

Escheating Checks

Overview

All unclaimed warrants/checks should be escheated based on legislation passed by the North Carolina General Assembly. Each agency is responsible for the escheat of unclaimed checks, which appear on their check reconciliation report. A new law, enacted during the 1999 session by the North Carolina General Assembly, changed the dormancy holding period for unclaimed funds and abandoned properties. Unclaimed funds held by governmental agencies are now escheatable after one year.

For further details concerning the law, refer to the following SIG link, http://www.ncosc.net/sigdocs/sig_docs/sigProcessing_Payments.html, to view a memo from the State Treasurer's Office concerning "Annual Reporting Forms for Filing Escheat and Unclaimed Property". For escheat laws and forms, refer to the North Carolina State Treasurer's web site at <https://www.nctreasurer.com>.

Some states have laws that require that unclaimed payments to be remitted to that state and not the North Carolina State Treasurer's office. If your agency is escheating a check that is required to be remitted to another state instead of North Carolina State Treasurer's office, see **Procedure 47B: Escheating a Check to another State.**

The Escheat Process with State Treasurer (NOT A WALKTHROUGH)

The escheat process outlined below is used for checks in the North Carolina Accounting System (NCAS) being sent to the North Carolina State Treasurer's office.

1. Type **PES** in the NEXT FUNCTION field and press **ENTER** to access the *Payment Escheats* screen. The *PES* screen displays all outstanding checks.

```

OCP AP                                PAYMENT ESCHEATS                                PES
235 - ENTER REQUIRED KEY FIELDS
NEXT FUNCTION: _____ ACTION: _____                                06/27/2011  10:18:42
=====
BANK PYMT IND: ② PYMT REF NBR: ③
PYMT REF          PAYMENT      PYMT      PYMT
NUMBER           AMOUNT       DATE      TYPE   SEL

```

2. Type **XXD** (your agency BAP code) in the BANK PYMT IND: field

-  This is a required field.
-  Other options of Bank Account codes are: XXP and XXN.

3. Press **ENTER** to display a list of outstanding checks beginning with the check number entered.

-  If you know the check number, you can type it into the PYMT REF NBR: field to display it.

```

OCP AP                      PAYMENT ESCHEATS                      PES
NEXT FUNCTION: _____ ACTION: _____                      06/27/2011 10:30:15
=====
BANK PYMT IND: 12D PYMT REF NBR: _____

  PYMT REF          PAYMENT      PYMT      PYMT
  NUMBER            AMOUNT        DATE      TYPE    SEL
0000000020          23.45  04/05/2007  MANUAL  4
0000000021          100.00  02/13/2007  MANUAL  -
0000000023          650.00  04/12/2007  MANUAL  -
0000025903           3.00   09/25/1997  SYSTEM  -
0000025904          10.00   09/26/1997  SYSTEM  -
0000025905           5.20   09/27/1997  SYSTEM  -
0000025906           3.22   10/02/1997  SYSTEM  -
0000222334           50.00   04/01/2007  MANUAL  -
1100000023         10,000.00  05/06/2007  MANUAL  -

                                STATUS: END_OF_LIST_
  
```

4. Type **S** in the SEL field next to check number that needs to be escheated and press **ENTER** to escheat the check.

-  After the desired selection is processed, it can no longer be viewed on PES.
-  More than one check may be selected and processed at a time.

Invoice Creation to the State Treasurer

After a check number is selected on *PES* for processing, an invoice is automatically generated during the nightly production. If multiple checks are selected for escheat on *PES*, a separate invoice is generated for each check. The invoice number is used to identify each escheated check. ES is displayed in the first two positions, followed by the BAP code and check number of the check being escheated. An example of the invoice number is ES14D000000234. These invoices are paid out of each agency's trade pay entity to vendor 561545517 D, which is the State Treasurer's escheat and unclaimed property vendor number and group.

An example of the invoice is displayed below:

OCP AP	INVOICE MAINTENANCE 1	IMW-1T					
NEXT FUNCTION: _____	ACTION: _____	06/27/2011 10:36:06					
REQUEST: _____	=====						
PAY ENTITY : XXPT	VEND SHORT NM: TR-ESCHEAT						
INVOICE NBR : ESSXXD0000020886	VENDOR NUMBER: 561545517 D	MULTI PYMT: N					
INVOICE DATE : 05/30/2005	DISCNT AMOUNT: _____	TERMS: _____					
COUNTY CODE : _____	PO REFERENCE : 12BS 1290000000	CM/DM: I					
PYMT NBR: 001	PRTL PYMT NBR: 000	PYMT DUE DTE: 05/30/2005					
REMIT MESSAGE: _____	GL EFF DT: 05/31/2005						
CHECK_#_0000020886 _ HAS BEEN ESCHATED IN BAP_CODE_XXP							
LINE	AMOUNT	EXP CO	ACCOUNT	CENTER	BID	PROJ	NUMBER
VAT	QUANTITY	UNIT	ITEM NUMBER	DESCRIPTION	USE	1099	NCG FED
0001	3,194.45	ESH	XX05 211960	9999			
			XXP_0000020886_XXPE_123456789D				
0002							
0003							
0004							
SALES TAX/VAT :		FREIGHT :					
ADDITIONAL COST:		GROSS AMOUNT:					3,194.45

Account Mini-chart Indicators

Each invoice will include a special mini-chart indicator (ESH) for escheats, which creates the following entries:

Entries from invoice:	DR	XX01	211960	9999
	CR	XX01	211960	9999

The escheat liability account should be reconciled to ensure it maintains a zero balance. No cash or CMCS entries are necessary. There is no effect on cash because the check for the Treasurer's Office replaces the original check.

