

# Essentials of Reporting & Compliance

Presented by Sara Withrow  
West Virginia State Treasurer's Office

**UNCLAIMED  
PROPERTY**

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Report. Search. Claim.  
[wvtreasury.com](http://wvtreasury.com)

# What is Unclaimed Property?

## Common Types of Unclaimed Property

- Accounts Payable Checks
- Credit Balances
- Expense Checks
- Miscellaneous Outstanding Checks



# What is Unclaimed Property?

## Common Types of Unclaimed Property

- Payments for Goods or Services
- Payroll/Wages
- Refund Checks
- Vendor Checks



# What is Unclaimed Property?

## Specialty Types of Unclaimed Property

### 1. Magistrate Clerks Offices

- Court Ordered Refunds/Restitution
- Bonds

### 2. Nursing Homes

- Funds Held in Fiduciary Capacity

### 3. Municipalities, PSD's & Utility Providers

- Utility Deposits
- Utility Refunds



# Identifying the Liability

- Chart of Accounts
- Organization Chart
- Departmental Work Documents
- Listing of Disbursement Accounts
- Questionnaire

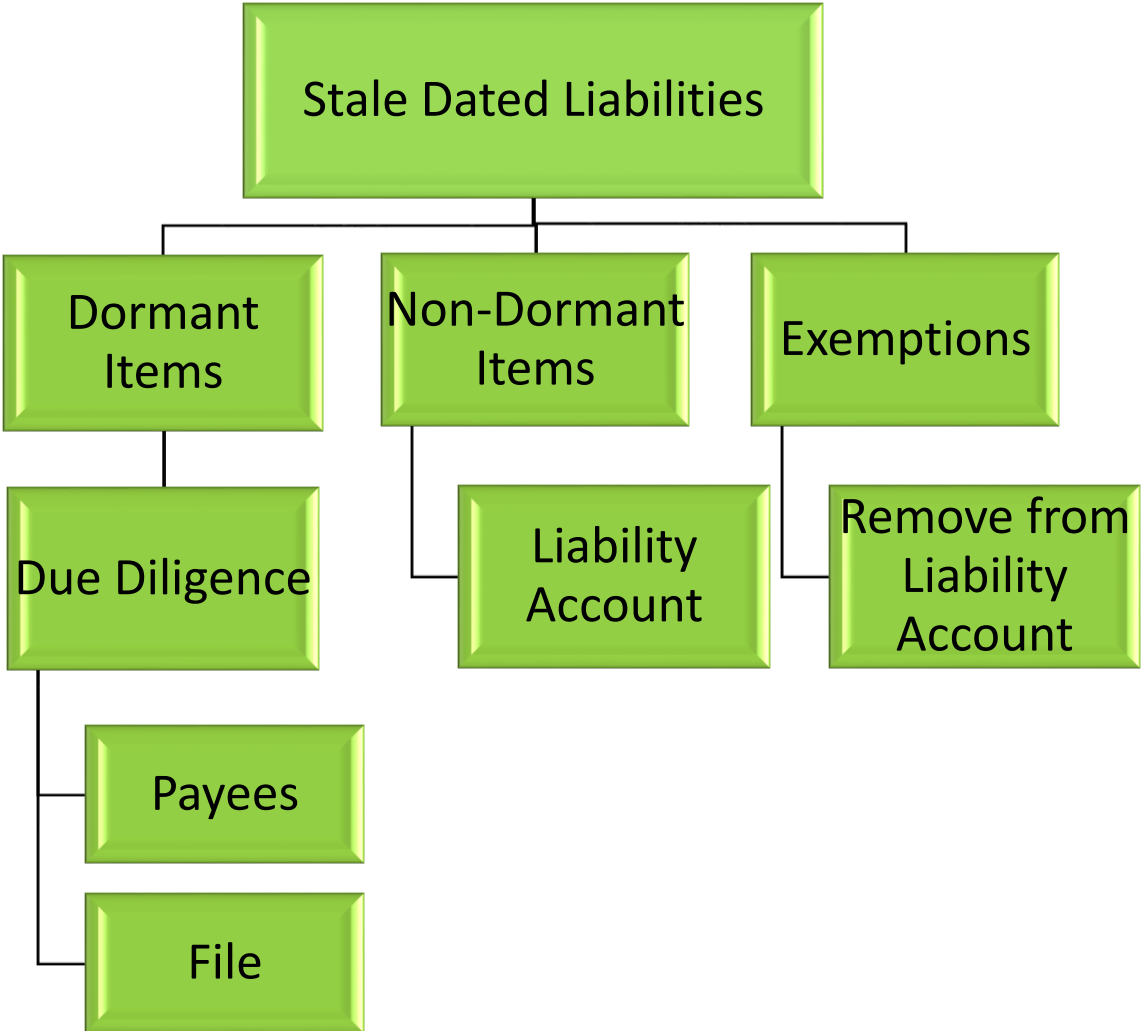


# Stages of the UP Lifecycle

- Data Collection
- Consolidation & Analysis
- Due Diligence
- Reporting
- Reconciliations & Adjustments



# Unclaimed Property Lifecycle



# How a Payroll Check Becomes Reportable

## Payroll Check Implemented

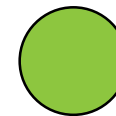
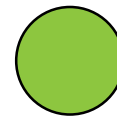
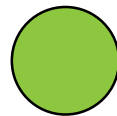
Debit – Payroll Expense  
Credit – A/P Payroll Liability

## Check Goes Stale

Debit – Cash  
Credit – Suspense Liability

## Remitted As UP

Debit – Unclaimed Liability Acct.  
Credit - Cash



## Payroll Check Issued

Debit – A/P Payroll Liability  
Credit - Cash

## Identified As UP

Debit – Suspense Liability  
Credit – Unclaimed Property Liability





# Identifying the Basics

- Where to report property
- Reporting Dates
- Due Diligence Requirements
- Property Type
- Dormancy Periods
- Relationship Codes



# Where Do I Report?

## Rules of Jurisdiction as defined by Texas v. New Jersey

- Property is reportable to state of owner's last known address
