



TOWN OF HILLSBOROUGH

PERSONNEL POLICY

POLICY NO. 515

ADOPTED 06/12/2023

SUBJECT: UNCLAIMED FUNDS POLICY

PURPOSE: The purpose of the unclaimed funds policy is to establish general policy and procedural guidelines for the Finance Department regarding unclaimed checks and other unclaimed funds in accordance with California Government Code, Sections 50050 through 50056.

During the normal course of operation, the Town accumulates unclaimed funds, such as uncashed checks payable to vendors and customers. The following procedures are designed to properly dispose of such unclaimed funds in accordance with the California Government Code.

Those duties vested by Government Code Sections 50050 through 50056 in the Town Treasurer are hereby transferred to the Town Finance Director or other designee as stated in this policy.

STATEMENT OF POLICY:

Procedure.

- A. Unclaimed funds under \$15 dollars or where depositor's name is unknown:
 1. All checks under fifteen (15) dollars, or where a depositor's name is unknown, unclaimed for a period of one (1) year or more from the date the check was issued, will become the property of the Town. This may occur without the necessity of a newspaper publication. Such unclaimed checks will be identified by the Finance Department and shall return to the originating fund. The funds may be transferred to the General Fund by resolution of the City Council.

- B. Unclaimed funds of \$15 or more:
 1. On an annual basis, all checks fifteen (15) dollars and over, unclaimed for more than three (3) years, will be identified by the Finance Department.
 2. A notice will be published once a week for two (2) consecutive weeks in a local newspaper of general circulation.
 3. The notice will contain the following information:

- i. The amount of money;
 - ii. The fund where the money is being held;
 - iii. Statement announcing that the money shall become the property of Town of Hillsborough on a date that is forty-five (45) days after the first publication of the notice;
 - iv. payee name and check amount;
 - v. A contact number or e-mail address to make an inquiry or claim.
4. If the payee, their heir, beneficiary, or duly appointed representative claim ownership of the money before it becomes property of the Town, a written claim must be filed with the Town's Finance Department. Any claim must be filed before the date that the money becomes the property of the Town. Proof substantiating the claim must be in a writing, which consists of:
 - i. Claimant's name, address, and telephone number;
 - ii. Proof of identity (driver's license, social security card, or birth certificate);
 - iii. The amount of the claim;
 - iv. The grounds on which the claim is founded.
5. The Town Finance Director will determine whether to accept or reject the claim and will provide notice to the claimant of the decision. If the claim is accepted, the money may be released to the claimant. If the claim is rejected, the claimant will have thirty (30) days from the date the notice is received to file in court and serve the Town with a verified complaint. Therefore, the Town shall withhold the release of the portion of the unclaimed money until the time passes to file an action in court. If a court action is filed, the Town shall withhold the release of the portion of the unclaimed money until a final decision is rendered by the court.
6. Upon close of business on the forty-fifth (45) day after the publication of the first notice, the unclaimed check amounts will revert to the Town and will be returned to the originating fund, except as otherwise provided in paragraph B(5). After the money reverts to the Town, the City Council may authorize its transfer to the General Fund by resolution.