

## Notice

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Date: August 19, 2011

To: The following leaders in the United States, Puerto Rico, and Virgin Islands: Area Seventies; Stake, Mission, and District Presidents; Bishops and Branch Presidents

From: Office of the Presiding Bishopric  
Finance and Records Department (1-800-453-3860, ext 2-3500)

Subject: Outstanding Checks and the Escheatment Process

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THE CHURCH OF  
**JESUS CHRIST**  
OF LATTER-DAY SAINTS

Escheatment laws in the United States require that any unclaimed property (outstanding checks) must be reported to the state in which the payee resides within a certain period of time. The Church considers a check to be unclaimed property after 180 days. In September 2011, the Church will apply a process to better comply with escheatment laws and automatically report to Church headquarters checks outstanding more than 180 days.

### How this new process will affect you

1. Checks outstanding more than 180 days will be marked as “Escheated.” After a check is marked as “Escheated,” the only change MLS will allow is to modify the expense category of the original check. (Escheated checks will still be available to view in MLS, much like voided or cleared checks.)
2. **After the check is marked as “Escheated,” it will no longer be honored by the bank and if deposited or cashed the check will be returned. In order to receive payment, the payee will need to contact Church headquarters. Your unit should not reissue the check.**
3. Checks that have been transferred for escheatment will no longer appear in the Action Items portion of the monthly Unit Financial Statement.
4. A new Outstanding Checks Report will be sent to your unit monthly and will include two sections: checks outstanding between 90–179 days and checks outstanding 180 or more days that have been moved to escheatment. (The escheated section will only appear if a check has been moved to the escheatment process during the reporting period.) As a result of these upcoming changes, you will no longer need to report outstanding checks for escheatment to Church headquarters at the end of the year.

### What you need to do prior to September 15, 2011

1. Contact the payees of any checks outstanding more than 90 days to see why they have not cashed their checks. If a payee still has the check, ask the payee to deposit or cash the check as soon as possible. If a payee wants to donate the check back to the Church, have the payee endorse the check, fill out a donation slip, and then follow normal donation procedures. If a payee is unable to locate the original check but still wants to be paid or reimbursed, write a replacement check and then void the original check according to the procedures documented in MLS.
2. If the payee says the payment is a duplicate payment or the payment was made in error, void the original check according to the procedures documented in MLS. Do *not* void a check that has been marked as “cleared” in MLS.
3. **Steps 1 and 2 should be repeated as needed to keep outstanding checks to a minimum and reduce the number of checks sent to Church headquarters for escheatment.** (These steps are not new and should be part of your regular ongoing procedures.)

If you have any questions about this process, please call the Global Service Center at 1-800-537-5932 between the hours of 7:30 a.m. and 5:00 p.m., Monday through Friday with extended hours on Tuesday and Wednesday nights until 8:00 p.m. (all times are mountain times).

This notice is being distributed in English only. If it is needed in other languages, please contact the Area Presidency or the member of the Presidency of the Seventy who supervises the area. Area leaders can forward requests to Church headquarters (1-800-453-3860, ext. 2-2933).

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