



POLICY No.: F-17
DATE ADOPTED: OCTOBER 3, 2018

TOWN OF WEST BOYLSTON BOARD OF SELECTMEN POLICY

TAILINGS

PURPOSE

To minimize the liability posed by uncashed checks and the associated negative impact on cash position certainty, this policy sets guidelines for the timely resolution of tailings.

APPLICABILITY

This policy applies to the Treasurer/Collector, Town Accountant, or their designees.

POLICY

The town's policy is to identify and research all uncashed checks (tailings) as a part of the timely reconciliation of all bank accounts. All checks that are not cashed within 90 days of the date of issuance will be investigated. Checks that are not cashed after 180 days will be reported to the town accountant as uncashed so the General Ledger can be adjusted to increase cash and to record a corresponding liability.

A listing of all uncashed checks shall be published once a year consistent with Massachusetts General Law. Checks not claimed must be reported by the treasurer to the town accountant so that revenue can be increased and the liability can be eliminated.

PROCEDURES

- All town bank accounts shall be reconciled each month; uncashed checks (tailings) will be identified and investigated as part of this process.
- The treasurer/collector shall identify all checks that have not cleared the bank account, and shall record on a spreadsheet a listing of uncashed checks, the date of issuance, and amount of check, name and address of check recipient.
- The treasurer/collector shall investigate the uncashed check by reviewing the check register run on the date of disbursement of checks on the weekly accounts payable warrant. The uncashed payroll checks shall be checked by reviewing the payroll vendor's check disbursement report.
- The treasurer/collector's clerk shall send a notice of the uncashed check and the amount to the recipient at their last known address and retain evidence of this mailing.

- If the check has not been cashed 180 days after the date of issuance, the treasurer/collector, consistent with Massachusetts General Law, shall submit a List of Uncashed Checks to the town accountant so that cash can be adjusted and the liability of the tailings/abandoned property can be recorded on the General Ledger.
- The treasurer/collector shall publish the List of Uncashed Checks consistent with state law.
- The assistant treasurer/collector shall prepare a List of Abandoned Property/Uncashed Checks for all checks that are not claimed after the public advertisement and submit it to the treasurer/collector for approval.
- After signing the document, the treasurer shall submit the List of Abandoned Property/Uncashed Checks to the town accountant. The town accountant will increase the revenue of the Town on the General Ledger and eliminate the liability.

REFERENCES

M.G.L. c. 200A § 9A