



**TOWN OF GORHAM  
RETURNED CHECK OR ELECTRONIC MEANS POLICY  
2022**

**I. PURPOSE**

This policy serves to protect the Town from the administrative and financial burden of processing returned checks or electronic means remittances.

**II. APPLICATION**

This policy applies to all payees and payors of the Town of Gorham.

**III. GUIDELINES FOR RETURNED CHECKS AND ELECTRONIC MEANS REMITTANCES**

**a. Notification schedule**

- i.** First Returned Check/Electronic Means: The customer will be notified in writing by the applicable Department Head with a notification. This notification will also indicate that a returned check cannot be covered with another check. A sample form letter for non-sufficient funds is attached to this policy.
- ii.** Second Returned Check/Electronic Means: The customer will be notified in writing that they may now only make payments with cash, money order or bank certified check within any town department.

**b. Fees**

- i.** It is the responsibility of the customer to cover all associated bank fees regarding returned checks and electronic means of remittance. Per RSA 80.56, the Town of Gorham shall charge for all returned checks a fee of \$25.00.

**c. Authority to Reinstate**


- i.** With the consultation of the applicable Department Head, the Director of Finance & Administration has the authority to reinstate a repeat offender

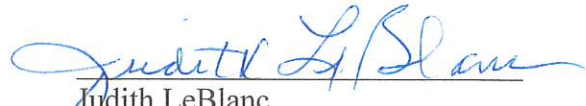
due to unusual or extenuating circumstances. A written petition by the offender must be made to the Finance Office.

d. Tracking/Notification Responsibility

- i. Each Department Head shall track returned check/electronic offenders separately and share an updated list with the Director of Finance & Administration monthly.
- ii. The Director of Finance & Administration will create a compiled list of offenders and make it available to Department Heads monthly.

Adopted on April 11, 2022 by the Gorham Board of Selectmen:

  
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