9.2 Processing Escheated Payments

Purpose: Use this document as a reference for how to Process Escheated Payments (unclaimed property) in ctcLink.

Audience: Accounts Payable Staff

- You must have at least one of these local college managed security roles:
- ZZ Payment Processing

You must also set these User Preference Definitions:

- <u>User Preferences: Payment Creation</u>
- User Preferences: Payment Processing

If you need assistance with the above security roles or User Preference Definitions, please contact your local college supervisor or IT Admin to request role access.

This topic demonstrates how to process escheated payments. Occasionally, an organization issues a check to a vendor, but the vendor does not deposit it. Perhaps the vendor goes out of business. Whatever the reason, the check becomes stale-dated.

When users identify a check as stale-dated, it is informational only. When users decide to escheat a stale-dated check, they must return to the Payment Escheatment page and select Escheated instead of Stale-Dated Payment.

Stale-date should be done when a check is first selected to be worked. In order to escheat a check, the school must first make an effort to contact the person the check was written to. This usually happens sometime between 12-18 months from the date of the check. Stale-dating a check does **not** create any GL entries and is reversible.

Payables enables you to reclassify the stale-dated check to an escheat liability account by debiting cash and crediting escheatment liability. When users escheat payments, they enter an escheatment date. The system uses the date to control the accounting date for the escheatment entry.

Payment posting treats an escheated payment like a voided payment except that there is no option to close or restate the voucher liability.

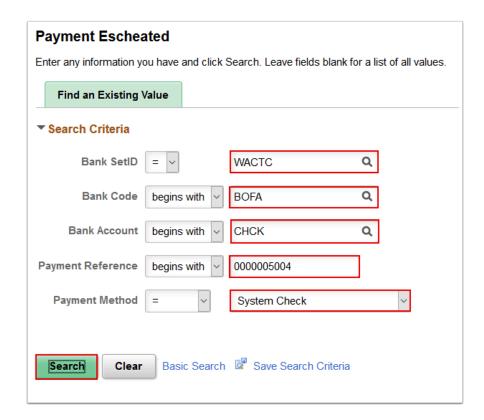
Escheating happens when the check is going to be remitted to the state. So, first you escheat the check and second you create a new voucher for that payment to be sent to the state. The new voucher would be coded the same as the escheatment, but in reverse as it clears out this account. Escheating a check creates GL entries and is **not** reversible.

When you escheat a payment, you then select options to run just the Payment Posting process (AP_PSTPYMNT), or both the Payment Posting and Journal Generator process (FS_JGEN).

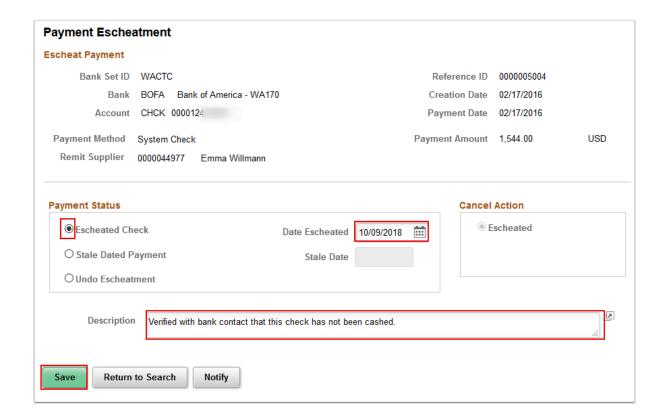
Escheat the Check

Navigation: NavBar > Navigator > Accounts Payable > Payments > Cancel/Void Payments > Escheat Payment

- 1. The **Payment Escheated** page displays.
- 2. Enter Bank SetID.
- 3. Enter the appropriate information into the **Bank Code** field. Example: enter "**BOFA**" for Spokane.
- 4. Enter the appropriate information into the **Bank Account** field. Example: enter "CHCK".
- 5. Enter the appropriate information into the **Payment Reference** field. Example: enter "0000005004".
- 6. Select correct **Payment Method**. Example: for this Payment, the method was "**System Check**".
- 7. Select **Search**.



- 8. The **Payment Escheatment** page displays.
- 9. Select the **Escheated Check** radio button. **Date Escheated** will default to current date. You may change this date. Remember Date Escheated is the Accounting Date for Escheatment Process.
- 10. Enter the appropriate information into the **Description** field. Enter "**Verified with bank** contact that this check has not been cashed".
- 11. Select **Save**.



- 12. You have just completed the **Processing Escheated Payments** topic. Below is a summary of the key concepts of this topic:
 - Escheated payment processing gives users the ability to reclassify stale-dated payments.
 - Escheating payments transfers the payment from a cash account to an Escheated liability account.
 - Payment posting treats an escheated payment like a voided payment except that there is no option to close or restate the voucher liability.

Validation and Verification

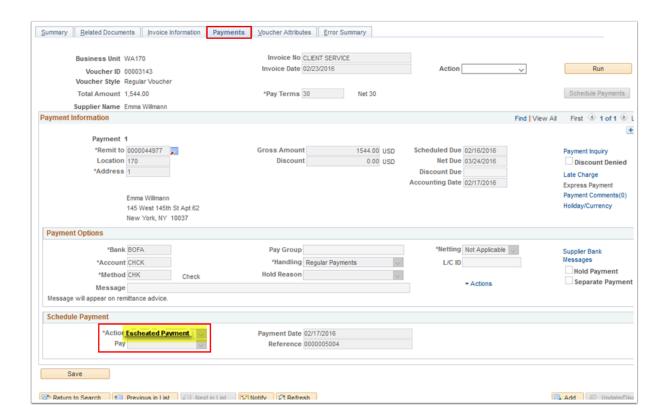
- fin Voucher. It will say 'Escheated Payment'.
- You must have at least one of these local college managed security roles:
- ZD Accounts Payable Inquiry
- ZZ Voucher Approval
- ZZ Voucher Entry
- ZZ_AP_MANAGER

ZZ_AP_SPECIALIST

If you need assistance with the above security roles, please contact your local college supervisor or IT Admin to request role access.

Navigation: NavBar > Navigator > Accounts Payable > Vouchers > Add/Update > Regular Entry

Notice the Payment is now listed in the Schedule Payment section as an 'Escheated Payment'.



1 You may also check the Accounting Entries for Escheatment Process.



By using the **Escheatment** process, it offsets the existing Liability Accounts/Unclaimed Property. Run a query on GL Account **2001080** and summarize to view the total amount of unclaimed property.

Voucher	(All)					
Sum of						
Amount	Column Labels					
					Grand	
Row Labels	1000070	2000010	2001080	5050030	Total	
AP00092363		-100.00		100.00	0.00	- Original Purchase
AP00092613	-100.00	100.00			0.00	- Original Payment
AP00137942	100.00		-100.00		0.00	- Escheatment proces
Grand Total	0.00	0.00	-100.00	100.00	0.00	

13. Process complete.