

## **Standard Operating Procedure**

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### **Unclaimed Property Compliance Regarding School Lunch Funds**

#### **Policy:**

The Colorado Unclaimed Property Act requires unclaimed or abandoned property to be remitted to the Colorado State Treasurer annually. Nutrition services is responsible for compliance with the Colorado Unclaimed Property Act regarding unclaimed or abandoned lunch funds left in student accounts with balances. Additionally, all inactive student school lunch accounts with a balance need to be processed based on the account holder's preferences if known. The following is required at the Nutrition Services District level. The district will not send these funds to the State but rather send a listing of these accounts. If requested the district will refund anything over \$5.00, anything under \$5.00 can be transferred to a sibling or donated.

#### **Procedures:**

##### **SVVSD Nutrition Services Responsibilities:**

1. To assess student lunch account balances, on June 1<sup>st</sup> of each year, personnel at the Nutrition Services office will run an electronic report of all graduated seniors and out of district, inactive students.
  - a. The report should include the following information
    - i. Student ID
    - ii. Student Name
    - iii. School
    - iv. Parent/Guardian Name
    - v. Home Address
    - vi. Account Balance
    - vii. Email address
2. Nutrition Services Personnel will contact the account holder by email to inquire how the balance should be processed. The processing options are as follows for all balances.
  - a. Refund: A check for the account value will be mailed to the account holder for balances over \$5.00.
  - b. Transfer: The account balance can be transferred to a sibling's or other designee's lunch account
  - c. Donation: The account balance will be applied to the SVVSD School District's general fund to offset outstanding student school lunch balances.
  - d. For balances under \$5.00 the money can be transferred to a sibling or donated.

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3. If there is no reply after attempting to contact the account holder at least twice (once in July and once in August), the account balance is deemed unclaimed property and must be handled in compliance with the Colorado Unclaimed Property Act.
  - a. After three fiscal years, the remaining unclaimed balances will be donated.
4. Nutrition Services Personnel will process account balance refunds by:
  - a. Issuing and mailing checks to the address provided by the account holder.
  - b. In software, the account balance will be adjusted to reflect the refund.
5. Nutrition Services Personnel will process account balance transfers by:
  - a. Transferring the account balance to the account of the designee provided by the account holder.
  - b. In the software, the account balance would be transferred from student A to student B to reflect the movement of funds.
6. Nutrition Services Personnel will process account balance donations by:
  - a. In the case of an account that per the parent/guardian, can be transferred to the District to support Nutrition Services. The account balance of that student would be zeroed out in the software and the donation is transferred to donation line and reported on the spreadsheet and included with refund / transfer details to SVVSD Finance Dept.
  - b. Donations will be applied to delinquent and inactive meal accounts. The donation funds will be applied as follows:
    - i. Meal accounts of students receiving Free meal benefits will be adjusted to a \$0 balance in order of highest delinquent debt to lowest.
    - ii. If donation funds remain, meal accounts of students receiving Reduced meal benefits will be adjusted to a \$0 balance in order of highest delinquent debt to lowest.
    - iii. If donation funds remain, meal accounts of students not eligible for Free or Reduced meal benefits will be adjusted to a \$0 balance in order of highest delinquent debt to lowest.
    - iv. If donation account fund reaches \$0 before all delinquent debts are cleared, the remaining delinquent debts will roll over to the next school year and efforts to collect from the household will continue.

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7. The information in the electronic report from step 1 is copied into a spreadsheet. If the report file format is a spreadsheet, the information may be added directly to the report. The preferred processing option for each account is added to the spreadsheet:
  - a. Refund
  - b. Transfer
  - c. Donation
  - d. Unclaimed

**NOTE:** The spreadsheet must be submitted to the SVVSD Finance Dept. by October 1<sup>st</sup>.

### **SVVSD Finance Department Responsibilities:**

1. Based on the spreadsheet submitted by Nutrition Services, the Finance Dept will:
  - a. Submit a purchase order for each account balance refunded.
  - b. Comply with the Colorado Unclaimed Property Act and submit report to the Colorado Treasury Dept. by November 1<sup>st</sup>.