



## STALE CHECK POLICY

I. **INTRODUCTION & PURPOSE:** The Town of Troy is committed to the integrity of our financial documents. The purpose of this Policy is to implement systems and procedures to address checks which have been properly issued by the Town but not processed (cashed) by the recipient. The Town's Policy is that checks issued are only good for six months, and the Town's banking institution will generally not honor a check older than six months from issue date. This Policy is designed to outline steps needed to cancel and reissue checks or return unclaimed assets to the State of NH Abandoned Property Division.

II. **POLICY:** The Town reconciles all accounts monthly. At that time the list of uncleared items shall be reviewed. It shall be the practice of the Town of Troy that at least annually at the beginning of a new fiscal year, the prior year of checks which are outstanding in the Town's register shall be documented and reviewed. Any check that is at least one year old or beyond the date allowed by Policy to be honored by the Town and or its banking institution, shall be removed.

When possible, and the recipient is available or can be located, the check shall be reissued. This will be done in the accounting system by voiding and reissuing the check with proper documentation of the initial check number and payee.

Pursuant to NH RSA 471-C, if the recipient is not known to the Town or cannot be located, the check shall be voided, and funds sent to the NH Abandoned Property Division with necessary documentation.

**Notification Schedule:** A first attempt to contact a vendor or individual will occur after 90 days from the date of issuance on an uncashed check. If the first attempt to contact the individual or

vendor is unsuccessful a second attempt will occur after 120 days. The second attempt letter will notify them that this is their last notification before turning the money over to the State of New Hampshire Abandoned Property.

Turning Uncashed Checks over to the State of New Hampshire Abandoned Property: Any remaining uncashed checks at the end of the calendar year, that are over a year old and have no successful contacts, will be turned over to the State of New Hampshire Unclaimed Property.

Recipients of lost or destroyed checks are responsible for requesting that the check be reissued within six months; but no later than the end of the fiscal year in which the check was issued.

III. ADMINISTRATION: The Board of Selectmen is responsible for the administration, revision, interpretation, and application of this Policy. The Policy will be reviewed and revised as needed.

IV. AUTHORITY: This Policy is adopted by the Board of Selectmen in accordance with RSA 41:9.

V. AMENDMENTS: This Policy may, from time to time, be amended by a majority vote of the Board of Selectmen at a regularly scheduled Board meeting.

VI. EFFECTIVE DATE: This Policy shall be effective upon a vote of the Board of Selectmen and shall replace any and all State Check Policy previously enacted by the Town.

Adopted: September 5, 2024

Troy Board of Selectmen

---

TJ Chasse, Chairman

---

Curtis Hopkins, Selectman

---

Richard Thackston III, Selectman