The payment due date for each invoice is the same as the date the check is processed on *PES*. A check is produced, as normal, in the nightly production based on the *Bank Cycle Controls (BCC)* and *Payment Entity Cycle Controls (PCC)* screen parameters set by the agency.

After processing the check on *PES*, the status is changed from "OPEN" to "ESCHEATS". This status change can be viewed on the *Payment List (PYL)* screen. The CLEARANCE DATE is the date the escheat is processed on *PES*.

An example of the PYL screen is displayed below:

OCP AP		PAYMENT LIST					PYL		
NEXT FUNCTION: _____		ACTION: _____		HISTORY: _		06/27/2011		10:47:09	
=====									
PAY ENTITY: ____		VENDOR NBR: _____		SHORT NAME: _____					
BAP CODE : XXD		PAYMENT REFERENCE NUMBER: 0000020886							
BEGINNING PAYMENT DATE: _____				ENDING PAYMENT DATE: _____					
BAP CODE	PYMT REF NUMBER	AMOUNT	DATE	TYPE	STAT	CLEARANCE DATE	REPLACE PYMT REF	S	
XXD	0000020886	3,194.45	09/25/95	S	ESCHEATS	07/18/01		-	
XXD	0000022586	3,876.52	01/22/96	S	REPLACED		0000100301	-	
XXD	0000024181	115.00	04/18/96	S	CANCELLED			-	
XXD	0000024489	43.77	05/02/96	S	CANCELLED			-	
XXD	0000025811	200.00	07/22/96	S	CANCELLED			-	
XXD	0000025903	3.00	07/25/96	S	OPEN			-	
XXD	0000026751	700.00	09/26/96	S	CLEARED	01/02/97		-	
XXD	0000026973	395.00	10/10/96	S	OPEN			-	
XXD	0000027367	569.81	11/04/96	S	CLEARED	01/10/97		-	
XXD	0000027391	3,083.14	11/04/96	S	CLEARED	06/17/97		-	
XXD	000002748	660.00	11/12/96	S	CLEARED	01/03/97		-	
XXD	0000020886	3,194.45	09/25/95	S	ESCHEATS	07/18/01		-	
STATUS: MORE									

NOT A WALKTHROUGH

Correcting an Escheat (on the same day)

A check erroneously set to escheat may be corrected that same day. The steps for this correction are listed below:

1. Type **PMN** in the NEXT FUNCTION field and press **ENTER** to access the *Payment Maintenance* screen.

OCP AP		PAYMENT MAINTENANCE				PMN	
NEXT FUNCTION: _____		ACTION: _____		06/27/2011		11:06:06	
=====							
BANK ACCT PAY CODE: XXD		PYMT REF NUMBER: 0000000000					
PYMT REF NUMBER	PAYMENT AMOUNT	CURR	ST	DATE	TYPE	OPEN CLEARANCE DATE	CLEARANCE AMOUNT
0000000020	23.45	E		04/05/2005	M	2 _____	23.45
0000000021	100.00	O		02/13/2005	M	_____	_____
0000021000	14.60	O		04/12/2005	M	_____	_____
0000025903	3.00	O		09/25/1995	S	_____	_____
0000025904	10.00	O		09/26/1995	S	_____	_____
0000025905	5.20	O		09/27/1995	S	_____	_____
0000025906	3.22	O		10/02/1995	S	_____	_____
0000222334	50.00	O		04/01/2005	M	_____	_____
1100000023	10,000.00	O		05/06/2005	M	_____	_____
STATUS: END_OF_LIST_							

2. Type **Y** in the OPEN field and press **ENTER** to change the status back to open.

```

OCP AP                                PAYMENT MAINTENANCE                                PMN
NEXT FUNCTION: 3 ACTION:                06/27/2011 11:06:06
=====
BANK ACCT PAY CODE: XXD  PYMT REF NUMBER: 0000000000

  PYMT REF      PAYMENT      ----- PAYMENT -----  OPEN CLEARANCE  CLEARANCE
  NUMBER        AMOUNT        CURR  ST  DATE  TYPE        DATE           AMOUNT
0000000020      23.45      O  04/05/2005 M  _____  _____ 23.45
0000000021     100.00      O  02/13/2005 M  _____  _____
0000021000      14.60      O  04/12/2005 M  _____  _____
0000025903        3.00      O  09/25/1995 S  _____  _____
0000025904     10.00      O  09/26/1995 S  _____  _____
0000025905        5.20      O  09/27/1995 S  _____  _____
0000025906        3.22      O  10/02/1995 S  _____  _____
0000222334     50.00      O  04/01/2005 M  _____  _____
1100000023    10,000.00      O  05/06/2005 M  _____  _____

                                STATUS: END_OF_LIST_
  
```

The PAYMENT STATUS field now displays an “O” to reflect that the check is now “open” again for payment.

