

	INDIANA DEPARTMENT OF CHILD SERVICES TITLE IV-D POLICY MANUAL	
	Chapter 14: Payment Processing	Effective Date: 08/14/2024
	Section 7: Reporting Unclaimed Payments to the Attorney General	Version: 1 Revised Date: 08/14/2024

BACKGROUND

Each year, millions of dollars in assets are turned over to the Indiana Office of the Attorney General (AG) as unclaimed property. The AG’s Unclaimed Property Division maintains a list of these assets and the individuals entitled to them.

Unclaimed property is any financial asset with no activity by its owner for an extended period of time. It includes, but is not limited to:

1. Abandoned bank accounts;
2. Lost or forgotten uncashed checks;
3. Stocks or bonds, dividends and bond interest;
4. Insurance proceeds;
5. Credit balances, customer deposits, and overpayments; and
6. Safe deposit box contents.

The Child Support Bureau (CSB) and the county Clerk of Courts may find themselves as holders of unclaimed property. This includes stale-dated checks that have not been cashed or undisbursed funds due to no address for the payee on both Title IV-D and non-Title IV-D (NIVD) cases.

POLICY

Under Indiana law, certain holders of property are required to report and remit unclaimed property to the Indiana AG’s Unclaimed Property Division whenever the property is presumed abandoned by the owner.¹ Holders may include businesses, organizations, and any other entity in possession of unclaimed property.²

Property is presumed abandoned when it remains unclaimed for a specific period of time, the length of which varies depending on the type of property and by whom it is held.³ Holders of property presumed abandoned must attempt to notify the apparent owner of the property.⁴ Child support funds that are held by CSB are presumed abandoned after one (1) year.⁵ Child support funds held by the county Clerk of Courts are presumed abandoned after three (3) years.⁶

¹ IC 32-34-1.5
² IC 32-34-1.5-3(13)
³ IC 32-34-1.5
⁴ IC 32-34-1.5-23; IC 32-34-1.5-24
⁵ IC 32-34-1.5-4(10)
⁶ IC 32-34-1.5-4(9)

CSB and county Clerk of Courts are required to report and remit unclaimed property to the AG one (1) time each year.⁷ The report and remittance of funds are due November 1 of each year.⁸ Upon request, the AG may grant an extension to the November 1 due date.⁹ The report must include:

1. A description of the property;
2. The name of the apparent owner, if known;
3. The last known address of the apparent owner, if known; and
4. The Social Security number of the apparent owner, if known.¹⁰

For funds held by CSB, the Indiana State Comptroller (Comptroller) sends written notice to the property owner at their last known address.¹¹ This notice states that CSB is in possession of funds owed to the payee and provides instruction on claiming the funds.¹² This notice must be sent no more than 180 days and no less than 60 days prior to filing of the report with the AG.¹³

CSB and county Clerk of Courts are required to retain abandoned property records for ten (10) years after filing a report.¹⁴

REFERENCES

- [IC 32-34-1.5](#): Revised Unclaimed Property Act
- [IC 32-34-1.5-3](#): Definitions
- [IC 32-34-1.5-4](#): Presumption of abandonment
- [IC 32-34-1.5-19](#): Reporting requirements
- [IC 32-34-1.5-20](#): Reporting deadlines
- [IC 32-34-1.5-21](#): Retention of records
- [IC 32-34-1.5-23](#): Notice sent to apparent owner
- [IC 32-34-1.5-24](#): Notice requirements
- [IC 32-34-1.5-71](#): Interest rates and civil penalties for undelivered property
- [IC 32-34-1.5-72](#): Civil penalties for evasion and fraudulent reports
- [IC 32-34-1.5-73](#): Waiving interest and penalties

PROCEDURE

1. State Stale-Dated Checks

State funds are presumed abandoned after one (1) year.¹⁵

- a. Receiving the Comptroller's Report of State Stale-Dated Checks and Requesting a Query for Resolution of Discrepancies

⁷ IC 32-34-1.5-19

⁸ IC 32-34-1.5-20(a)

⁹ IC 32-34-1.5-20(c)

¹⁰ IC 32-34-1.5-19(a)

¹¹ IC 32-34-1.5-23

¹² IC 32-34-1.5-24

¹³ IC 32-34-1.5-23

¹⁴ IC 32-34-1.5-21

¹⁵ IC 32-34-1.5-4(10)

This process is initiated by the Comptroller. The Comptroller sends a spreadsheet of checks the Comptroller believes eligible for issuance to the AG as unclaimed property to the CSB Financial Integrity Department. This spreadsheet lists stale-dated checks. The Comptroller generates this spreadsheet from information in PeopleSoft Financials. CSB's Financial Integrity Department submits a request to the help desk for CSB-IT DevOps Prod Support to generate a query from the statewide child support system to be compared to the list from the Comptroller. CSB's Financial Integrity Department completes the research and requests the DevOps Prod Support team to update any discrepancies in the statewide child support system. The report and remittance due date is November 1 of each year. The Financial Integrity Department will send a finalized list of the checks to DCS Cash Management as a record of the checks that will be turned over to the AG's office as unclaimed property.

b. Adjusting the Financial Records in the Statewide Child Support System

Once the Comptroller's spreadsheet and the statewide child support system's records match, CSB's Financial Integrity Department notifies the Comptroller that the files match and requests the DevOps Prod Support team to run the WEAAC824 program. This program pulls the funds from the uncashed checks back into the statewide child support system, sends them to account 59 (AG's office), and updates the records from OUTS (Outstanding) to UPAG (Unclaimed Property Attorney General). This program will generate a NAUPA file which the Financial Integrity Department will upload to the AG's website.

c. Transmitting the Funds to the AG

The AG requires online reporting of unclaimed property.

