

# Board of Trustees of the Nebraska State Colleges

## Business and Finance

POLICY  
NAME: Unclaimed Property

POLICY  
NUMBER: 6307

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### A. PURPOSE

To instruct employees regarding the handling of all uncashed warrants and other unclaimed property.

### B. DEFINITIONS

- 1. Tangible Personal Property** – Property exclusive of land and buildings that is movable, including equipment, furnishings, vehicles, appliances, electronics, scientific or academic instruments and other physical property.
- 2. Intangible Personal Property** – An item of value that cannot be physically touched that would include a prepaid card, credit or refund on a student account, or unpaid wages.
- 3. Unclaimed Property** – Intangible or tangible personal property held by the Colleges or System Office that has been unclaimed or has been abandoned for more than three years is considered unclaimed property. Unpaid wages or uncashed payroll checks are considered abandoned after one year.

### C. POLICY

#### 1. **Uncashed Warrants**

Unclaimed warrants shall be handled as follows:

##### 1.1. Uncashed General and Cash Funds

Excluding student refunds warrants, will be allowed to expire one year after issuance. Any such warrant shall cease to be an obligation of the Nebraska State College System and shall be charged off upon the books of the State Treasurer. Except as otherwise provided by law, the amount stated on such warrant shall be credited to the General Fund. Such warrant may thereafter be presented to the State Claims Board which may approve a claim pursuant to the State Miscellaneous Claims Act.

1.2. Uncashed Student Refunds, Room Deposits, or other Overpayment Refund Warrants

Will be cancelled before the one year issuance expiration for the warrant. The non-Title IV aid portion of any cancelled refund warrant shall be remitted in accordance with the unclaimed property procedures. The Title IV aid portion of any cancelled refund warrant will be returned to the U.S. Department of Education no later than two hundred forty (240) days after the date the original student refund warrant was issued. Any credit remaining after the Title IV returned amount shall be retained on the student financial account.

1.3. Uncashed Federal Funds

Will be cancelled before the one year issuance expiration for the warrant. Funds shall either be returned to the Federal awarding agency or handled in accordance with the applicable grant agreement.

1.4. Uncashed Trust Funds

Will be cancelled before the one year issuance expiration for the warrant and will either be handled in accordance with the trust arrangement or remitted in accordance with the unclaimed property procedures.

1.5. Uncashed Revenue Bond Funds

Will be cancelled before the one year issuance expiration for the warrant and will be returned to the Revenue Bond Fund.

1.6. Uncashed Capital Improvement Fee Funds

Will be cancelled before the one year issuance expiration for the warrant and will be returned to the Capital Improvement Fee Fund.

1.7. Multiple Fund Sources

If a warrant contains multiple fund sources, the warrant shall be cancelled and handled in accordance with the applicable directive noted above for each fund type.

## 2. Unclaimed Property Notice

The owner of all intangible and tangible personal property deemed to be unclaimed and held for the owner by any of the Colleges or System Office shall be notified in accordance with the unclaimed property procedures.

### 2.1 Tangible Personal Property

- The notice shall describe the property in a manner reasonably adequate to permit the owner of the property to identify it.
- The notice shall state that reasonable costs of storage may be charged before the property is returned, the location where the property may be claimed, and the date on or before which such property must be claimed.

- The date specified in the notice shall be a date not less than seven days after the notice is personally delivered or, if mailed, not less than fourteen days after the notice is deposited in the mail.
- The notice shall be given within six months of the date of expiration of the lease of the property or the date of discovery of the abandonment, whichever is later.
- The notice shall be personally delivered or sent by first-class mail, postage prepaid, to the person to be notified at his or her last-known address and, if there is reason to believe that the notice sent to that address will not be received by him or her, also delivered or sent to such other address, if any, known to the landlord at which such person may reasonably be expected to receive the notice.
- Contain one of two statements:
  - If you fail to reclaim the property, it will be sold at a public sale after notice of the sale has been given by publication. You have the right to bid on the property at this sale. After the property is sold and the costs of storage, advertising, and sale are deducted, the remaining money will be turned over to the State Treasurer pursuant to the Uniform Disposition of Unclaimed Property Act. You may claim the remaining money from the office of the State Treasurer as provided in such act; or,
  - Because this property is believed to be worth less than two thousand dollars, it may be kept, sold, or destroyed without further notice if you fail to reclaim it within the time indicated in this notice.

## 2.2. Intangible Personal Property

Prior to reporting and remitting unclaimed intangible personal property above twenty-five dollars (\$25) to the State Treasurer, the Colleges and System Office shall exercise due diligence by sending a notification letter to the last known address of the owner at least sixty (60) days and no more than one hundred (120) days before reporting and taking any other reasonable steps to locate the owner to avoid abandonment.

## 3. Remitting Unclaimed Intangible Personal Property

### 3.1. Filing with State Treasurer

After the three (3) year dormancy period for intangible property has lapsed, any property held by the Colleges or System Office are presumed abandoned in accordance with the Uniform Disposition of Unclaimed Property. The Colleges shall file a report with the State Treasurer with the following elements:

- Except with respect to traveler's checks and money orders, the name, if known, and last-known address
- The nature and identifying number, if any, or description of the property and the amount appearing from the records to be due

- The date when the property became payable, demandable, or returnable, and the date of the last transaction with the owner with respect to the property
- Any other information requested by the State Treasurer as prescribed by rule

### 3.2. Filing Deadline

All reports and remittances are to be filed by November 1 for the fiscal year ending the preceding June 30.

### 3.3. Delivery of Property to State Treasurer

Once the report filing has been completed, the College or System Office shall pay or deliver the property to the Treasurer unless a valid claim is made prior to submission of the property which will require a written explanation to the State Treasurer.

### 3.4. Records Retention

Documentation to support the report filed with the State Treasurer shall be maintained for seven (7) years.

## 4. Remitting Unclaimed Personal Property

Any personal property that is deemed abandoned and where proper notice has been given, may be disposed of or retained depending on the value.

### 4.1. Property Value is Less Than Two Thousand Dollars (\$2,000)

If the Colleges believe the total resale value of the property is less than two thousand dollars (\$2,000), the Colleges may either retain such property or dispose of it by sale or disposal. If an item estimated to be less than two thousand dollars (\$2,000) is sold, the proceeds shall be deposited as Cash Funds or Revenue Bond Funds, depending upon the operation under which the abandoned property was discovered.

### 4.2. Property Value is More Than Two Thousand Dollars (\$2,000)

Personal property items with an estimated value in excess of two thousand dollars (\$2,000) shall be sold by competitive bid and the proceeds, after the deduction of the reasonable costs of storage, advertising and sale, shall be remitted to the State Treasurer for disposition pursuant to the Uniform Disposition of Unclaimed Property Act no later than thirty (30) days after the date of the sale.

## FORMS/APPENDICES:

None

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**SOURCE:**

**Legal Reference:** Neb, Rev. Stat. 69-1301 through 69-1329 Unclaimed Property Act.  
Neb. Rev. Stat. 69-2301 through 69-2314 Disposition of Personal Property Landlord and Tenant Act.  
Neb. Rev. Stat. 77-2205 Warrants; payment; time limitation; file claim with State Claims Board.

**Policy Adopted:** September 2017

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