



Treasury Financial Manual

Chapter 3000

PAYMENTS OF UNCLAIMED MONEYS AND REFUND OF MONEYS ERRONEOUSLY RECEIVED AND COVERED

This chapter prescribes procedures that apply to all departments and agencies of the federal government that handle unclaimed moneys belonging to individuals, businesses, or other entities. The unclaimed moneys provisions of this chapter do not apply to funds held in trust for individual Indians, associations of individual Indians, or for certain Indian corporations. This chapter also prescribes procedures for making refunds of collections or other receipts erroneously received and covered into the Treasury.

Section 3010—Authority

According to the provisions of 31 U.S.C. § 1322, each year on September 30, the Secretary of the Treasury will transfer to the Treasury trust fund receipt account "Unclaimed Moneys of Individuals Whose Whereabouts are Unknown" that part of the trust fund account balance named in Section 1321 (a)(1)-(82) or an analogous trust fund established under Section 1321(b) that has been in the fund for more than one year and represents money belonging to individuals whose whereabouts are unknown. Subsequent claims to the transferred funds shall be paid from the account "Unclaimed Moneys of Individuals Whose Whereabouts are Unknown."

Additional procedures of authority are found under the provisions of 31 U.S.C. § 1322.

Section 3015—Responsibility of Agencies to Dispose of Unclaimed Moneys

Agencies must initiate action to clear unclaimed moneys held in their uninvested trust, revolving, and deposit fund accounts for more than one year. Unclaimed moneys are moneys held for rightful owners whose whereabouts are unknown.

Agencies also must verify that the proper account 20X1807, "Refund of Moneys Erroneously Received and Covered," is being used for expenditures made for collections or other receipts erroneously deposited into Treasury. These collections represent receipts that were not properly chargeable to any other appropriation.

Section 3020—Review of Agency Unclaimed Money Accounts

Each quarter, agencies must:

- analyze their uninvested trust, revolving, and deposit fund accounts to determine whether they are holding unclaimed moneys that may be refunded to the depositor,
- return amounts of \$25 or more promptly to the depositor without the presentation of a claim,

- transfer to account 20X6133, "Payment of Unclaimed Moneys," amounts of \$25 or more that have been held for more than one year and are properly refundable but cannot be refunded because the individual's whereabouts is unknown (see the provisions of Section 3025), and
- transfer to miscellaneous receipt account --1060, "Forfeitures of Unclaimed Money and Property," unclaimed amounts of less than \$25 or amounts of \$25 or more that have been held for more than one year and do not meet all provisions of Section 3025.

On a quarterly basis, the Bureau of the Fiscal Service (Fiscal Service) will post the summary-level balance by agency to account 20X6133, "Payment of Unclaimed Moneys," see **Treasury Managed Accounts Reports - Unclaimed Moneys**, and send a notification letter to each agency for which the funds have been posted to the account. Fiscal Service does not maintain subsidiary ledgers. The agency must maintain its subsidiary ledgers and supporting documentation to ensure an accurate balance. Agencies have 30 days to respond to Treasury via written notification or email regarding the accuracy of the amounts recorded by Treasury in account 20X6133, "Payment of Unclaimed Moneys."

Agencies not responding to Treasury's notification letter after the 30-day period will receive a follow-up call. If Treasury still has not received correspondence from agencies 60 days after the initial notification, then Treasury will assume the amounts recorded as correct.

Agencies that dispute Treasury's recorded amount must do so within 60 days of the date of Treasury's initial notification letter and must provide supporting documentation within that time so that Treasury can make appropriate adjustments.

Section 3025—Procedures for Transferring Unclaimed Moneys

3025.10—General

The balance of account 20X6133, "Payment of Unclaimed Moneys," represents only moneys that, when claimed, are unequivocally refundable. This account, as originally established, was to hold such moneys in trust for rightful owners (as received by government agencies from sources outside the government). Accordingly, items cleared from agency uninvested trust, revolving, and deposit fund accounts for transfer to account 20X6133, "Payment of Unclaimed Moneys," must meet all four of the following criteria:

- amount is \$25 or more,
- a refund, upon claim, would be justified,
- there is no doubt as to legal ownership of the funds, and
- a named individual, business, or other entity can be identified with the item.

Per these criteria, the only items agencies should clear from their trust and deposit fund accounts and transfer to account 20X6133, "Payment of Unclaimed Moneys," are amounts that are \$25 or more, are fully documented as refundable, but cannot be refunded because the individual's whereabouts are unknown. These items will constitute the active records of the agencies' subsidiary ledger for account 20X6133, "Payment of Unclaimed Moneys."

Agencies should clear unclaimed balances due individuals whose whereabouts are unknown at least once each year. They must transfer to account 20X6133, "Payment of Unclaimed Moneys," items meeting the above criteria. Agencies must transfer to miscellaneous receipt account --1060, "Forfeitures of Unclaimed Money and Property," those items not meeting the criteria for transfer to account 20X6133, "Payment of Unclaimed Moneys." Receipt account --1060, "Forfeitures of Unclaimed Money and Property," will show the prefix of the transferring agency.

