

Student Body Funds Unclaimed Property (Stale dated checks)

Instructions for Secretaries

Rev. 02.17.15 DS

Explanation: This document instructs secretaries what to do when checks have not cleared Student Body Fund accounts and have not been reissued. Funds still owing are considered unclaimed property which under state law must be sent to the Oregon Department of State Lands (ORS 98.302 - ORS 98.436)

Definitions:

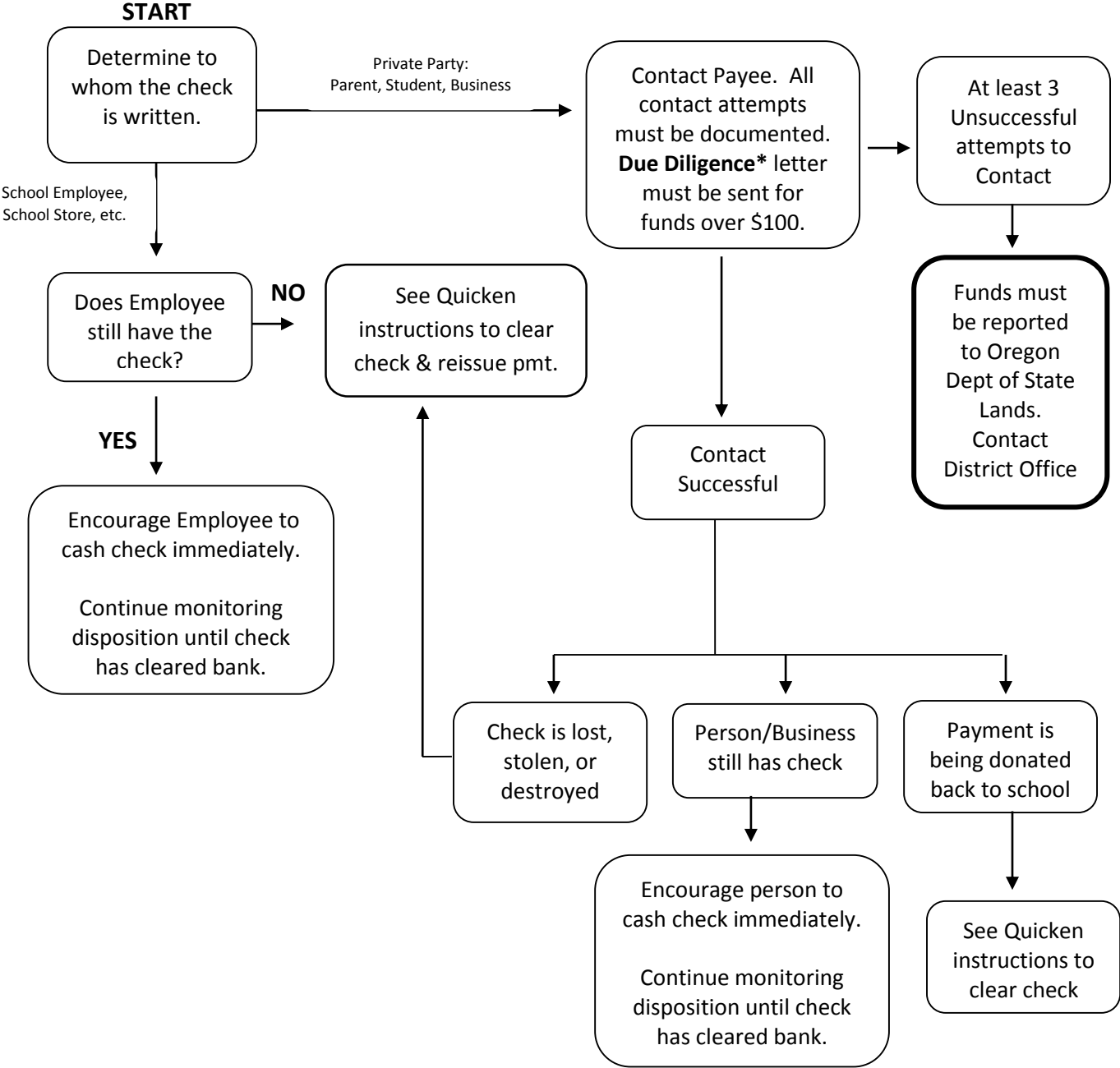
1. **Unclaimed property:** Outstanding checks more than 6 months old are potentially unclaimed and the payee needs to be contacted. Cash retained from outstanding checks with positive contact prior to the statutory two-year abandonment period (ending on June 30th) must be transferred to the State of Oregon.
2. **Positive contact:** Any activity on an account or personal contact, including via phone or email. Two-year abandonment period is set at last point of positive contact, not at check issue date.
 - a. Examples of property NOT considered unclaimed:
 - i. a check over two years old written to current DDS employee
 - ii. a refund for a student currently attending another DDS school
 - iii. a payment to a person whom has been in contact with the school either in person, via telephone, or via email within the last two years.
 - b. Note: Simply reissuing a check without having positive contact DOES NOT restart the two-year abandonment period.