- State is entitled to keep the property if the owner's last known address is in that state
- If no address of record – to the state of incorporation



# Reciprocal Risks

- Not all States participate
- Does not release holder liability
- Exposure to Penalties & Interest
- Prolonged time for claimant to locate property



# When Do I Report?

Due Date Nov 1st  
Filing Period 7/1 – 6/30



John D. Perdue, Treasurer



# Due Diligence

## What is it?

Due Diligence is the process of a holder attempting to contact the true owner of dormant property to give them a last opportunity to claim the property from the holder before it is turned over to a State Unclaimed Property Administration.



Time is  
money.



# Why Perform Due Diligence?

Due Diligence is mandated by state law

- W. Va. Code 36-8-7
- W. Va. Legislative Rule 112-5-6

Good customer relations

Smart business practice

Penalties for failing to perform due diligence



# Due Diligence Requirements

- Send written notice to apparent owner
- Not less than 60 days or more than 120 days before filing the report
- Value of Property is over \$50.00
- Address of owner does not appear to be inaccurate



# What Is Considered Contact?

## Activities that Prevent Abandonment

- Written Communication
- Phone Contact
- Electronic Contact





# What Is NOT Considered Contact?

- Recurring, automatic electronic transactions
- Statements or notices mailed to the customer **not returned** as undeliverable (RPO)
- Service Charges applied to the Account
- Unrelated Payments



# Owner and Property Details

Receiving “**Good Data**” in both the “Owner Information” and “Property Description” fields of the record:

- Increases the likelihood of locating claimants property
- Significantly eases and expedites the claims process



# Owner and Property Details

## Provide all Required Information

- Full name and last known address (if known) for all owners
- Social security number or Tax ID
- Date of birth
- Date of Death
- Last transaction date
- Email (if available)
- Drivers License (if available)



# Property Types

- What are the choices?
- Why are they important?
- Where can I find them?
- Which one do I use?

