

OREGON LAW PRACTICE MANAGEMENT

The Clock is Ticking! October is the Time to Report Unclaimed Funds

Are you holding unclaimed or abandoned client funds in your trust account? If the answer is yes, [October is the month to pay the funds over to the bar and send the paperwork to the Department of State Lands](#).

What are Abandoned Funds?

Pursuant to ORS 98.332, funds held by a fiduciary are deemed abandoned if the owner has not accepted payment of the funds, corresponded in writing about the funds, or otherwise indicated interest in the funds within two years after the funds are payable or distributable to the owner.

Where Can I Find the Paperwork?

Reporting forms can be found on the [DSL Web site](#). Forms 1a and 2a must be completed and sent to the [DSL](#).

Where Does the Money Go?

Remit the unclaimed or abandoned funds to the [Oregon State Bar](#). Be sure to include a [copy of the DSL paperwork](#).

Is there a Deadline to Remit Funds?

Funds deemed abandoned as of June 30 of each year are to be reported to the DSL and paid to the [OSB](#) *during the month of October* of that same year.

Is There a Way to Make this Process Easier?

Create recurring annual reminders in your calendar or to-do list. The first reminder should occur annually on June 30 reminding you to assess whether you hold abandoned funds. The second reminder should occur annually in October, prompting you to complete the paperwork and remit the funds.

Is it Possible to Avoid Abandoned Funds?

In most instances, yes. Balance your bank accounts every month and carefully monitor outstanding transactions. If a check has not cleared for two consecutive statement cycles, track it down immediately. Contact the client or third party. Verify that your check was received. If the check is lost, you may want to request a stop payment. In some instances, this is a difficult decision since the stop payment fee may be more than the amount of the original check.

Keep in mind that when a check paid out of client funds is not cashed by the recipient, those funds revert to the client and should be reimbursed to the client.

Who Can I Call If I Have Questions?

Questions about forwarding abandoned funds can be addressed to Judith Baker at the [Oregon Law Foundation](#): (503) 431-6323 or jbaker@osbar.org.

For more information, see *Report All Abandoned Client Funds in October* in the [News column of the August/September 2011 issue](#) of the *Oregon State Bar Bulletin*.

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