Process Overview: What do we do about unclaimed property? Here are the steps:

1. School Secretary contacts the Payee.
 - a. Important: Each attempt to contact must be documented.
 - b. Record of attempted contacts must be retained for 3 years after the property is reported as unclaimed.
2. School Secretary responds to contact with Payee.
 - a. When check is lost/destroyed, Secretary will: "void" and reissue a new check.
 - i. See Procedure to Reissue a Check in Quicken. (pg 7)
 - b. When Payee is willing to donate the funds back to the district, Secretary will: "void" check and provide donor with receipt for tax purposes.
 - i. See Procedure to "Void" a Check in Quicken. (pg 8)
 - c. Important: Payee must complete Due Diligence form to request reissue of check or to donate funds back to school. (See Sample pg 3)
3. When attempts to contact fail, any outstanding Student Body Funds checks with positive contact prior to the two-year abandonment period (prior to June 30, 2012 for FY 13/14) must be turned over to the Oregon Department of State Lands.
 - a. Secretaries will report unclaimed property to the District Office by October 1st.
 - i. See Unclaimed Checks to be turned over to Oregon Dept. of State Lands Procedure. (pg 4 & 5)
 - b. District Office staff will transfer the funds to the State of Oregon.
4. **IMPORTANT: Voiding stale checks and retaining the cash in your Student Body Fund account is a violation of Oregon State Law.**

Outstanding Transaction Flow Chart

For any checks which are six months old or older, contact the Payee to determine the disposition of the check. **Attempts to contact Payee must be documented.** This includes contact in person, by phone, via email, or by US mail. Documentation must be kept for three years after property is reported as unclaimed to the Department of State Lands.



*See sample Due Diligence Letter on following page

Sample Due Diligence Letter:



David Douglas School District #40

<School Name>

<Address> / <City>, <State> <Postal Code>

Telephone: (503) <XXX-XXXX> / Fax: (503) <XXX-XXXX>

<Date>

<Company>

<Address>

<City>, <State> <Postal Code>

RE: Oregon Unclaimed Property Due Diligence Notification:

Our records indicate that we issued a check to you that does not appear to have cleared our bank as of the date of this letter. Due to the amount of time that has elapsed the original check is no longer valid.

Check #	<Check Number>
Date	<Date>
Amount	<Amount>
Description	<Description>

If these funds are not owed to you or if you would like to donate the funds back to <School Name> please mark the box below.

Please donate to <School Name>

To request a reimbursement because the check has been lost or destroyed, please mark the box below and complete the form on the reverse side of this letter. The form must be filled out completely and returned to <School Name>, attention <Bookkeeper/Secretary>.

Duplicate requested

PLEASE NOTE: We must receive your response within 30 days from the date of this letter or the funds will be submitted to the Oregon Department of State Lands to be held as abandoned property. If you have any questions, please call 503-<XXX-XXXX>.

Sincerely,

<School Name>

Attn: <Bookkeeper/Secretary> – <School Name>

<Address>

<City>, <State> <Postal Code>

Unclaimed Checks

To be turned over to Oregon Department of State Lands:

Items that were issued or had a last positive contact date prior to June 30, 2012, must be reported to the Oregon Department of State Lands by November 1, 2014. (Two-year abandonment period)

Reports are due to the District Office by October 1st yearly.