The document clearing unclaimed balances to miscellaneous receipt account --1060, "Forfeitures of Unclaimed Money and Property," must list individually each amount of \$25 or more. Agencies must annotate amounts under \$25 being cleared with the notation "Unclaimed balances of less than \$25.00," and need only show the total amount. They need not identify individual amounts under \$25.

3025.20—Balance Transfers - Method and Reporting

Agencies making transfers from the uninvested trust, revolving, and deposit fund accounts to accounts --1060, "Forfeitures of Unclaimed Money and Property," and 20X6133, "Payment of Unclaimed Moneys," must report the transfers with a reclassification on the Statement of Transactions.

Section 3030—Payments Made from Account 20X6133, "Payment of Unclaimed Moneys"

When an agency requests a refund on an item that remains unclaimed, and the amount remains in that agency's account fund balance, disbursing officers must make payments from account 20X6133, "Payment of Unclaimed Moneys." Any such payment must be authorized by a certifying officer located in the requesting agency, which must validate the claims scheduled for payment. Disbursing officers who process payments from account 20X6133, "Payment of Unclaimed Moneys," must report disbursement made from the account on their Statement of Transactions. The document Treasury Managed Account Reports - Unclaimed Moneys (see Section 3020), used to clear unclaimed balances from the agency's account fund balance to account 20X6133, "Payment of Unclaimed Moneys," must bear the notation "Unclaimed Balances." When clearing balances, agencies must note on the basic supporting documents that they transferred funds for the individual items to account 20X6133, "Payment of Unclaimed Moneys."

Section 3035—Procedures for Using Account 20X1807, "Refund of Moneys Erroneously Received and Covered"

When agencies can trace the amount subject to refund as having been erroneously credited to an appropriation account, the refund claim is chargeable to that appropriation account whether it is lapsed, current, reimbursable, or nonreimbursable. Agencies may charge account 20X1807, "Refunds of Moneys Erroneously Received and Covered," only when collections are deposited into the Treasury as miscellaneous receipts and the amount to be refunded is not properly chargeable to any other appropriation.

For example, if an agency has statutory authority to retain collections, but mistakenly deposited collections into miscellaneous receipts, the agency should reverse the transaction by debiting miscellaneous receipts and crediting its statutorily authorized account. The debiting of miscellaneous receipts may require a backdated transaction to the applicable prior year. If so, agencies must coordinate with the Office of Management and Budget for proper guidance. Refer to the Treasury Financial Manual [Bulletin No. 2017-11](#), Using the Prior-Year Adjustment Attribute Required by the Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) for Reporting, Submitting, and Tracking Treasury Backdated Documents.

By contrast, if an agency erroneously collects moneys from a payor and deposits those funds to miscellaneous receipts, but a court subsequently determines that the funds should have not been collected from the payor and orders the U.S. Government to refund the amounts collected, 20X1807, "Refund on Moneys Erroneously Received and Covered," can be utilized for the refund if the refund is not properly chargeable to any other appropriation. See the [Government Accountability Office's Red Book](#), which

provides helpful guidance regarding refund of moneys erroneously received and covered into the Treasury.

Agencies are responsible for the validity, accuracy, and legality of any charges to account 20X1807, "Refunds of Moneys Erroneously Received and Covered," and for retaining documentation of the appropriation account and amount erroneously credited.

Section 3040—Payments from Account 20X1807, "Refunds of Moneys Erroneously Received and Covered"

Agencies initiating payments from account 20X1807, "Refunds of Moneys Erroneously Received and Covered," must ensure the payments are certified by an agency certifying officer and then they must report the payments on their Statement of Transactions.

If the agency wishes to charge account 20X1807, "Refunds of Moneys Erroneously Received and Covered," for over \$100,000, the agency must provide an official refund request letter signed by the agency's authorized official or Certifying Financial Officer (CFO), to the Agency Reporting and Analysis Division (see Contacts) prior to initiating the withdrawal. Agencies withdrawing any amount from 20X1807, "Refunds on Moneys Erroneously Received and Covered," must report this activity on their monthly Statement of Transactions.

Section 3045—Internal Audit by Agencies

Agencies must audit accounts 20X6133, "Payment of Unclaimed Moneys," and 20X1807, "Refunds of Moneys Erroneously Received and Covered." They must include these audits in their internal audit program.

Section 3050—Maintenance of Records

Agencies must maintain adequate records in support of moneys held for rightful owners in account 20X6133, "Payment of Unclaimed Moneys." The individual records of all items transferred to the miscellaneous receipt account --1060, "Forfeitures of Unclaimed Money and Property," are to be retained according to the agency's retention policy, but in any event, not less than 7 years. In addition, agencies must:

- maintain memorandum accounts for 20X6133, "Payment of Unclaimed Moneys," and 20X1807, "Refunds of Moneys Erroneously Received and Covered,"
- maintain a file of paid disbursement voucher forms with supporting documents for payments made from these accounts, and
- make records available to internal auditors and auditors conducting on-site audits for the General Accountability Office (GAO).

Section 3055—Special Reporting

Fiscal Service may, from time to time, request reports on transactions or balances pertaining to accounts 20X6133, "Payment of Unclaimed Moneys," and 20X1807, "Refunds of Moneys Erroneously Received and Covered."

Contacts

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