

DIOCESE OF BUFFALO INTERNAL AUDIT NEWSLETTER

NYS Unclaimed Funds

May 2024

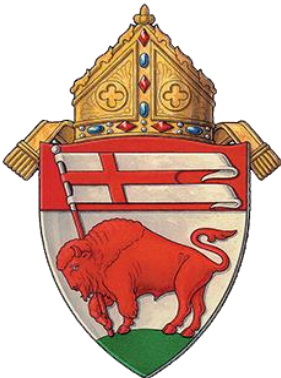
Internal Audit Contact Information

Visit the Internal Audit webpage for more Newsletters and other useful items/tools:

[Internal Audit Website](#)

Please contact the DOB Audit team if you have any questions.

(716) 847-5572



OVERVIEW

Using multiple bank accounts can help parishes/schools to separate funds for different purposes. However, if you forget about one of those accounts, it could become dormant, and eventually the funds/contents get turned over to the state when a financial institution has determined the account or safe deposit box was abandoned. This is an automatic legal process called escheatment. Banks, insurance companies, investment companies and many other businesses are required by State law to turn over inactive accounts to the State. The New York State Office of the State Comptroller then serves as the custodian of these funds until they are claimed.

UNCLAIMED FUNDS

Unclaimed funds are money or the rights to money which have been dormant or forgotten. Some common examples include bank accounts – savings, checking, and certificates of deposit accounts, uncashed checks, telephone/utility/security deposits, wages, insurance benefits/policies, safe deposit box contents, mortgage insurance refunds, stocks, bonds, dividends, mutual funds, trust funds, and estate proceeds.

A dormant bank account is an account which has had no financial activity for an extended period of time, typically three to five years. Activity includes transactions such as deposits, withdrawals, or transfers. FYI, earning interest doesn't count as a posted activity because it is not initiated by the account holder. Dormant accounts can include various types of accounts, such as checking, savings, money market, certificates of deposit, and even safe deposit boxes.

SEARCH FOR UNCLAIMED FUNDS

To see if there are unclaimed funds in your parish/school's name, you can perform a search by visiting the State Comptroller's website:

<https://www.osc.ny.gov/unclaimed-funds>

The Comptroller's Office recommends some of the following search tips:

Start with organization name. Organization names may be abbreviated. Think of every combination. Examples:

- Saints Peter and Paul Church
- Saints Peter & Paul RC Church
- SS. Peter and Paul RC Church
- SS. Peter & Paul Roman Catholic Church
- Sts. Peter & Paul Roman Catholic Church

Spelling, spaces, and punctuations may affect search result. If your search produces a lot of results, filter the results by including the city. If you think there are unclaimed funds for the parish/school, but can't find it on the list, you can send Office of the New York State Comptroller, Office of Unclaimed Funds:

- a letter explaining what type of funds you're looking for,
- a completed claim form; and
- copies of the documents which support your claim.

You may also search by the OUF Code if you received a letter from NYS. This will narrow your search results to only the item they wrote to you about. The OUF code is a system generated identifier for specific unclaimed funds items. It does not refer to original account numbers.

If you found unclaimed funds you believe are the parish/school's money, you can file a claim with the State Comptroller's Office either online or by mail with required documentation to prove ownership. A list of acceptable forms of proof can be found at: <https://www.osc.ny.gov/unclaimed-funds/claimants/required-documentation>

To protect privacy and prevent fraud, the Comptroller's Office can't tell you the amount of your claim until they receive and confirm your proof of ownership. In addition, the Comptroller's Office never charges a fee for returning unclaimed funds.

TIPS TO HELP YOU KEEP THE MONEY

- Keep your accounts active. More than half of unclaimed accounts are dormant savings accounts. To prevent an account from going dormant, it is recommended to use the account regularly, even for small transactions, to keep it active. Make a small deposit or withdrawal every year.
- When changing banks, ensure the old account is properly closed.
- Cash all checks promptly for offertory, insurance, rebate, reimbursement checks and any other refunds you received.
- Keep accurate financial records and safe deposit number. Record all bank and investment accounts in PDS Ledger.
- Ensure to include information about accounts that you have closed or moved to another institution.
- Confirm the bank has the parish/school's correct address on file.

OUTSTANDING CHECKS

An outstanding check is any check which has been written on a bank account that hasn't yet been cashed or deposited and cleared the bank. Uncashed checks include but are not limited to vendor payments, reimbursement checks, payroll checks. Checks are typically only valid for six months after being signed. If the check is older than six months, the check may be stale or void. It is important to cash or deposit checks promptly to avoid fees or potential issues.

Outstanding checks must be monitored monthly when reviewing the bank statements, and the parish/school is obliged to make a diligent effort to locate the owner. All checks that have been outstanding for over six months or more must be identified and investigated. Notify the payee they have a check outstanding which they have not cashed, and after three years from the date of issue their money will be considered unclaimed property and escheated. This means that unclaimed payments (uncashed checks) will be turned over to the State Comptroller's Office. Ask the payee if they are having issues cashing or depositing the check. It may be they didn't receive it at all, or the check was lost. If this is the case, put a stop payment on the original check and issue a new check.