



CITY OF SAN RAFAEL POLICIES AND PROCEDURES

Subject:	Unclaimed Money Policy
Resolution No.	
Issue Date:	
Revision Date:	
Prepared By:	Janet Pendoley, Interim Finance Director
Approved By:	Nancy Mackle, City Manager
Approved by City Council:	

PURPOSE:

The purpose of this policy is to establish a policy and related procedures for escheatment and accounting of Unclaimed Money in accordance with California Government Code Sections 50050 through 50056.

OBJECTIVE:

It is the policy of the City of San Rafael (City) to properly account for Unclaimed Money in a manner which follows the California Government Code Sections 50050 through 50056. Unclaimed Money consists of funds which are not the property of the City, but remain in the City Treasury for three years or more without a claim being filed by the legal owner(s). Unclaimed Money that remains unclaimed for at least three (3) years will become the property of the City after the procedures identified herein have been followed.

Unclaimed Money in an amount of less than fifteen dollars (\$15), or any amount if the owner is unknown, will become the property of the City after being unclaimed for one (1) year without publication in a newspaper.

RESPONSIBILITY:

The Finance Department is responsible for the administration and implementation of this policy.

REFERENCES:

California Government Code Section 50050-50056.

DEFINITIONS:

Escheatment: The reversion of property to a government entity in the absence of legal claimants or heirs.

Holder: Any person or entity who possesses unclaimed property.

Unclaimed Property/ Money: Unclaimed property is generally defined as a liability the City owes to an individual or entity when a debt or obligation remains outstanding after a specific amount of time. This creates a property right protected by the State's unclaimed property laws.

Warrant: Instrument issued to pay for goods and /or services rendered, issue refunds, etc. (i.e., check)

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POLICY:

Money that is not the property of the City of San Rafael (City) that remains unclaimed for three (3) years will become the property of the City forty-five (45) days after the initial newspaper publication if not claimed or if no verified complaint is filed and served.

Money that is less than fifteen dollars (\$15), or any amount if the owner is unknown, which remains unclaimed for one (1) year will become the property of the City without publication in a newspaper.

PROCEDURES:

I. Unclaimed money equal to or greater than fifteen (\$15) dollars

Once a year, the Finance Department will compile a list of outstanding checks which are equal to or greater than fifteen dollars (\$15) and at least three years old; such checks will be deemed stale dated. The Finance Department will proceed as follows:

1. The Finance Department will void stale dated checks:

DR	Pooled Cash	
CR		Original Expenditure account;

2. The Finance Department will post a Journal Entry to record the stale dated check liability:

DR	Original Expenditure Account	
CR		Unclaimed Money Liability.

The Finance Department will then publish a notice (Attachment I) identifying all such money in a local newspaper of general circulation once a week for two successive weeks. Currently, the Marin Independent Journal is the newspaper of general circulation used for publishing. The notice shall state the payee name, fund in which it is held, the amount of money, and that the money will become City property forty-five (45) days after the first publication of the notice in the absence of a satisfactory claim accepted by the Finance Director. Proof of publication shall be retained in the Unclaimed Money binder.

Claims filed by Party of Interest: Upon or prior to publication and before the date the unclaimed money becomes City Property, a party of interest may file an Unclaimed Money Claim Form (Attachment II) with the Finance Director to collect the money. The Finance Director may require the claimant to provide proof of identification and entitlement to the money. Once a decision is rendered by the Finance Director, notification will be made to the claimant by letter.

Upon acceptance of the claim, the Finance Department will proceed as follows:

1. The Finance Department will reissue the check to the owner or the owner's, heir, beneficiary, or duly appointed representative, following accounts payable policies and procedures:

DR	Unclaimed Money Liability	
CR		Cash.

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2. The Finance Department will remove the check from the list of unclaimed money to be escheated.

If the claim is rejected, the Finance Department shall mail or deliver a rejection notice to the claimant. Such notice shall be deemed received upon delivery or five (5) business days after mailing. The claimant may file a verified complaint in Marin Superior Court seeking to recover all, or a designated part, of the money and must serve a copy of the complaint and the summons issued thereon upon the Finance Director. The copy of the complaint and summons shall be served within 30 days of receiving notice that the claim was rejected. The Finance Director shall withhold the release of the portion of unclaimed money for which a court action has been filed until a decision is rendered by the court.