1. Report unclaimed property information to the District Office using the Student Body Funds Unclaimed Property Excel spreadsheet. (See sample on next page)
 - A. Report as much detail as you have available:
 - a. Owner's name
 - b. Last known address (even if returned from Post Office)
 - c. Amount
 - d. Property description (ie: overpayment of library fine, refund from lunch account, payment for goods/services, reimbursement for items purchased),
 - e. Identifying number (ie: employee ID#, student ID#, Customer #, Vendor #)
 - f. Social Security number
 - g. Owner relationship (ie: student, parent, employee, customer, vendor)
 - h. Date of last positive contact

2. Clear unclaimed checks in Quicken:
 - A. In Quicken register, find check to be cleared. **DO NOT VOID THE CHECK:**
 - a. In the Payee line of the check type "To OR DSL" before the payee, **leaving payee name intact.**
 - b. LEAVE THE AMOUNT OF THE CHECK IN THE PAYMENT SECTION.
 - c. Write "To OR DSL today's date" in Memo field.
 - c. Add a new entry using today's date with "ADJ" as the transaction type.
 - 1) Put "to clear check #, Payee" in the Payee line.
 - 2) Enter the amount of the check to be cleared in the Deposit section.
 - 3) Use the same account/category as on the original check to be cleared.
 - 4) Write "To OR DSL on today's date" in Memo field.
 - d. When reconciling the next bank statement, click on both the check to be cleared and its "ADJ" to clear them. **Note:** Both the check you are clearing and the "ADJ" to clear it are considered as transfers and should be put on your transfers list.
 - B. Issue check to District Office for total amount of unclaimed checks. (\$24.75 from sample spreadsheet on next pg.)
 - a. Use today's date.
 - b. Make check payable to David Douglas District Office for total amount of unclaimed checks.
 - c. Use same Categories as on the checks being replaced. (Use Split Transaction if necessary)
 - d. Reference "to OR Dept of State Lands" in the Memo field.

3. Send Spreadsheet and check made payable to District Office for total amount of funds to the District Office, Attn: Accounts Payable.

Please contact the following for questions or assistance:

Denise Snellgrove, Accounts Receivable
Nancy Wong, Accounts Payable
Bill Leidy, Accounting Manager

Sample Student Body Funds Unclaimed Property Spreadsheet

Please use this form to record unclaimed property with a LAST POSITIVE CONTACT date prior to the statutory two-year abandonment period (ending June 30th). Items that were issued or had a LAST POSITIVE CONTACT date prior to 6/30/2012 must be reported to the District Office by October 1, 2014. Report as much detail as you have available. Unknown fields may be left blank. If exact date of last positive contact is unknown, use 6/30 of year in which last contact was made.

School	SBF check #	SBF check date	Payee Name (Last, First)	ID #	SSN	Address	City, State	Zip	Description	Payee Relationship	Contact	Amount
AOMS	1865	9/22/2010	Name, Justin	123456	XXX-XX-XXXX	123 Any Street, Apt B	Portland, OR	97236	refund for returned library	student	6/25/2011	\$ 5.75
AOMS	2299	6/15/2011	Lastname, Anita	5555	XXX-XX-XXXX	45 Somewhere Blvd.	Portland, OR	97236	reimb. for supplies purchase	DDSD employee	9/30/2011	\$ 19.00
Total												
\$ 24.75												

Prepared by (Secretary) Signature _____ Date: _____
 Reviewed by (Principal) Signature _____ Date: _____

Additional instructions:

Make check for total amount of all unclaimed property payable to David Douglas District Office.

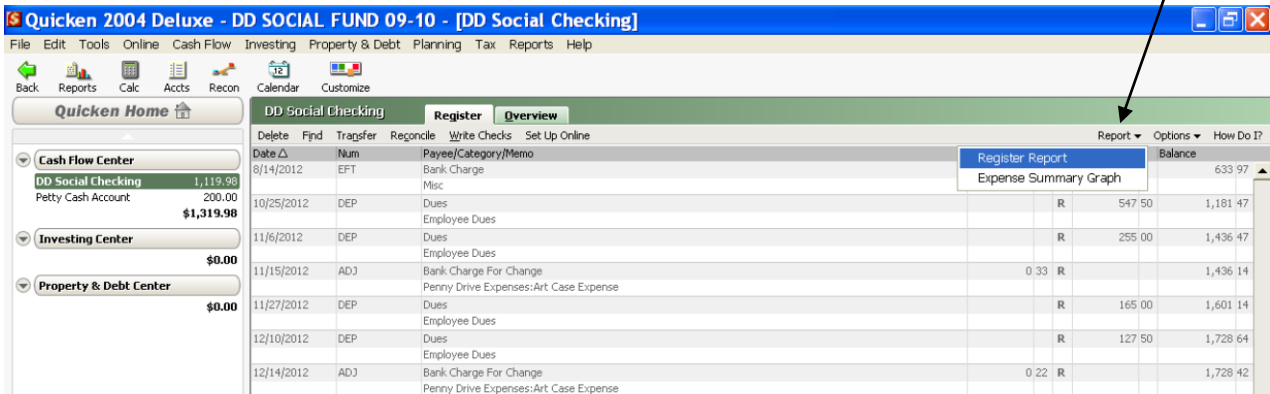
Send check with a copy of this spreadsheet to District Office, Attn: Accounts Payable

