

SUBJECT: Unclaimed Payroll and Accounts Payable Checks

EFFECTIVE DATE: March 25, 2008

REVISED DATE: June 30, 2024

I. POLICY OBJECTIVE

To establish procedures for unclaimed payroll and accounts payable checks.

II. AUTHORITY

Monrovia Municipal Code 2.28.030

III. ASSIGNED RESPONSIBILITY

Administration of this policy shall be the responsibility of the Administrative Services Department.

IV. APPLICABILITY

Any payroll or accounts payable check which has been outstanding for more than ninety days.

V. POLICY AND PROCEDURE

A. UNCLAIMED PAYROLL AND ACCOUNTS PAYABLE CHECKS

The City of Monrovia has adopted the policy to hold unclaimed payroll and accounts payable checks, rather than escheating the unclaimed funds to the State of California.

Guidelines for unclaimed payroll and accounts payable checks are as follows:

1. Any payroll or accounts payable check that has been unclaimed for ninety days will be identified. Every means available will be made, by the Administrative Services department, to locate the payee. After all efforts have been exhausted, the unclaimed check will be added to the Unclaimed Check Listing and the funds will be set aside in the General Fund, Fund 111.
2. For amounts of fifteen dollars (\$15) or more, after three years from the check date, if the check remains unclaimed and the identity of the payee is known, the amount may become the property of the City, after notice is given to potential claimants (Gov. Code Section 50050). Any time after three years, the City's Treasurer may publish a notice once a week for two successive weeks in a local Monrovia newspaper of general circulation.

Notice must state the amount of money, the fund in which it is held, and that it is proposed that the money will become the property of the City on a designated date between forty-five (45) and sixty (60) days after the first publication of the notice (Gov. Code Section 50051).

3. Before or after the notice, and before the date the unclaimed money becomes the City's property, any interested party may file a claim for the money with the City's Treasurer (Gov. Code Section 50052). The claim must include the claimant's name, address, amount of the claim, the grounds on which the claim is founded, and any other information that the Treasurer requires.
4. The Treasurer may either accept or reject the claim. However, even if the procedures listed above are not followed, the Treasurer has the discretion, upon submission of satisfactory proof to the Treasurer, to release unclaimed money to the depositor of the unclaimed money or their heirs, beneficiaries, or duly appointed representatives, if the money is claimed before it becomes the City's property (Gov. Code Section 50052.5).
5. If the Treasurer rejects the claim, the claimant may file a verified complaint in a Los Angeles County Court seeking to recover all or a dedicated part of the money (Gov. Code Section 50052). A copy of that complaint must be served on the City Treasurer within thirty (30) days of receiving notice that the claim was rejected. When a complaint has been filed, the Treasurer must withhold the release of the portion of unclaimed money until a court renders its decision.
6. If the money was originally located in a special fund, the City Council may transfer the money to the General Fund (Gov. Code Section 50053).
7. Although it is not required by statute, it is advisable for the City to notice a public hearing before the City Council before acquiring the unclaimed checks. This will give the owners of the funds one final opportunity to be heard before the City acquires the funds.
8. For an amount less than fifteen dollars (\$15), or for any amount where the identity of the payee is not known, the City Council may order the transfer of the amount into the General Fund after one (1) year without notice (Gov. Code Section 50055).

Dylan Feik
City Manager

Approved As To Form:

CITY OF MONROVIA

FILE NO. 2.06
ADMINISTRATIVE POLICY

Craig A. Steele
City Attorney