due and legally enforceable, and notifying the Comptroller IOC of any change in the status of an offset claim for delinquent debt.~~
3. ~~Responding to requests for information from the Comptroller IOC to facilitate the prompt resolution of any protest administrative review requests received by the Comptroller IOC.~~

**Comment [AP1]:** This language was modified to allow more flexibility for the superintendent to charge less than the maximum fee for an insufficient funds check. Boards choosing to allow this flexibility should discuss equal protection issues with the board attorney.

**OPTION 1:** Boards that wish to charge the maximum fee in all circumstances should delete the words "up to" in the first sentence.

Issue 87, October 2014

**Comment [AP2]:** For Boards that are interested in entering the Illinois Office of the Comptroller's Local Debt Recovery Program, this section was updated to clarify what districts need to do to enter the program. Adopting these materials will not enroll a District or ensure entry into the IOC's Local Debt Recovery Program. Contact your school board attorney for legal advice about possible entry into the Program. If the District has any interest in entering this program, this language should remain in this policy.

**OPTION 2:** Other methods to collect delinquent debts owed to the school district exist, i.e., small claims court, private collection agencies, etc. If the District has decided not to enter the IOC's Local Debt Recovery Program, everything but the first sentence under the Delinquent Debt Recovery subhead should be deleted.

Issue 87, October 2014

# ***DRAFT UPDATE***

LEGAL REF. 15 ILCS 405/10.05 and 10.05d.  
810 ILCS 5/3-806.

ADOPTED ~~March 19, 2013~~