If the court renders a decision in favor of the claimant, the Finance Department will follow the appropriate procedures to reissue the check.

If the court renders a decision in favor of the City, the Finance Department will proceed as follows:

1. The Finance Department will reverse the unclaimed money liability and record the revenue:

DR	Unclaimed Money Liability	
CR		Unclaimed Money Revenue

2. The Finance Department will record the transfer of escheated special fund cash to the general fund, unless otherwise restricted:

DR	General fund Cash	
CR		General fund Unclaimed Money Revenue

DR	Special fund Unclaimed Money Revenue	
CR		Special fund Cash.

Property Escheats to City: On the forty-fifth day after the first publication of the notice the unclaimed money on which no claims were filed will escheat to the City. The Finance Department will follow procedures identified in the preceding paragraph.

II. Unclaimed money less than fifteen (\$15) dollars, or any amount if the owner is unknown:

Once a year, the Finance Department will compile a list of outstanding monies which are less than fifteen dollars (\$15), or of any amount if the owner is unknown, and have remained unclaimed in the City Treasury for a period of one (1) year; such checks will be deemed stale dated. Money identified on the list will escheat to the City and will be transferred to the general fund, unless otherwise restricted.

The Finance Department will proceed as follows:

1. The Finance Department will void stale dated checks:

DR	Pooled Cash	
CR		Original Expenditure account

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2. The Finance Department will reclassify the voided check as a credit to Revenue:

DR	Original Expenditure account	
CR		Unclaimed Money Revenue

3. The Finance Department will record the transfer of escheated special fund cash to the general fund:

DR	General fund Cash	
CR		General fund Unclaimed Money Revenue

DR	Special fund Unclaimed Money Revenue	
CR		Special fund Cash.

APPROVED BY:



Nancy Mackle, City Manager

8-15-11

Date

Attachment I

**City of San Rafael
Notice of Unclaimed Funds**

Notice is hereby given that the City of San Rafael has been holding funds for the following persons for three years or more. If said funds are not claimed by [mm, dd, yyyy],(date which is 45 days after this publication date), these funds will become the property of the City of San Rafael. These funds may be released to the depositor, their heir, beneficiary, or duly appointed representative provided a claim form has been completed with the necessary information establishing entitlement to the funds.

An Unclaimed Money Claim form is available at the City of San Rafael Finance Department, 1400 Fifth Avenue, San Rafael, CA 94901 or by emailing finance@cityofsanrafael.org. The required claim information includes name, address, phone number, tax identification number, amount of claim, and grounds on which claim is founded. Once a claim is submitted, the Finance Director will determine what, if any, additional information is necessary.

Persons with funds on deposit with the City of San Rafael for 3 years:

NAME	AMOUNT	FUND IN WHICH HELD

[Name of Finance Director]
Finance Director
City of San Rafael
1400 Fifth Avenue
P.O. Box 151560
San Rafael, CA 94901

Publication Date:

**CITY OF SAN RAFAEL
UNCLAIMED MONEY – CLAIM FORM**

Claimant's Name _____ Taxpayer Identification No. or Social Security No. _____

Address _____ City/State/Zip Code _____

() _____
Telephone Number _____

Pursuant to California Government Code Section 50052, I _____ am filing a claim for previously unclaimed money in the amount of \$ _____, which was published in the Marin Independent Journal on _____ (MM/DD/YY).

The grounds on which I am filing this claim are:

Please attach copies of all support documentation to this claim. Do not attach originals, as the City will retain all documents.

I hereby certify under penalty and perjury that the information contained and attached to this claim is true and correct and is being submitted to the City of San Rafael to substantiate my claim to money held by the City. I further certify that I have the authority and right to claim and receive payment of money and hereby release the City of San Rafael, its directors, employees, representatives, attorneys and agents from all liability and further obligation with respect to the claim.

Printed Name of Claimant _____ Signature of Claimant _____
Date _____

Mail Completed Forms to:
City of San Rafael
Finance Department
1400 Fifth Avenue
San Rafael, CA 94901

CITY USE ONLY

Payee Name _____ Account Code _____

Check No. _____ Check Date _____ Check Amount _____

Accepted _____ Denied _____

Finance Director Signature _____ Date _____