



Comprehensive Unclaimed Property Compliance *TRACKER*



Compliance Challenges

Abandoned Property Alert

Is your organization complying with state regulations on unclaimed property reporting?

When you hold items such as uncashed checks, security deposits, dormant accounts, unclaimed dividends or benefits, you are legally obligated to return them to the rightful owner. State laws that govern unclaimed property require you to attempt to locate the owner in a defined procedure called due diligence. If the owner can't be found during a specified period of time known as the dormancy period, the property is classified as abandoned and you must turn it over to the state where the owner last resided.

Client Perspective

"Since implementing the TRACKER program into our organization, the escheat process has gone from stressful to peaceful. TRACKER has made the process more efficient and effective from the reporting and compliance standpoint. Features like the barcode scanner are an efficient way to update account status. The support team keeps our organization up-to-date and makes the TRACKER program an effective tool in the world of unclaimed property. "

ANTHONY DONATO CANCELLARE II
ONEOK, INC.
TULSA, OK

The TRACKER Solution

StoneRiver offers you a streamlined solution in TRACKER, the nation's leading unclaimed property solution. TRACKER is a comprehensive, easy to use system that helps you manage the information associated with abandoned property. But most important, the TRACKER database is a reporting tool that enables you to comply with critical due diligence and state reporting requirements.

Why Choose TRACKER?

TRACKER is currently used by more than 4,000 property holders—more than any other comparable system. Each year during our annual client satisfaction survey, more than 95 percent of our users respond with favorable ratings for the software, service, and value. More than 160,000 reports are filed with TRACKER each year with a success factor exceeding 99.9 percent.

There are many paths to compliance with StoneRiver unclaimed property software and services. We have a solution to suit your needs, whether you prefer to license our software, use it over the Internet, or outsource the reporting process entirely. Outsourcing allows you to leverage our extensive compliance expertise while you focus on your primary business objectives. It enables you to control costs associated with technology, and yet comply with complex regulatory requirements in a cost-effective manner.

Industry Leadership

TRACKER was introduced in 1992, and we hold a strong leadership role within the industry. The Freedom Group, acquired first by Fiserv then by StoneRiver, was a charter member of the Unclaimed Property Professionals Organization (UPPO, formerly UPHLC). We also maintain close contact with state officials, and the National Association of Unclaimed Property Administrators (NAUPA) to stay current with updated regulations and state reporting format changes as they occur. Our proactive role in the industry helps companies like yours stay on top of their reporting responsibilities in this ever-changing field.

With TRACKER You Can:

- Consolidate your unclaimed property records through an import process
- Generate due diligence letters
- View state-specific requirements for abandoned property reporting
- Generate state reports in pre-approved formats (printed and electronic)
- Generate valuable internal reports, and a transaction log that provides an audit trail with before and after values
- Forecast unclaimed property liability up to six years in advance
- Create custom reports to display data in multiple formats

TRACKER comes to you with a pre-loaded database of all the state-specific deadlines, requirements, and procedures related to the management of unclaimed property. These can be updated automatically from our website to ensure you always have current information.

Enforcement is Heating Up

State auditors and agents have the right to enforce strict laws resulting in steep penalties and interest. The 1995 Uniform Unclaimed Property Act allows fines up to \$25,000 per item, plus 25 percent of the property value and 12 percent interest. However, it's important to know that compliance audits can reach back 20 years or more, which means that the penalties can multiply quickly—climbing as high as \$750,000, or even more in some cases. This is clearly an issue you should not ignore.

Revenue shortfalls in state budgets have caused government officials to take a closer look at enforcement of unclaimed property laws. Some states are increasing auditing staff, shortening dormancy periods, and eliminating grace periods. States are also banding together for joint audits, where one visiting auditor can represent five or more states.

If non-compliance is discovered, a single audit can result in penalties from all of the states represented by the auditor.

Why Does Compliance Require Automation?

Unclaimed property compliance is a challenge because each of the 54 US states and jurisdictions has the right to determine its own dormancy periods, due diligence requirements, aggregate threshold, filing dates, and report formats—and any of these can change from year to year. On average, there are more than 1,650 changes in filing requirements each season.



Requirements Vary From State to State*

For example, checking accounts are considered abandoned after five years in Texas, but only three years in California. If you are reporting for a bank, final reports are due on October 31 in Louisiana, April 30 in Florida, and March 31 in Connecticut. Certain states require an additional preliminary report six months prior to the final report. Most states require electronic reports, but a few still accept paper.