Email Quicken spreadsheet (electronic version) of this form to District Office, Accounts Receivable Clerk.

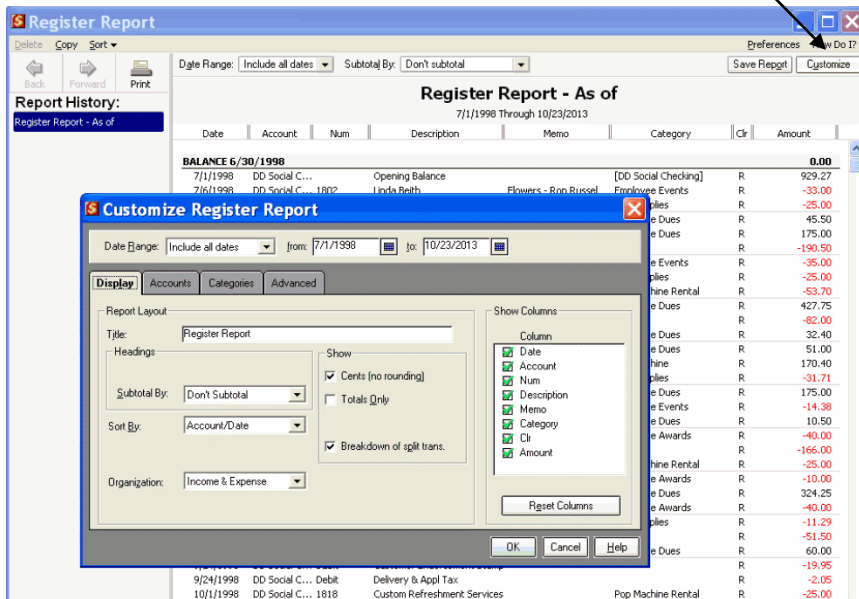
How to Run an Uncleared Transaction Report

You can print a Quicken register report to show all outstanding checks:

- From check register screen click on **“Reports”** on the Register Menu Bar
- Select **“Register Report”**



When Register Report generates click on **“Customize”** button.



-Choose date range to **“Include All Dates”**

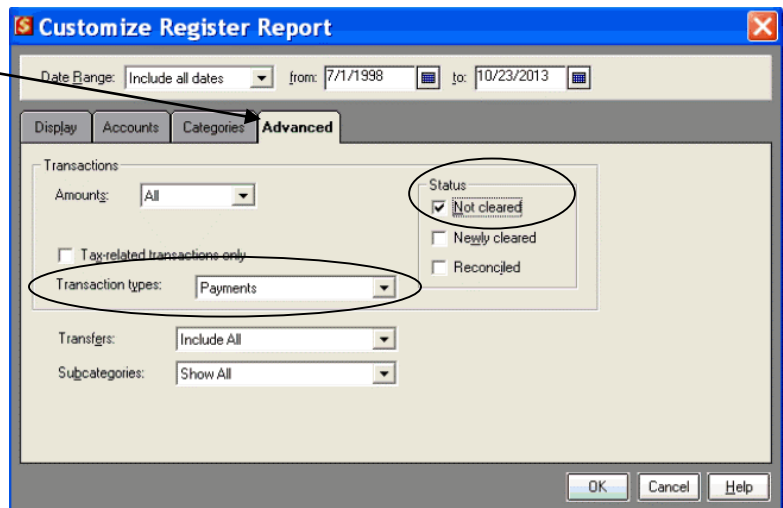
-Check boxes for **“Cents (no rounding)”** and **“Breakdown of split transactions”**

Click on **“Advanced”** Tab.

