

CIVIL COURT OF THE CITY OF NEW YORK

DIRECTIVES & PROCEDURES

Subject: Bounced Checks

Class: DRP 145

Category: AD- 40.3

Eff. Date: April 28, 1997

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BACKGROUND:

Following CCM 134 and prior memoranda from the Chief Clerk, attorneys are permitted to pay filing fees by check. Sometimes these checks bounce. In addition to that, the Financial Planning and Control Manual has provided a procedure for dealing with bounced checks. In order to standardize our procedure, we are instituting the following rules:

DIRECTIVE:

1. If a bounced check is not replaced within 10 days of notification to the attorney, the Supervising Judge is to place the case on inactive status.
2. No procedures may be had on a case when it is in inactive status.
3. If the bounced check is not replaced within 30 days the Supervising Judge is to notify the appropriate Appellate Division's Disciplinary Committee regarding the attorney's failure to submit payment.
4. When the bounced check is replaced together with the fees required by the Financial Planning and Control Manual, the case is to be re-instated to the procedural position at which it was when inactivated.
5. The Chief Clerk is directed to provide procedures consistent with Part IV of the Financial Planning and Controls Manual.

Date: _____

HON. FERN FISHER-BRANDVEEN
Administrative Judge

DIIRECTIVES & PROCEDURES

Sub.: Bounced Checks

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In accordance with the Policy of the Administrative Judge, the following procedures are to be followed regarding "bounced checks:"

PROCEDURES:

1. If the check has been returned due to insufficient or uncollected funds the fiscal officer is to ensure that the bank has re-deposited the check a second time.

2. The fiscal officer is to contact the payor by telephone and advise him/her or the law firm that the check has been returned by the bank, and that:
 - a) we require the immediate rectification of the situation with cash or "certified funds" (bank check, money order, or certified check) for the amount of the bounced check;
 - b) we require an additional \$20.00, the fee set by Section 19 of the State Finance Law;
 - c) we are sending an official written notice of this problem, and that if the situation is not rectified within 10 business days the matter will be referred to the Supervising Judge for judicial action.

3. Form CIV-AD-78 must be completed and mailed to the attorney or law firm that submitted the check which bounced, and a copy of the form placed in the accounts receivable file and held for ten days.

4. Upon the expiration of ten days, a copy of CIV-AD-78 and the case file is to be forwarded to the Supervising Judge for his/her action in accordance with the directive of the Administrative Judge.

5. The Supervising Judge will then order that the case be placed on inactive status. In order to place the case on inactive status, remove it from the active case file and allow no further transactions until the Supervising Judge reinstates it.

6. Payment of the amount of the bounced check without payment of the penalty fee of \$20.00 does not discharge the debt and will not be sufficient to restore the case to active status.

7. After the payment of the amount of the bounced check and payment of the penalty fee of \$20.00 is made, the Supervising Judge must be notified and s/he should order that the case be reactivated and returned to its original standing.

8. If payment is not received within thirty days, the Supervising Judge should be notified in order that the more stringent actions of the Administrative Judge's directive may be carried out.

Dated: _____

Jack Baer, Chief Clerk

To:

Date:

Re: Index/Calendar Number: _____

Bank Name: _____

Check No.: _____ Check Date: _____

Amount of Check: _____ Penalty (if any) _____ Total Due _____

The check referred to above has been returned to this court for the following reason:

Insufficient Funds* Uncollected Funds* Account Closed Stop Payment

Please deliver cash or certified funds (bank check, certified check or money order) in the amount of the original check within 10 days of date of this letter.

* In accordance with § 19 of the State Finance Law you are also required to pay the sum of \$20.00 as a returned check charge. This payment is to be made by separate cash or certified funds.

The total amount is due and owing upon receipt of this notice. If not paid in cash or certified funds within ten days of the date of this letter, the following action(s) will be necessary:

Processing of your papers/proceeding/application will be terminated

Future filing fees will only be accepted in the form of cash or certified funds

The Character and Fitness Committee of the appropriate Appellate Division will be notified.

We sincerely hope that these actions will not be necessary!

Telephone Number

Cashier, Civil Court

CIV-AD-78 (April, 1997)