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| Outstanding Check Policy |            |
| ADOPTED DATE             | 12/12/2019 |
| REVISED DATE             | 4/28/2022  |
| REVIEW DATE              | 9/26/25    |
| REVISION #               | 1.0        |

# LIBRARY POLICY

## Outstanding Check Policy

### PURPOSE

To ensure accurate cash reporting and management.

### POLICY

The Library will contact payees of uncashed checks after 60 days outstanding. If the payee lost or misplaced the Library's check, the Library will instruct the bank to stop payment or void the uncashed check and will issue a replacement check, deducting any stop payment fee charged by the bank.

If a check is not cleared after six (6) months, the Library as holder of unclaimed property first must exhaust all options to locate the property's rightful owner through a process of due diligence before determining in which state to report the abandoned property. When a check is outstanding for more than six (6) months the Library's Treasurer, or their designee, shall notify the payee by first class mail that the check was issued and is still outstanding. The letter shall indicate the check number, check date, and the amount of the outstanding check. The letter will indicate that the payee will have 30 days to claim the outstanding check, after which the funds may be transferred to the custody of the State Treasurer.

At least once each year, the Library's Treasurer, or their designee, shall prepare a listing of all checks that have been outstanding for more than six (6) months for which notification was sent to the payee and the check was not claimed. A journal entry will be done to deposit the funds into the Frankfort Public Library District's unclaimed liability account. At the end of each fiscal year, the Treasurer will review the listing of all checks that have been outstanding and deposited into the unclaimed liability account to determine which outstanding funds are from checks dated three (3) years or older, and will be sent to the State of Illinois, Unclaimed Property Division, per 765 ILCS 1026/ Revised Uniform Unclaimed Property Act.