- In **“Transaction types”** drop down menu choose **“Payments.”**

-Check box for **“Not Cleared”** only (uncheck other status boxes)

Click on **“OK”** button.



How to Reissue a Check in Quicken:

For transactions which are prior month/prior year/already reconciled, an **Adjusting Entry** must be made.
****DO NOT VOID THE ORIGINAL CHECK****

In the check register click on the “Num” column in any transaction:

- Right Click on any check number
- Choose “Find” from the pop-up menu box

The screenshot shows the Quicken Register window for 'DD Social Checking'. A right-click context menu is open over the 'Num' column of a transaction dated 4/12/2012 with check number 1067. The menu options are: Cut Transaction, Copy Transaction, Paste Transaction, Move Transaction, Memorize Transaction, Schedule Transaction, Void Transaction, Find (highlighted), Find Next, and Go To Transfer. The background table shows transactions with columns for Date, Num, Payee/Category/Memo, Payment, Clr, Deposit, and Balance.

A Quicken Find menu box will pop up:

- Type the check number you are looking for in the “Find” field
- Click the “Find” button

The screenshot shows the 'Quicken Find' dialog box. It has a search field containing '1074', a 'Search:' dropdown set to 'Check Number', and a 'Match if:' dropdown set to 'Contains'. There is a checked checkbox for 'Search Backwards'. Buttons for 'Find', 'Find All', 'Close', and 'Help' are on the right.

1. When the check to be cleared comes up, **DO NOT VOID:**
 - a. In the Payee line of the check type the word “void” before the payee, leaving payee name.
 - b. LEAVE THE AMOUNT OF THE CHECK IN THE PAYMENT SECTION.
 - c. Reference “Reissued check # on today’s date” in memo field.

2. Add a new entry using today’s date with “ADJ” as the transaction type.
 - a. Put “to Void check #, Payee” in the Payee line.
 - b. Enter the amount of the check to be cleared in the Deposit section.
 - c. Use the same account/category as on the original check to be cleared.
 - d. Write “reissued check # on today’s date” in Memo field.
 - e. When reconciling the next bank statement, click on both the check to be cleared and its “ADJ” to clear them. **Note:** Both the check you are clearing and the “ADJ” to clear it are considered as transfers and should be put on your transfers list.

3. Now a new check may be reissued.
 - a. Use today’s date.
 - b. Type in the same Payee, Amount, and Category as on the check being replaced.
 - c. Reference “to replace lost check # _____” in the Memo field.

How to “Void” a Check in Quicken:

For transactions which are prior month/prior year/already reconciled, an **Adjusting Entry** must be made.

****DO NOT VOID THE CHECK****

In the check register click on the “Num” column in any transaction:

- Right Click on any check number
- Choose “Find” from the pop-up menu box

The screenshot shows the Quicken Register window for 'DD Social Checking'. A right-click context menu is open over the 'Num' column of a transaction dated 4/12/2012 with check number 1067. The menu options include: Cut Transaction, Copy Transaction, Paste Transaction, Move Transaction, Memorize Transaction, Schedule Transaction, Void Transaction, Find (highlighted), Find Next, and Go To Transfer. The background shows a table with columns: Date, Num, Payee/Category/Memo, Payment, Clr, Deposit, and Balance.

Date	Num	Payee/Category/Memo	Payment	Clr	Deposit	Balance
3/14/2012		Service Charge Misc		0 11 R		2,001 58
4/12/2012	1067		120 00 R		Deposit	1,881 58
5/9/2012	1068	subway sandwiches	210 00 R			1,671 58
5/23/2012	1069	tuition for dd daycare	300 00 R			1,371 58
6/8/2012	1070	Fall luncheon	675 00 R			696 58
6/26/2012	1071	3Retiree gift cert 120.00 ice cream fall luncheon 12.50	132 50 R			564 08
7/24/2012	DEP	Luncheon fees		R	70 00	634 08
8/14/2012	EFT			0 11 R		633 97

A Quicken Find menu box will pop up:

- Type the check number you are looking for in the “Find” field
- Click the “Find” button

The screenshot shows the 'Quicken Find' dialog box. It has a 'Find:' text box containing '1074', a 'Search:' dropdown menu set to 'Check Number', and a 'Match if:' dropdown menu set to 'Contains'. There is a checked checkbox for 'Search Backwards'. Buttons for 'Find', 'Find All', 'Close', and 'Help' are on the right side.

