
CHECKLIST FOR PARTIAL PAYMENTS FOR DELINQUENT ASSESSMENTS
(Excerpt from 2015 Law Seminar New Case Law Session)

- Review associations' collection policies to see if they need to be modified to address handling of partial payments received.
- If a partial payment is received, review the check to ensure there is no language indicating the payment is to satisfy the entire debt. If such language exists, the check should be returned to the owner with a letter stating that the association does not accept the payment as full satisfaction of the debt.
- If a partial payment check does **not** state it is to pay off the debt in full, then the payment must be accepted. Review accounting procedures with legal counsel regarding applying and accounting for partial payments.
- Send correspondence to the owner indicating that the payment has been applied to the owner's account but that there is still a delinquent balance owed. The letter should state that late fees, interest and collection costs will continue to accrue and the association will continue to proceed with collection efforts as allowed by law until the balance is current.
- Consult with legal counsel as necessary regarding the above.