**WV Property Type Codes**

CODE	PROPERTY*	YEARS
<b>BANKS &amp; FINANCIAL INSTITUTIONS</b>		
001	Bank of America	1
002	Bank of New York	1
003	Bank of North Carolina	1
004	Bank of the West	1
005	Bank of America	1
006	Bank of America	1
007	Bank of America	1
008	Bank of America	1
009	Bank of America	1
010	Bank of America	1
011	Bank of America	1
012	Bank of America	1
013	Bank of America	1
014	Bank of America	1
015	Bank of America	1
016	Bank of America	1
017	Bank of America	1
018	Bank of America	1
019	Bank of America	1
020	Bank of America	1
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024	Bank of America	1
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026	Bank of America	1
027	Bank of America	1
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030	Bank of America	1
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093	Bank of America	1
094	Bank of America	1
095	Bank of America	1
096	Bank of America	1
097	Bank of America	1
098	Bank of America	1
099	Bank of America	1
100	Bank of America	1
<b>COLLEGE SAVINGS ACCOUNTS</b>		
101	College Savings Account	1
102	College Savings Account	1
<b>COURTS &amp; GOVERNMENT OFFICES</b>		
103	Courts & Government Offices	1
104	Courts & Government Offices	1
<b>CHARITABLE ORGANIZATIONS</b>		
105	Charitable Organizations	1
<b>HEALTH SAVINGS ACCOUNTS</b>		
106	Health Savings Account	1
107	Health Savings Account	1
<b>INVESTMENTS</b>		
108	Investments	1
109	Investments	1
110	Investments	1
111	Investments	1
112	Investments	1
113	Investments	1
114	Investments	1
115	Investments	1
116	Investments	1
117	Investments	1
118	Investments	1
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143	Investments	1
144	Investments	1
145	Investments	1
146	Investments	1
147	Investments	1
148	Investments	1
149	Investments	1
150	Investments	1
<b>REAL ESTATE, REAL ESTATE INVESTMENT TRUSTS, REAL ESTATE INVESTMENT PARTNERSHIPS</b>		
151	Real Estate, Real Estate Investment Trusts, Real Estate Investment Partnerships	1
152	Real Estate, Real Estate Investment Trusts, Real Estate Investment Partnerships	1
<b>RETIREMENT</b>		
153	Retirement	1
154	Retirement	1
<b>SECURITIES</b>		
155	Securities	1
156	Securities	1
<b>LAW ENFORCEMENT</b>		
157	Law Enforcement	1
158	Law Enforcement	1
<b>RETAIL PRODUCTS AND RETAIL SERVICES</b>		
159	Retail Products and Retail Services	1
160	Retail Products and Retail Services	1
161	Retail Products and Retail Services	1
162	Retail Products and Retail Services	1
163	Retail Products and Retail Services	1
164	Retail Products and Retail Services	1
165	Retail Products and Retail Services	1
166	Retail Products and Retail Services	1
167	Retail Products and Retail Services	1
168	Retail Products and Retail Services	1
169	Retail Products and Retail Services	1
170	Retail Products and Retail Services	1
171	Retail Products and Retail Services	1
172	Retail Products and Retail Services	1
173	Retail Products and Retail Services	1
174	Retail Products and Retail Services	1
175	Retail Products and Retail Services	1
176	Retail Products and Retail Services	1
177	Retail Products and Retail Services	1
178	Retail Products and Retail Services	1
179	Retail Products and Retail Services	1
180	Retail Products and Retail Services	1
<b>MISCELLANEOUS CHECKS AND MISCELLANEOUS PERSONAL PROPERTY</b>		
181	Miscellaneous Checks and Miscellaneous Personal Property	1
182	Miscellaneous Checks and Miscellaneous Personal Property	1



<http://www.wvsto.com/dept/UP/Documents/UPBooklet.pdf>

# Dormancy Periods

- Determine dormancy periods for relevant property types
- Add dormancy periods to Property Type Matrix
- Change in dormancy and effect on reporting



# Dormancy Charges

When can a fee be imposed based on inactivity?

- Valid and enforceable written contract
- Not regularly reversed or cancelled
- Limited to amount that is not unconscionable



# Relationship Codes

- What are the choices?
- Why are they important?
- Where can I find them?