3. Type **PES** in the NEXT FUNCTION field and press **ENTER** to confirm the escheated check has been opened.

 The check may also be verified on the *Payment List (PYL)* screen.

```

OCP AP                                PAYMENT ESCHEATS                                PES
NEXT FUNCTION: ACTION:                06/27/2011 11:13:40
=====
BANK PYMT IND: XXD  PYMT REF NBR:

  PYMT REF      PAYMENT      PYMT      PYMT
  NUMBER        AMOUNT        DATE      TYPE  SEL
0000000020      23.45  04/05/2005  MANUAL  _
0000000021     100.00  02/13/2005  MANUAL  _
0000000023     650.00  04/12/2005  MANUAL  _
0000025903        3.00  09/25/1995  SYSTEM  _
0000025904     10.00  09/26/1995  SYSTEM  _
0000025905        5.20  09/27/1995  SYSTEM  _
0000025906        3.22  10/02/1995  SYSTEM  _
0000222334     50.00  04/01/2005  MANUAL  _
1100000023    10,000.00  05/06/2005  MANUAL  _
  
```


OCP AP		INVOICE CANCEL/DELETE			ICD	
NEXT FUNCTION: 5		ACTION: _____			06/27/2011 11:18:05	
=====						
PAY ENTITY : XXPT		VENDOR NUMBER : 561545517 D				
VENDOR SHORT NAME: DSTESCHEAT		INVOICE NUMBER : _____DM087				
INVOICE DATE : 01/26/2011						
VENDOR NUMBER	INVOICE NUMBER	INVOICE DATE	GROSS INVOICE AMOUNT	GL EFF DATE	C/D	
561545517 D	DM087	01/26/2011	-7,000.00	_____	-	
561545517 D	ES08D0011583408	01/26/2011	1,166.10	_____	4	
561545517 D	ES08D0011583718	01/26/2011	120.00	_____	-	
561545517 D	ES08D0011583923	01/26/2011	2,500.00	_____	-	
561545517 D	ES08D0011586641	01/26/2011	400.00	_____	-	
561545517 D	ES08D0011586992	01/26/2011	400.00	_____	-	
561545517 D	ES08D0011587537	01/26/2011	325.01	_____	-	
561545517 D	ES08D0011587757	01/26/2011	400.00	_____	-	
561545517 D	ES08D0011588081	01/26/2011	400.00	_____	-	
561545517 D	ES08D0011588111	01/26/2011	400.00	_____	-	
PAGE: 1		STATUS: MORE				

- Type **C** in the C/D field next to invoice to be cancelled and press **ENTER** to cancel the invoice.
- Type **PMN** in the NEXT FUNCTION field and press **ENTER** to access the *Payment Maintenance* screen in order to open the original payment.

```

OCP AP                      PAYMENT MAINTENANCE                      PMN
235 - ENTER REQUIRED KEY FIELDS
NEXT FUNCTION: _____ ACTION: _____                      06/27/2011 13:04:05

=====

BANK ACCT PAY CODE: 6 PYMT REF NUMBER: 7

PYMT REF      PAYMENT      ----- PAYMENT ----- OPEN CLEARANCE  CLEARANCE
NUMBER        AMOUNT        CURR  ST  DATE  TYPE        DATE        AMOUNT

STATUS: _____
    
```

6. Type **XXD** (the BAP code) in the BANK ACCT PAY CODE field.
7. Type the check number to be corrected in the PYMT REF NUMBER field and press **ENTER**.

```

OCP AP                      PAYMENT MAINTENANCE                      PMN
235 - ENTER REQUIRED KEY FIELDS
NEXT FUNCTION: _____ ACTION: _____                      06/27/2011 13:04:05

=====

BANK ACCT PAY CODE: ____ PYMT REF NUMBER: _____

PYMT REF      PAYMENT      ----- PAYMENT ----- OPEN CLEARANCE  CLEARANCE
NUMBER        AMOUNT        CURR  ST  DATE  TYPE        DATE        AMOUNT

0011601801    12,500.00    C  02/04/2009 E 8  02/28/2009    12,500.00

STATUS: _____
    
```

8. Type **Y** in the OPEN field and press **ENTER** to change the status back to Open. This is reflected in the PAYMENT STATUS field with an "O".

OCP AP		PAYMENT MAINTENANCE				PMN	
235 - ENTER REQUIRED KEY FIELDS							
NEXT FUNCTION: _____				ACTION: _____		06/27/2011 13:04:05	
=====							
BANK ACCT PAY CODE: _____		PYMT REF NUMBER: _____					
PYMT REF	PAYMENT	----- PAYMENT -----		OPEN	CLEARANCE	CLEARANCE	
NUMBER	AMOUNT	CURR	ST	DATE	TYPE	DATE	AMOUNT
0011601801	12,500.00		O	02/04/2009	E	02/28/2009	12,500.00
STATUS: _____							