



SYSTEM-WIDE PROCEDURE STATEMENT

Procedure Title: UNCLAIMED PROPERTY

Functional Area: TREASURY

Brief Description:	This procedure establishes guidelines for the management of <i>unclaimed property</i> for the respective campuses and for the system office.
Effective:	July 1, 2018
Approved by:	Todd Saliman
Responsible University Officer:	Treasurer
Responsible Office:	Treasurer’s Office
Policy Contact:	Treasurer, 303-837-2181
Last Reviewed/Updated:	July 1, 2018
Applies to:	All organizational units that manage unclaimed warrants, checks, and other forms of unclaimed payments across all campuses and system

Reason for Procedure:

This Treasury Procedural Statement establishes the principles and processes for managing unclaimed property and outlines the roles and responsibilities of the Systems and the campuses as custodians of these funds.

I. INTRODUCTION

Unclaimed Property (sometimes referred to as abandoned) generally refers to accounts in financial institutions and companies that have had no activity generated or contact with the owner for an extended period of time (generally from 60 days to one year or a longer period). Common forms of *unclaimed property* include savings or checking accounts, stocks, uncashed dividends or payroll checks, refunds, traveler’s checks, trust distributions, unredeemed money orders or gift certificates (in some states), insurance payments or refunds and life insurance policies, annuities, certificates of deposit, customer overpayments, utility security deposits, mineral royalty payments, and contents of safe deposit boxes.

Unclaimed property at the University of Colorado results from warrants, checks, or other forms of payments for services Accounts Payable, or refunds of tuition not being cashed by the recipient or unclaimed wages or security deposits. Also it could result from services performed but which are never invoiced by the service provider and therefore never paid. It could also result from retirement plan contributions that the owner of the account cannot be located and the account has no activity for an extended period of time. Credit balances held on account are also *unclaimed property*.

Since 1994, it has been the legal opinion of University Counsel that the Regents of the University of Colorado are exempt from Colorado’s Unclaimed Property Act. The University of Colorado, through its governing

board, derives its authority from the Constitution of the State of Colorado. The constitution gives the Board of Regents specific authority to govern the University of Colorado, and to have exclusive control and direction of all funds of and appropriations to the University unless otherwise provided by law.

The purpose of this unclaimed property procedure is to protect individuals who have done business with the University and are owed money from uncashed warrants or checks. It is important to perform due diligence pursuant to the University's stewardship responsibility in attempting to return these funds to the rightful owner in a timely manner rather than remaining permanently with the University.

II. PROCEDURE STATEMENT

A. Authority for overall management of the *unclaimed property*.

The treasurer of the university, in coordination with the designated campus and system authorities, is responsible for the overall and ongoing oversight and management of *unclaimed property*. This includes management of the custodial relationship the university has with Title IV funds, other specific federal and state award requirements, and any unclaimed property resulting from uncashed warrants or checks issued by the University to any other party. The University of Colorado's procedure is to return *unclaimed property* back to the appropriate federal / state program from which they were derived or to any other individual or company. Best efforts will be made to return *unclaimed property* to its owner in all cases.

B. Responsibility for and oversight of *unclaimed property* compliance

On each campus, the vice chancellor/chief financial officer is responsible for compliance requirements related to unclaimed property. The vice chancellor may delegate these responsibilities in writing. Each campus shall maintain a written procedure that identifies the roles and responsibilities for oversight of unclaimed property. Procedures must address ongoing monitoring of *Title IV funds, federal and state award funds*, and uncashed warrants and checks from the various types of University business activity.

Procedures for a systematic and documented process for the return of funds to the rightful owner is required. A database will need to be kept and maintained of *unclaimed property* and accessible under the Colorado Open Records Act. A fee may be charged for the return of the property. Claims against an owner may be offset prior to returning the balance of the property or asset. Verification procedures to identify the rightful owner are also needed.

C. Campus Management of *unclaimed property*

1. Campus Offices shall make at least one attempt to return funds over \$50 to their rightful owners prior to the stale dated period of 120 days. Another attempt subsequent to the check stale dated period but prior to 240 days shall also be made. For Federal or State financial aid programs the dollar threshold is \$1 and those funds not claimed shall be returned to the sponsors within 240 days of issuance.
2. Email, mail, or phone calls are acceptable method of contact. A database indicating the payment issuance date, the name, the amount, the address, email address, phone number, the date of notifications, and other notes shall be maintained on a **permanent** basis by each campus.
3. Procurement Service Center (PSC) issued checks shall be the responsibility of PSC to follow up on uncashed checks. PSC may contact the campuses for assistance in this task.
4. Mail returned as "undeliverable" is evidence that the owner cannot be located. If the owner cannot be located, alternative procedures via phone or email shall be made to contact the vendor, student, or other payment recipient. Alternative attempts to locate the property owner shall be documented.
5. Uncashed checks or other unclaimed property in excess of 240 days since issuance of payment shall be recognized as revenue on an annual basis. The campus or system shall set aside an appropriate amount as a contingent liability.
6. The campus Controller's Office will account for these funds according to generally accepted accounting principles.

A list of uncashed and stale dated checks are available to the campuses from System Controllers Office.

III. DEFINITIONS

- *Unclaimed property* at the University of Colorado is defined as tangible or intangible money or assets held by an organization that has not had contact with the rightful owner for a specified period of time and includes but is not limited to: uncashed warrants, vendor payments, travel and expense reimbursements checks, Tuition Refund Checks, Student Account Credit Balances or other forms of payments for services or refunds of tuition uncashed by the recipient, unused airline tickets, credit memos, customer overpayments, uncashed insurance claims, accounts payable, and unclaimed wages. Also it could result from services performed but which are never invoiced by the service provider and therefore never paid. It could also result from retirement plan contributions that the owner of the account cannot be located and the account has no activity for an extended period of time (generally from 60 days to one year or a longer period).

IV. RELATED PROCEDURES, FORMS, GUIDELINES, AND OTHER RESOURCES

A. Campus & System Procedures

- [CU Boulder](#)
- [CU Colorado Springs](#)
- [CU Denver | Anschutz Medical Campus](#)
- [PSC](#)
- [Payroll](#)

B. Other Resources

- For additional information and training, contact Dan J. Wilson, Treasurer, 303-837-2181, dan.j.wilson@cu.edu.

V. HISTORY

Memorandum- Applicability of the Unclaimed Property Act to the University of Colorado, July 15, 2002 from Christine Newton to Dan Wilkerson, Managing Senior Associate Attorney

Letter to Unclaimed Property Division- November 5, 2004, from Daniel J. Wilkerson.

Memo to Campus Controllers- Status of CU under C.R.S. 38-13, "Unclaimed Property Act" from Judith Van Gorden, Treasurer