

## **DISPOSITION OF OLD OUTSTANDING CHECKS**

Pursuant to IC 5-11-10.5, all checks outstanding and unpaid for a period of two years as of December 31 of each are void.

Not later than March 1 of each year, the Treasurer shall prepare or cause to be prepared a list in duplicate of all checks outstanding for two or more years as of December 31 last preceding year. The original copy shall be filed with the board of finance of the school corporation and the duplicate copy maintained by the Treasurer. The Treasurer shall enter the amounts so listed as a receipt to the fund or funds upon which they were originally drawn and remove the checks from the list of outstanding checks. If the fund on which the checks were originally drawn is not in existence, or cannot be ascertained, the amount of such checks shall be receipted to the Education Fund or Operations Fund as appropriate.

Each list prepared must show:

- (1) the date of issue of each check;
- (2) the fund upon which the check was originally drawn;
- (3) the name of the payee;
- (4) the amount of each check issued; and
- (5) the total amount represented by the checks listed for each fund.

IC 5-11-10.5-6 formerly provided for the issuance of another check to replace a canceled check, if a claim was properly filed by the vendor or the person to whom the check was issued within seven years after the date of issuance of the original check. The check would have been drawn upon the fund to which the canceled check was receipted and any check outstanding for more than seven years was to be considered void, and no recovery could be made. However, IC 5-11-10.5-6 was repealed in 1999. Therefore, we suggest the school corporation attorney provide written guidance concerning claims that might be presented.