1. When the check to be cleared comes up, **DO NOT VOID:**
 - a. In the Payee line of the check type the word “void” before the payee, leaving payee name.
 - b. LEAVE THE AMOUNT OF THE CHECK IN THE PAYMENT SECTION.
 - c. Reference “Voided by ADJ on today’s date” in the Memo line.
2. Add a new entry using today’s date with “ADJ” as the transaction type.
 - a. Put “to Void check #, Payee” in the Payee line.
 - b. Enter the amount of the check to be cleared in the Deposit section.
 - c. Use the same account/category as on the original check to be cleared.
 - d. Reference void reason in Memo field (ie: payment not due, donated back to school, duplicate payment, etc.)
3. When reconciling the next bank statement, click on both the check to be cleared and its “ADJ” to clear them. **Note:** Both the check you are clearing and the “ADJ” to clear it are considered as transfers and should be put on your transfers list.

Excerpts from the Oregon.gov “Unclaimed Property” website:

http://www.oregon.gov/dsl/UP/Pages/up_gen_report_guide.aspx (highlights added)

When you issue a check in payment of a liability and the payee does not cash the check, the underlying liability is reportable as unclaimed property. You should review any checks that are not presented against your bank account to determine if they need to be reported.

What are unrepresented checks?

Unrepresented checks are checks issued by an organization that remain un-cashed because the payee does not “present” them to the bank for payment. Outstanding checks on your bank reconciliation will become reportable unless there is an explanation that satisfies the underlying liability. Unrepresented checks make up a large portion of the unclaimed property reported to the Department of State Lands.

Unrepresented checks include those that are:

- Outstanding
- Written-off
- Stale-dated or returned by the post office (RPO)

For most reporters, unrepresented checks are presumed abandoned after three years if they are not cashed. Common types include:

- Payroll
- Employee commissions
- Returnable garnishments
- Accounts payable
- Expense
- Drafts
- Vendor payments
- Dividends
- Refunds
- Travel expense
- Self-employed commissions

How do I determine what to report?

When you reconcile your bank accounts, research older outstanding checks to determine their status. If a check is still outstanding after six months, it should be considered as potential unclaimed property. Make notes on your adjustments to older outstanding checks. An outstanding check may have been issued in error, represent a duplicate payment, or the underlying liability may have been settled in some other way.

The fact that a check has an expiration period listed or the check is voided does not excuse the underlying liability or the need to report it as unclaimed property. Unless the underlying liability has been settled in some way, you should report the unclaimed check.

Review checks regularly

Research your outstanding checks regularly. A check has potential to become unclaimed property after it remains outstanding for six months. Document your adjustments to remove outstanding checks if the check was issued in error, a duplicate payment, or the liability was settled in some other way.

Without positive owner contact, simply reissuing your aged checks just prior to abandonment does not start the abandonment period again. The underlying liability, represented by the check, ages for abandonment from the date it was first payable to the owner.

Proving it's not unclaimed

Any unpaid check that appears to be due the owner is subject to abandonment without another explanation.

It is important for your records to show when a check was reissued, issued in error, or cancelled as a duplicate payment.

Frequently Asked Questions:

Are all amounts reportable?

Yes, all amounts are reportable. While we appreciate receiving detail on all accounts, holders may report property valued at less than \$50 per owner in aggregate. If detailed information is available for aggregate accounts, please attach it to the report to better serve claimants with small values.

How long should I keep my records?

Keep unclaimed property reports and related records including due diligence efforts for three years after reporting. Unclaimed property records are considered confidential beginning 12 months before and for 24 months after reporting.

Do I need to report if the owner's address is unknown?

Yes, if the owner's address is unknown, and your organization is incorporated or domiciled in Oregon, report it to the state of Oregon. Unknown owners, unknown addresses, and foreign address properties are reported to the holder's state of incorporation or domicile if the company is not incorporated.

For more information see the Unclaimed Property General Reporting Guide:

http://www.oregon.gov/dsl/UP/Pages/up_gen_report_guide.aspx

Complying with Oregon's Unclaimed Property Law Brochure:

<http://www.oregon.gov/dsl/UP/Pages/upforms.aspx>