

UNCLAIMED MONEY PROCEDURES 2018

Issued by: Chief Financial Officer
Dated: 4 December 2018
Last amended: 8 December 2022 (administrative amendments)
Signature:
Name: Wayne Andrews

1 Purpose and application

- (1) These procedures apply to unclaimed money in accounts kept or maintained in New South Wales.

2 Commencement

These procedures commence on 4 December 2018.

3 Interpretation

FCT	means the Financial Control and Treasury unit in Financial Services.
inactive account	means an account in relation to which no transactions have occurred other than: <ul style="list-style-type: none">• debiting fees, taxes, duties or charges; or• crediting interest or dividends.
stale cheques	means cheques issued by the University that remain unrepresented after a period of 12 months. Note: Section 3(5) of the Cheques Act 1986 (<i>Cth</i>) provides that a cheque becomes stale after 15 months. The University applies a shorter period.

unclaimed money means amounts over \$100 that are held in an account which has been inactive for at least six years. Unclaimed money includes:

- dividends;
- principal and interest;
- trust account funds;
- expenses;
- salaries and wages;
- refunds;
- overpayments;
- deposits (including student fees);
- premiums;
- unpresented cheques;
- proceeds of sale;
- royalties;
- commissions; and
- creditors.

4 Principles

- (1) The University will make reasonable efforts to contact and return unclaimed money to the rightful owner.
- (2) If unable to do so, the University is required to lodge a return with the Chief Commissioner of State Revenue by 31 October each year, in relation to any unclaimed money held as at 30 June that year.

Note: See [NSW Revenue Unclaimed Money website](#) and the [Unclaimed Money Act 1995 \(NSW\)](#) for details. The [Taxation Administration Act 1996 \(NSW\)](#) imposes penalties including interest and penalty tax for failure to lodge an unclaimed money return on time.

- (3) Only valid unclaimed money is to be transferred to Revenue NSW.
 - (a) Schedule 1 provides details of valid unclaimed money transaction types.
- (4) The following payments do not constitute unclaimed money and should be referred to the accountability area which authorised them for investigation and reissue or cancellation:
 - (a) a duplicate payment;
 - (b) a payment to a University-related organisation;
 - (c) a payment to any government organisation; or
 - (d) a scholarship, award or prize payment to a student or staff.
- (5) The Reconciliation Accountant, FCT maintains the details of unclaimed money transactions and is responsible for the preparation of the annual unclaimed money return.

PART ONE – UNIVERSITY SYSTEM PROCESSES

5 Accounts payable system - unrepresented cheques

- (1) The Treasury Analyst, FCT will run a PeopleSoft query each month that details unrepresented cheques that are more than 12 months old.
- (2) The Treasury Analyst will confirm the list of stale cheques with the University's bank, liaise with the relevant accountability area and record the payment as stale.
 - (a) Each stale cheque will be referred to the accountability area that authorised the transaction for investigation, with the payment either to be reissued, cancelled or recorded as stale.
 - (b) Stale cheques valued at \$100 or below will be cancelled in the accounts payable system.
 - (c) Stale cheques valued over \$100 will be recorded as stale in the accounts payable system after confirmation from the relevant accountability areas.
 - (d) The payment will be annotated as "Stale Cheque Unclaimed Money".
 - (e) Unless advised to the contrary by the relevant accountability area, the payment will be transferred to unclaimed money.
- (3) The Treasury Analyst will complete the [Unclaimed Money Detail Template](#) and send it to the Reconciliation Accountant.

Note: Recording a payment as stale results in the reversal of the payment accounting entries not the expense or voucher accounting entries.
- (4) If a cheque that has been transferred to the University's unclaimed money account is presented and accepted at the bank, the Treasury Analyst will:
 - (a) raise a journal to transfer the amount from the University's unclaimed money account to the University's bank account;
 - (b) force reconcile the presented cheque in the accounts payable system; and
 - (c) remove the cheque from the unclaimed money list with a notation that it has been presented and the date of presentation.

6 Accounts payable system - unclaimed electronic fund transfers (EFT)

- (1) The Treasury Analyst will review all rejected EFT payments daily.
- (2) A rejected payment will be placed on hold until the correct bank account is determined.
- (3) Accounts payable staff will contact the supplier or student to obtain and update the correct bank details and remove the hold status.
- (4) The Treasury Analyst will then process the payment.
- (5) Outstanding EFT payments to staff and students that have not been finalised within 12 months and which relate to a scholarship, award or prize will be cancelled by the Fees Administrator, FCT.
- (6) Outstanding EFT payments to suppliers that have not been finalised within 12 months and which relate to:

- (a) unidentified EFT payments valued at \$100 or below, will be cancelled by the Treasury Analyst.
 - (b) unidentified EFT payments valued over \$100, will be recorded as stale and transferred to unclaimed money by the Treasury Analyst.
- (7) The Treasury Analyst will complete the [Unclaimed Money Detail Template](#) and send it to the Reconciliation Accountant.

7 Human resource system - unclaimed electronic fund transfers (EFT)

- (1) The Cashier, FCT will review all rejected salary EFT payments shown in the Clear Returned Salary EFT account daily, as part of the bank receipting process.
- (2) The Human Resources Service Centre (HRSC) team will:
 - (a) contact the relevant employee to obtain and update the correct bank details; and
 - (b) reissue the payment.
- (3) If no response is received from the employee within 12 months the Reconciliation Accountant will:
 - (a) for unidentified EFT payments valued at \$100 or below, cancel the unidentified payment in the clearing account;
 - (b) for unidentified EFT payments valued over \$100, transfer the unidentified payment in the clearing account to the unclaimed money account.
- (4) The HRSC will complete the [Unclaimed Money Detail Template](#) and send it to the Reconciliation Accountant.