Furthermore, the definitions and requirements for compliance can change depending on the type and value of the property. The dormancy period for uncashed payroll checks is often different than for accounts payable checks. And, if the total value of the property exceeds the state's aggregate threshold, more detail will be reported for each individual item. Once again, the aggregate threshold can vary from state to state.

When you consider the number of variables involved, it's easy to see that companies with property owners scattered over multiple states face a tedious and time consuming task in tracking and reporting unclaimed property.



TRACKER: The Most Widely Used Solution

Who Has Unclaimed Property?

Corporations, banks, insurance companies, and securities houses often deal with unclaimed property, but other less obvious holders include mail-order merchants, utility companies and temporary employment agencies. Virtually any company that deals with stale dated checks, security deposits, overpayments, a revolving workforce, or stock distribution is directly affected. Industry experts estimate that the \$2 billion remitted to the states each year is only a small percentage of the actual property classified as abandoned.

Benefits of Consolidation

Companies typically collect unclaimed property in different formats and in multiple departments such as payroll, accounts payable, and accounts receivable. Consolidating all records into one central database streamlines and simplifies management of the unclaimed property process. And having all the current state requirements and report formats in a single database saves a tremendous amount of administrative time.

Easy Import and Export

Data can be imported from an Excel spreadsheet, or any application such as accounts payable or payroll that is capable of exporting an ASCII or CSV file. TRACKER's custom file mapping utility lets you "associate" the corresponding fields for import without custom programming an interface. These maps can also be used to export data, such as a remittance check number, back to the source systems.

* Filing dates and reporting requirements included in this document were correct at the time of its creation, but they are subject to change without notice. Holders of unclaimed property should consult current state information for today's requirements.

Added Value

TRACKER's import utility can save you thousands of dollars by detecting duplicate records during the import process. You can also use the system's Alternate Link Fields to create a user-defined key during the import process. After an import is completed, TRACKER's load report verifies that key information on all records is imported correctly. The import utility also features an option to update specific fields in existing records.

Strong Security

TRACKER security helps maintain data integrity by controlling who enters the system and what functions they can use. This module provides holder-specific security for each menu option, field-level security for browse only access, and user-defined passwords. Default security settings can be established for each user, and an audit trail for each user is stored within the system.

Managing Owner and Property Data

TRACKER stores detailed information on each item of unclaimed property. Our clients appreciate having convenient access to owner and property information in the same window.

TRACKER makes it simple to enter or edit data, and navigate to other records. The system displays only the tabs that are relevant to the current record, based on the property type ID. For example, the stock tab is only displayed for stock properties. This removes unnecessary screen clutter and guides you toward the appropriate data fields for each record.

TRACKER provides 16 user-defined fields to collect information that's unique to the management needs of your organization. Examples include company code, division code, owner phone number, etc.

Once you locate a lost property owner, the Search capabilities within TRACKER help you determine whether there's any additional property in your database that belongs to the same owner.

Search Letters

TRACKER offers you a simple and streamlined method of generating search letters to fulfill state-specific due diligence requirements. The system makes it easy to control the selection criteria for your letters. For example, you might select dormant properties for specific states and a certain period-ending date. TRACKER compares all the records with individual state requirements to determine which items require due diligence action. The system retains the dates of the letters you've sent to help you monitor your current level of compliance with due diligence requirements. TRACKER allows you to flag addresses that are non-deliverable to avoid wasted postage.

A unique TRACKER feature allows you to bar code search letters. Letters that are returned to the sender unopened can be quickly scanned to update the status code in TRACKER, saving hours of time.

Unclaimed Property Reporting

The system's most valuable benefit is its ability to generate pre-approved state reports for printed or electronic submission. Filing requirements vary widely from state to state and our developers stay in close contact with state officials to ensure the TRACKER system is fully compliant. The system searches the database for records that match state-specific criteria regarding dormancy, filing dates, and aggregate amounts. It automatically selects only records classified as dormant by the appropriate state's definition. TRACKER also accommodates consolidated electronic reprints for multiple holders.

We've worked closely with current clients to develop a wide selection of internal reports that allow you to:

- Verify data prior to filing
- Create internal audit trails
- Balance with other systems
- Forecast unclaimed property liability up to six years in advance



Indexing Options

TRACKER indices help you search property owner records. The system is pre-set to search on Last Name, Owner ID and Property ID, but you can select many additional search fields.

Time Saving Features

TRACKER provides convenient e-mail notification to help ensure that due diligence and state reporting tasks are completed on time. This allows you to direct email notices to various TRACKER users in advance of activity deadlines, serving as reminders of work to be done.

A Rollback feature makes it easy to reverse or undo an import, a state report, or a purge if you find it necessary.

