1. PURPOSE

To ensure compliance with the laws of the State of Texas concerning the identification and disposition of abandoned and unclaimed financial and personal property while under the control of the System.

2. POLICY

2.1. Abandoned financial personal property is recognized as a general liability of the System. Sufficient detailed accounting records shall be maintained by the component universities in order to execute the identification, recognition, notification, reporting, and remittance functions for all financial personal property presumed abandoned as required by the Texas Comptroller of Public Accounts.

2.2. Unclaimed physical personal property coming into the possession of campus security personnel, where the physical property is not being held as evidence to be used in any pending criminal case, will be disposed of according to component university procedures. Abandoned and unclaimed physical property is governed by Section 51.213 of the Texas Education Code.

3. DEFINITIONS

23.1. **Abandoned personal financial personal property**: is statutorily defined in the Texas Property Code, 72.001 et. Seq. System policy is primarily concerned with 72.101 which covers the abandonment of personal property, such as unclaimed checks (wages, vendor payments, tuition) or deposits. Under 72.101, personal property- Unclaimed checks (wages, vendor payments, tuition) or deposits which meets the criteria set out in the Texas Property Code Section 72.101 is presumed abandoned, if for longer than three years the existence and location of the owner of the property is unknown to the System and no claim or act of ownership has been asserted. Traveler’s checks and money orders are presumed abandoned after a period of 15 and seven years, respectively.

23.2. **Physical personal property**: Generally designated as items of “lost and found.” This includes, but is not limited to, currency, abandoned motor vehicles, bicycles,
books, clothing, and electronic devices. This memorandum is not concerned with lost and found or student general property deposits. These items are covered under Sections 51.213 and 54.5021 of the Texas Education Code, respectively.

34. GENERAL GUIDELINES

34.1. Unclaimed wages are presumed abandoned, if for longer than one year the existence and location of the person to whom the wages are owed is unknown to the System, and a claim for the wages has not been filed with the System. Unclaimed property will be recognized as a general liability of the System.

2. Stored value cards are presumed abandoned if the existence and location of the owner is unknown on the earlier of the card’s expiration date, the third anniversary of the date when the card was last used or when value was last added to the card, or the first anniversary of the date when the card was last used or value was last added to the card, if the card’s value represents wages. The Associate Vice Chancellor/Controller is responsible for the proper disposition of abandoned and unclaimed property. This includes the identification, recognition, notification, reporting, and remittance functions for all property presumed abandoned. Sufficient detailed accounting records shall be maintained by the component universities in order to execute this responsibility.

4.3. Traveler’s checks are presumed abandoned after a period of 15 years if they were purchased in the state of Texas or if the state of purchase cannot be determined.

4.4. Money orders are presumed to be abandoned after a period of seven years if they were purchased in the state of Texas or if the state of purchase cannot be determined.

4.5. Vendor payments and student refunds are presumed abandoned, if for longer than three years the existence and location of the person to whom the payment/refund is owed is unknown to the System, and a claim to the payment has not been filed with the System.

4.6. Unclaimed physical personal property is presumed abandoned, if for longer than 60 days the existence and location of the person to whom the property belongs is unknown to the System, and a claim to the property has not been filed with the System.

45. REPORTING AND DELIVERY

54.1. Each component university shall file a report to the State Comptroller in accordance with the requirements of the state of escheatment on or before October 31st of each year the state required due date that containing all financial personal property presumed abandoned as of June 30th of that year according to...
that state’s abandonment schedule. This report shall contain detail sufficient to make a proper accounting and remittance to the State Treasurer. If the amount due is required to be individually (rather than aggregately) reported more than $50, the following must be included in the report if known by the System:

5.1.1. The name, social security number, birth date if social security number is unknown, driver's license or state identification number, e-mail address, and last known address of:

• each person who, from System records, appears to be the owner of the property, or

• any person who is entitled to the property.

5.1.2. A description of the property, the identification number, if any, and if appropriate, a balance of each account

5.1.3. The date that the property became payable, demandable, or returnable

5.1.4. The date of the last transaction with the owner concerning the property.

45.2. Each component university shall file a report each year even if there is no reportable property. Known owners of financial personal property that meets the abandonment period of the State of Texas abandoned as of June 30th and reported to the State Comptroller November 1st must be given written notification by the System on or before the due date proscribed by the State by August 1st of that year if the System has a last known address on file and the property meets the State’s minimum threshold is valued at $250 or more.

45.3. Each component university shall remit all property that meets the presumed abandonment period criteria as of June 30th of the reporting year to the State Treasurer on or before November 1st the proscribed due date.

56. REVIEW AND RESPONSIBILITY THE ES

Responsible Party: Associate Vice Chancellor for Finance

Review: Every three years on or before August 3rd, September 1st
67. APPROVAL

Approved: Jim McShan
Interim Executive Vice Chancellor for Administration and Finance

Renu Khator
Chancellor

Date: April 7, 2008

7. INDEXING TERMS

Abandoned Personal Property
Unclaimed Personal Property
Stale Checks
Uncashed Checks

REVISION LOG

<table>
<thead>
<tr>
<th>Revision Number</th>
<th>Approval Date</th>
<th>Description of Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10/26/1993</td>
<td>Initial version</td>
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<tr>
<td>2</td>
<td>04/07/2008</td>
<td>Applied revised SAM template to meet current documentation standards. Revised Section 2.1 parameters for abandonment of traveler’s checks and money orders to fifteen years and seven years, respectively. Report in Section 4.1 is given to State Comptroller before October 31st each year. Section 4.2 was revised with no specific due date except each year regarding component university reports of abandoned and unclaimed personal property. Changed responsible party to Associate Vice Chancellor for Finance. Changed review period from odd numbered years before August 31st to every three years on or before August 31. Added Executive Vice Chancellor for Administration and Finance to approval process.</td>
</tr>
<tr>
<td>3</td>
<td>TBD</td>
<td>Applied revised SAM template and added new Revision Log. Changed SAM title from “Disposition of Abandoned and Unclaimed Personal Property” to current title. Added Section 2, Policy. Revised Section 3 definitions for financial personal property and physical personal property. Changed Section 4 to Terms of Abandonment, and revised section. Removed information regarding gift cards, money orders, and traveler’s...</td>
</tr>
<tr>
<td>checks, since they are not issued by UHS. Updated Sections 5.1, 5.2, and 5.3 with current information regarding reporting and delivery processes. Changed review period from every three years on or before August 31st to every three years on or before September 1st. Removed Section 8, Indexing Terms</td>
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