

**CAROLINAS COLLEGE OF HEALTH SCIENCES  
POLICY AND PROCEDURE**

Section III – Business/Financial

**SUBJECT:** ESCHEAT PROCESS

**REVIEWER(S):** Dean of Administrative and Financial Services

**Related Policies to Consult:**

**I. POLICY:**

To comply with good business practice, to be consistent with business practices of Carolinas HealthCare System (CHS), and to comply with NC General Statutes (G. S. 116-32-38ja06), the College maintains and adheres to a defined process for escheating to the state any abandoned funds or property. The process provides a means by which abandoned property can be brought under the control of the State and converted to the benefit of the people of North Carolina. "Property" in this sense includes, but is not limited to, outstanding payroll checks, outstanding accounts payable checks, unclaimed deposits, unclaimed student refunds and unclaimed credit balances on accounts receivable.

**II. PROCEDURE**

**A. Escheat Workbook**

1. Carolinas HealthCare System Tax Compliance will provide an Escheat Workbook to the dean for administrative and financial services (Dean) that contains a list of all outstanding checks that are included in the current Escheat Review. The escheat time period typically is July 1 – June 30.
2. The Dean will review the list to determine the status and next step for each record (e.g., checks may already be reissued, a check needs to be voided, etc.). The Dean or the accountant will review the list of names for the following:
  - a. Verify that the checks have been or will be voided by CHS Accounts Payable.
  - b. Determine if the student is still owed the funds by reviewing the student ledger in SonisWeb and searching in PeopleSoft by student name for any reissued checks.
  - c. If the student has received the appropriate refund, move the record from the "YYYY Escheatable Items" tab on the escheat file to the "Void by CCHS" tab.
  - d. If the student is still owed funds, contact the student via phone, email, learning management system, and/or physical letter to validate address.
  - e. If the current address is verified or an updated address is obtained, process a new check via CMEAP using the data bulk upload or the individual manual method. Move the record from the "YYYY Escheatable Items" tab to the "Reissued by CCHS" tab on the escheat file.
  - f. If no response from the student is obtained within two weeks from exhausting all methods of communication, leave the record on the "YYYY Escheatable Items" tab.
3. After reviewing, the Dean or accountant will send the escheat workbook to CHS Tax Compliance prior to the established deadline.

**B. Credit Balance Workbook**

1. CHS Tax Compliance will provide a credit balance workbook to the Dean that is a blank template.
2. The Dean or accountant will do the following:
  - a. Determine if any account in SonisWeb has the same credit balance since June 30 of the prior year by comparing the "Credit Bal" column on the Aged Trial Balance Report in SonisWeb as of June 30 of the prior year and a current version.
  - b. Add each record to the "Original" tab.
  - c. Research each student account that has had a credit balance to see if there was activity since June 30 of the prior year by reviewing the student ledger in SonisWeb and searching in PeopleSoft by student name for any issued checks.
  - d. If a refund check was issued, then update SonisWeb to reflect the correct ending balance. Add the record to the "Not Escheatable" tab on the credit balance file.

- e. If no refund check was issued, contact the student via phone, email, learning management system, and/or physical letter as appropriate to determine if the address in SonisWeb is accurate.
  - f. If the current address is verified or an updated address is obtained, process a new check via CMEAP using the data bulk upload or the individual manual method. Add the record to the "Reissued" tab on the credit balance file.
  - g. If no response from the student is obtained within two weeks from exhausting all methods of communication, add the record to the "Reissued" tab on the credit balance file and process a new check via CMEAP using the data bulk upload or the individual manual method to the current address.
  - h. If there is no address on file or the address on file is known to be incorrect, add the record to the "YYYY Escheats Credit Balances" tab on the credit balance file.
3. After reviewing, the Dean or accountant will send the credit balance workbook to CHS Tax Compliance prior to the established deadline.

C. The Escheat Process policy and procedure will be reviewed bi-annually.

**I. APPROVAL**

Name: \_\_\_\_\_ Title: President Date: \_\_\_\_\_