<http://www.wvsto.com/dept/UP/Documents/UPBooklet.pdf>



# Extensions – Why & When?

## Why?

- Ensure Compliance
- Establishes “good faith”
- Reduces audit risk

## When?

- Within 30 days of reporting deadline





# Reasons to Request an Extension

- Technology changes or updates
- Change in Personnel
- Transfer Agent change
- Reporting Agent change
- Merger or Acquisition



# Filing the Extension

West Virginia State Treasurer - Unclaimed Property  
Holder Reporting Extension Request  
Form UP-8-12

Section 1 - Holder Information			
Holder		FEIN	
Street Address		Reporting Month & Year	
City	State	Zip Code	Contact Phone Number
Reporting Agent (if applicable)			Contact e-mail
Contact Person	Title	Contact Fax Number	
Section 2 - Request Information			
Extension Period Requested			
<input type="checkbox"/> 30 Days	<input type="checkbox"/> 60 Days	<input type="checkbox"/> 90 Days	<input type="checkbox"/> Other
<small>This extension period will be added to the original filing due date (November 1/May 1 for Life Insurance Companies)</small>			
We are applying for an extension based on the reason(s) below. Please check as appropriate and provide a brief explanation.			
<input type="checkbox"/> System Problems	<input type="checkbox"/> New System		
<input type="checkbox"/> Transfer Agent Change	<input type="checkbox"/> Personnel Changes		
<input type="checkbox"/> Reorganization/Merger	<input type="checkbox"/> Other _____		
Please Explain: _____			
Signature		Title or Agent Relationship	
Print Name		Date	

Instructions

Required Information:

- Complete Section 1 entirely. Please provide an explanation of why the extension is being requested under Section 2. This extension is automatic for the term checked in Section 2, up to 90 days.
- Submit this form to the State Treasurer's Office, Unclaimed Property Division, at least 30 days prior to the original filing due date.  
Mail to:  
Office of the State Treasurer  
Unclaimed Property Division  
One Player's Club Drive  
Charleston, WV 25311  
Fax to: 304-340-1502 Phone: 1-800-642-6687
- All reports, including negatives, are required to be submitted online when filing an extension.  
<https://apps.wvsto.com/EHolder/>
- If you have any questions regarding this form please contact Sara Withrow at 304 340-1574 or by e-mail at [sara.withrow@wvsto.com](mailto:sara.withrow@wvsto.com)

Revised 4/30/2014



# Negative Reports

- Are they required?
- Submission format



# What is a Holder Reimbursement?

UNCLAIMED  
PROPERTY

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Return (recovery) of monies to the holder after the annual Unclaimed Property Report has been filed

**and**

the money as been received by the state



# When should a Holder Reimbursement Form be Submitted?

UNCLAIMED  
PROPERTY

Report. Search. Claim.  
wvtreasury.com

- Item previously paid out
- Item reported in error
- Item paid out after report was filed



# Filing the Claim

State of West Virginia  
John D. Perdue, Treasurer

## Holder Claim Form Claim and Affidavit for Recovery of Property

Please complete each section.

<p><b>Holder</b></p> <p>Name _____</p> <p>Address _____ _____ (City) (State) (Zip)</p> <p>Phone Number _____</p> <p>FEDN or SSN _____</p> <p>Report Date _____ Sheet Number _____</p> <p>Property Description _____ _____</p> <p>Property Type _____</p> <p>Amount _____</p>	<p><b>Owner</b></p> <p>Name _____</p> <p>Address _____ _____ (City) (State) (Zip)</p> <p>Social Security Number _____</p> <hr/> <p>Please mail form to:</p> <p>Office of State Treasurer Unclaimed Property Division Post Office Box 4228 Charleston, WV 25364</p> <p>If you have questions: Phone Number (800) 642-8687</p> <p>Please allow approximately 60 to 90 days for your claim to be processed</p>
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Claim is hereby filed for unclaimed property held by the Treasurer of the State of West Virginia in accordance with the Uniform Unclaimed Property Act, WV Code § 36-8-1, et seq.

I, \_\_\_\_\_ (individual representing the business), first being duly sworn under penalty of perjury hereby affirm that I am authorized to make this claim on behalf of the holder named above (the "Holder"). I further certify that the Holder has paid the property described above to the person reasonably appearing to be entitled to payment, and that the Holder is therefore entitled to reimbursement as provided in WV Code §§ 36-8-1.

Representative Signature \_\_\_\_\_

State of \_\_\_\_\_  
County of \_\_\_\_\_

Subscribed and sworn before me this \_\_\_\_\_ (date)

by \_\_\_\_\_ (name of person acknowledged)

My commission expires \_\_\_\_\_

\_\_\_\_\_  
Notary Public

Notary  
Stamp



# Have Questions or Need Help?

UNCLAIMED  
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