8 Student system - unclaimed money

- (1) The Student Fees Administrator, FCT will review all unallocated or excess credits in the student system for local students monthly.
- (2) The International Student Services Administrator will review all unallocated or excess credits in the student system for international students monthly.
- (3) The relevant team will contact the student or sponsor to:
 - (a) obtain and update the correct bank details and reissue the payment; and
 - (b) check enrolment details and reason for the excess payment.
- (4) If no response is received from the student or sponsor within 12 months:
 - (a) for credits of \$100 or below, the relevant team will cancel the payment in the student system.
 - (b) for credits of more than \$100, the relevant team will deduct any penalty charges consistently with the applicable refund policies and procedures, and then transfer the balance to the unclaimed money account.

Note: See [International Student Refund Policy 2017](#)
- (5) The administrator of the relevant team will complete the [Unclaimed Money Detail Template](#) and send it to the Reconciliation Accountant.

9 Imprest bank account - unrepresented cheques

Procedures for unrepresented cheques drawn on imprest bank accounts are set out in clause 7 of the [Bank Account Procedures 2019](#).

PART TWO – NSW TREASURY UNCLAIMED MONEY

10 Transfer to Revenue NSW's unclaimed money account

- (1) On or before 31 October each year, the Reconciliation Accountant will:
 - (a) obtain the authorisation of the Director, FCT; and then
 - (b) pay to Revenue NSW the unclaimed money held as at 30 June that year in the University's unclaimed money account.

Note: The '[Send unclaimed money to Revenue NSW](#)' specifies how to lodge unclaimed moneys through the online return lodgement facility.
- (2) The Reconciliation Accountant will draw a cheque to Revenue NSW from the University's unclaimed money account and attach a spreadsheet listing.

11 Refund of unclaimed money from Revenue NSW

- (1) Requests for refunds of unclaimed money that has been transferred to Revenue NSW must:
 - (a) be made by the relevant claimant to Revenue NSW; and
 - (b) include a confirmation letter from the University that the claimant is the owner of the funds.
- (2) The Reconciliation Accountant must be satisfied that the claimant is the owner of the unclaimed money before submitting a request to the Treasurer, FCT for review.
- (3) The Treasurer will issue the confirmation letter for the claimant.
 - (a) Schedule 2 is a template confirmation letter addressed to Revenue NSW.

12 Rescissions and replacements

This document replaces the Unclaimed Money Procedures, which commenced on 13 December 2011, and which is rescinded as from the date of commencement of this document.

NOTES

Unclaimed Money Procedures 2018

Date adopted: 4 December 2018

Date commenced: 4 December 2018

Date amended: 8 December 2022 (administrative amendment)

Administrator: Director, Financial Control and Treasury

Review date: 4 December 2023

Rescinded documents: Unclaimed Money Procedures

Related documents: Cheques Act 1998 (Cth)

Unclaimed Money Act 1995 (NSW)

Bank Account Procedures 2019

AMENDMENT HISTORY

Provision	Amendment	Commencing
9	Imprest Money Procedures removed and replaced by Bank Account Procedures 2019.	8 December 2022

SCHEDULE 1: Valid unclaimed money transaction types

Value	Transaction type	Responsibility	Time frame (from the original payment or receipt or after the account has become inactive)		
			0-12 months	12 months- 6 years	Over 6 years
≤\$100		Relevant accountability area	Follow up transaction	Cancel or reverse the original payment transaction; or Transfer the unidentified income to revenue	Not applicable
>\$100	Accounts payable cheque payment	Treasury Analyst	Retain as unpresented cheque and follow up with vendor.	Record the cheque as stale, resulting in transfer to unclaimed moneys.	Return to Revenue NSW
	Accounts payable EFT payment	Treasury Analyst	Accounts Payable team to follow up with vendor to obtain correct bank account details and reissue payment.	Record the payment as stale, resulting in transfer to unclaimed moneys.	

Value	Transaction type	Responsibility	Time frame (from the original payment or receipt or after the account has become inactive)		
			0-12 months	12 months- 6 years	Over 6 years
>\$100	Human resource system unclaimed EFT payment	Human Resources Service Centre (HRSC)	HRSC to follow up with staff to obtain correct bank account details and reissue payment.	Transfer to unclaimed moneys.	Return to Revenue NSW
	Student system unclaimed money	Student Fees Administrator, FCT for local students; International Student Services Administrator for international students	Retain as a credit for the student. Relevant accountability area to follow up with the student.	Transfer to unclaimed moneys.	
	Imprest bank account unrepresented cheques	Relevant accountability area	Retain as unrepresented cheque and follow up with vendor.	Record the cheque as stale, resulting in transfer to unclaimed moneys.	

SCHEDULE 2

Treasurer
Financial Control and Treasury
Margaret Telfer Building, K07,
The University of Sydney NSW 2006
e-mail:XXXX@sydney.edu.au
Telephone 9351 XXXX

Revenue NSW
Unclaimed Money Unit
PO Box 4042
Sydney NSW 2001

Date

REFUND OF UNCLAIMED MONEY

On the (insert date), the University of Sydney paid to Revenue NSW \$XXXX of which \$XXX was in the name of John Smith.

I certify that the funds are entitled to be paid to John Smith who has satisfied the University of Sydney that he is the owner of these funds.

Mr John Smith's address is 50 Smith Street, Smithtown NSW 2999.

Yours sincerely

XXXXX

Treasurer