ASCII File Export

ASCII File Export can also be used to export data to other internal systems such as accounts payable. Most companies like to reconcile with their source systems, indicating which items have been sent to the state or paid to the owner. Information such as check number and date paid can be uploaded into the source systems for audit purposes.

New York Advertising

The state of New York allows property holders to deduct the cost of advertising unclaimed property in local publications. TRACKER can create publication files and calculate the correct deduction using either of the accepted methods.

Flexibility

If your office reports for more than one entity, you'll be glad to know that TRACKER can manage abandoned property records for multiple companies, and multiple types of companies. The system allows you to store separate addresses, contact information and default report formats for each. It also helps you manage issues related to dividends, such as declared dates and dormancy.

The current database for each company stores your active records on unclaimed property. After property has been remitted to the states, the records can be purged to TRACKER's history database. It's convenient to store historical records online for audit purposes, but you won't want to sort through them when you're managing current records. You can still run internal reports and update records with remittance check numbers in the history database. Historical records can be rolled back into the current database at any time, or archived to another media when you no longer need them online.

Training

Training classes are offered at StoneRiver Training Centers throughout the year to provide hands-on experience with the TRACKER system. Our professional trainers are also available for onsite training and consulting to facilitate system implementation.

eDocumentation

TRACKER's Online Help provides detailed information about each state's unclaimed property requirements as well as TRACKER system itself. The electronic format makes it easy to provide current, searchable documentation to multiple users across your network.

TRACKER's Procedural Help Guide allows you to enter your own specific instructions for handling holder information right in the TRACKER program. It's an easy way to keep the latest company procedures at the fingertips of new or seasonal employees.

TRACKER provides a contact name, address, phone and website address for each state's unclaimed property office. It also includes state-specific codes, electronic filing information, penalties, and email notifications for time-sensitive deadlines.

Unclaimed Property Consulting Services

Developing new internal processes and pulling your unclaimed property data together for implementation can be a time-consuming process. TRACKER consultants are ready to help you toward your goal. Collectively, StoneRiver professionals have more than 150 years of unclaimed property experience. We can provide valuable advice on the most efficient ways to collect and prepare data for successful reporting, and facilitate the overall process of compliance.

Comprehensive Consulting Service

Our specialists can come to your workplace and provide onsite guidance on a variety of technical and procedural issues. Choose from the services listed below, or work with us to develop a custom agenda for specific needs.

- **Onsite operations survey** Covers topics such as explaining holder requirements, identifying data sources, assigning departmental responsibility, search letter distribution practices, state reporting procedures, and data archiving.
- **Property and jurisdictional assessment** Helps you select and assign the appropriate property type code classifications, and review state-by-state requirements.
- **Best practices and process improvement** Recommends practical and efficient pre-escheat measures, and proposes effective use of TRACKER in your workplace.
- **System analysis and data interfaces** Identifies various data resources, and analyzes the best methods of extracting data for import into TRACKER.
- **Product implementation and configuration** Helps you determine the most efficient way to install TRACKER based on your technical environment and the distribution of your users.
- **Training and ongoing mentoring services** Focuses on needs and challenges that are specific to your organization.

Outsourcing Option

If you'd like to outsource the technology associated with TRACKER software, we can host your application on StoneRiver servers. Under this arrangement your staff will access and operate TRACKER over the Internet, and our team will maintain the servers and apply all periodic system updates.

Another outsourcing alternative relieves your compliance burden even further. Our Business Process Outsourcing service allows you to delegate the compliance process. Simply provide us with the appropriate property records, and our unclaimed property experts will prepare all the necessary due diligence letters and state reports at the correct intervals and dates.

Customer Service

StoneRiver Lifeline This web-based service puts a variety of technical support features at your fingertips around the clock. You can search frequently asked questions (FAQs), read technical documents, download upgrades, and submit support requests directly to TRACKER support staff—all from one convenient location.

Phone Support You can reach us by phone if you need direct interaction. Our toll-free service provides direct access to experienced support personnel during regular business hours.

Free Online Presentations

Join us online for a live presentation discussing the challenges of unclaimed property management and the benefits of the TRACKER Unclaimed Property system. If you have a telephone and a PC with Internet access, you have everything you need to view a one-hour demonstration. No risk. No upfront commitment. Your sales representative can provide the current presentation schedule and instructions needed to participate.

About StoneRiver

Hundreds of insurers, thousands of agents and brokers, and tens of thousands of pharmacies rely on StoneRiver software and processing solutions to achieve a competitive edge. StoneRiver promotes client success by streamlining complex business processes. Visit www.stoneriver.com for more information.



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www.stoneriver.com solutions@stoneriver.com 800.943.2851

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