CSB's Financial Integrity Department uploads the NAUPA file to the AG's website. The Financial Integrity Department contacts DCS Accounts Receivable and CSB's Data Analyst team with the subtotals for each case type: IV-D, NIVD, and RFND. DCS Accounts Receivable transfers the funds, via a journal entry (JE), represented in the NAUPA file from CSB's bank account to the AG's account. The Financial Integrity Department notifies the AG of the upload and provides them with the JE number.

2. State No-Address Undistributed Collections (UDC)

State funds are presumed abandoned after one (1) year.¹⁶

a. Identifying Qualifying State No-Address UDC and Adjusting Financial Records in the Statewide Child Support System

This process is initiated by the Financial Integrity Department in January of each year. The Financial Integrity Department requests a help desk ticket to have the DevOps Prod Support team run the WEAAC815 program. This program sends the qualifying State no-address UDC funds to account 59 (AG) and updates the records

¹⁶ IC 32-34-1.5-4(10)

from OUTS to UPAG. This program will generate a NAUPA file which the Financial Integrity Department will upload to the AG's website.

b. Transmitting Funds to the AG

The AG requires online reporting of unclaimed property.

CSB's Financial Integrity Department uploads the NAUPA file to the AG's website. The Financial Integrity Department contacts DCS Accounts Receivable and CSB Data Analyst team with the subtotals for each case type: IV-D, NIVD, and RFND. DCS Accounts Receivable transfers the funds, via a journal entry (JE), represented in the NAUPA file from CSB's bank account to the AG's account. The Financial Integrity Department notifies the AG's office of the upload and provides them with the JE number.

3. County Clerk of Courts Stale-Dated Checks

County funds are presumed abandoned after three (3) years.¹⁷

a. Moving Funds from County Clerk of Courts Stale-Dated Checks Back into the Statewide Child Support System

In January, the Financial Integrity Department sends a help desk ticket to have the DevOps Prod Support team run the WEAAC266 program in the statewide child support system. This program pulls the funds from the qualifying county Clerk of Courts stale-dated checks back into the statewide child support system for one (1) additional year to allow the county Clerk of Court's offices additional time to research and locate the payees. This program changes the check status from OUTS to UPCA (Unclaimed Property County Address). UPCA reports are generated from this program, but no NAUPA file is generated.

4. County Clerk of Courts No-Address UDC and Stale-Dated Checks

County funds are presumed abandoned after three (3) years.¹⁸

a. Identify Qualifying County Clerk of Court's Stale-Dated Checks and County Clerk of Courts No-Address UDC and Adjusting Financial Records in the Statewide Child Support System

In October, the Financial Integrity Department sends a help desk ticket to have the DevOps Prod Support team to run the WEAAC262 program in the statewide child support system. This program sends the qualifying county Clerk of Court's stale-dated checks and no-address UDC funds to account 59 (AG's office) and updates the records from OUTS or UPCA to UPAG. This program will generate a NAUPA file which the Financial Integrity Department will upload to the AG's website. This program also generates reports to notify county Clerk of Court's offices of funds being transferred as abandoned property for which they will need to write a check to the AG.

¹⁷ IC 32-34-1.5-4(9)

¹⁸ *Id.*

b. Transmitting Funds to the AG

The AG requires online reporting of unclaimed property.

CSB's Financial Integrity Department uploads the NAUPA file to the AG's website. The Financial Integrity Department creates a checklist of county Clerk of Court totals for transfer to the AG's office and provides this list to the AG's office for them to track checks they receive from the county Clerk of Court's offices.

FORMS AND TOOLS

1. [Indiana Unclaimed](#)
2. [National Association of Unclaimed Property Administrators](#)
3. [Sample Due Diligence Letter](#)
4. [CSB-AT-271](#): Unclaimed Child Support Monies in ISETS

FREQUENTLY ASKED QUESTIONS

1. Q. Why are businesses and government agencies required to report unclaimed property?
 - A. Unclaimed property laws were enacted to prevent holders of unclaimed property from keeping citizens' unclaimed property and recognizing it as business income. These laws give the State an opportunity to return money to its rightful owners. More importantly, they provide a single source, the Indiana Attorney General's Unclaimed Property Division, for holders of unclaimed property to turnover the property and for property owners to contact about any unclaimed property being held in their name.
2. Q. Are there penalties if unclaimed property is not reported and remitted?
 - A. Yes, the penalties for a holder failing to perform legal duties imposed on them by the unclaimed property statutes may include interest, penalties of \$1,000 per day up to \$25,000 and 25% of the value of the property that should have been reported and remitted.¹⁹
3. Q. Who is responsible for reporting to the AG unclaimed payments held at the county Clerk of Court's offices?
 - A. Each individual county Clerk of Courts is responsible for submitting stale dated funds and undistributed funds due to no address to the AG. In October of each year, CSB provides as a courtesy to each Clerk of Court reports that notify county Clerk of Courts of funds being transferred to the AG as abandoned property for which they will need to write a check to the AG.
4. Q. Is the amount of time to report stale dated checks and undistributed funds due to no address the same for CSB and the county Clerk of Courts?

¹⁹ IC 32-34-1.5-71; IC 32-34-1.5-72; IC 32-34-1.5-73

- A. No, the amount of time to hold the funds is not the same. Stale dated CSB checks and undisbursed funds are presumed abandoned after one (1) year. Stale-dated checks and undisbursed funds at the county Clerk of Courts level are considered abandoned after three (3) years.

RELATED INFORMATION

N/A

REVISION HISTORY

Version	Date	Description of Revision
Version 1	08/14/2024	Final approved version