UNCASHED OR UNCLAIMED AGENCY CHECKS **8042**
(Revised 12/03)

Uncashed checks are those that have been issued by the agency but remain uncashed by the payee. Unclaimed checks are those that have been returned to the agency and for which the payee cannot be located. Agency checks are checks issued from an agency's account: (1) office revolving fund (ORF), (2) general cash, or (3) trust.

ORF and general cash checks have a one-year period of negotiability. Unless specific provisions of law require cancellation in a different period of time, trust fund checks also have a one-year period of negotiability.

Agencies will send a Stop Payment Request form, STD. 432, to the STO for all uncashed checks timed to arrive at least one week prior to the end of the one-year period of negotiability. The STO is able to stop payment of stale dated checks only through the receipt of stop payment requests from agencies. See SAM Section 8045 for specific procedures on processing stop payments. Entries to record the cancellation transactions will be made in the appropriate disbursement register or the Revolving Fund Cash Book.

Agencies will issue stop payment notices as required (by the banking institution) for those bank accounts not in the centralized State Treasury System.

Upon confirmation from the STO of stop payment request for uncashed checks, agencies will:

General cash checks	Cancel the checks and remit the amount to an escheat revenue account in the fund from which the checks were drawn.
ORF checks	
• Reimbursement to the ORF has not been received	Cancel the checks and credit the amounts back to the ORF.
• Reimbursement to the ORF has been received	Cancel the checks and remit the amount to an escheat revenue account in the fund that has established the ORF.
Trust fund checks	Cancel the checks and credit the amounts back to the depositors' or special trust accounts unless otherwise provided in the trust agreement or statute under which the trust was established. See SAM Section 18424.2.

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With the exception of processing stop payment requests, agencies will follow the above procedures for all unclaimed checks.

Government Code (GC) Section 17096.1 allows payees to claim amounts for 2 years after cancellation of the agency check. See SAM Section 8240 for procedures on processing refunds of revenue.

Agencies will maintain a subsidiary ledger of all amounts credited to and disbursed from the escheat revenue accounts. Subsequent claims made by payees within 2 years of the check cancellation date will be processed by filing a claim schedule against an escheat revenue account. For those amounts credited in the current fiscal year, the claim schedule shall be filed against the current year escheat revenue account. For those amounts credited in a prior fiscal year, the claim schedule shall be filed against the prior year escheat revenue account. The SCO will process the claims regardless of the balances in the escheat revenue accounts.

Expenditure claims made by payees more than 2 years after the check cancellation date will be processed in the same manner as claims against a reverted appropriation (See SAM Section 8422.7). Revenue refund claims by payees more than 2 years after the check cancellation date will be processed in accordance with SAM Section 8240.