

Compliance Techniques

Rick Sweet, Assistant Chief
Florida Department of Financial Services
Bureau of Unclaimed Property

Compliance Techniques

- Voluntary Disclosure Agreements
- ACES Program
- Internal Compliance Efforts

Voluntary Disclosures

- Continuation of Long Standing Policy of Encouraging Holder Self-Audits and Voluntary Compliance
- Qualifications for Holder
 - Not Currently Under Audit
 - No Previous Reports Filed

Voluntary Disclosures

- Holder Discloses Identity
- Holder Outlines Plan for Self-Audit
- State Waives Penalties and Interest
- State Limits Reachback Period to 5 Years
- State Reserves Right to Audit Holder

Voluntary Disclosures

- Report Cannot Contain Property Due to Other States
- Holder has 9 Months to Complete Self-Audit
- Results

ACES Program

- ACS Unclaimed Property Clearinghouse Initiative
- “Advanced Compliance Enforcement Service”
- Uses Florida’s Holder Report Data

ACES Program

- ACS “Cleanses” the Data and Identifies
 - Non-Reporting Holders
 - Under-Reporting Holders
- ACS Sends Letters to Holders
- Designed to Allow Self-Audit w/ ACS Oversight
- Training for New Department Auditors

Internal Compliance Efforts

- Department Audit Staff
- Holder Report Review Process

Internal Compliance Efforts

- Roles of Department Audit Staff
 - Facilitate Voluntary Compliance
 - Holder Education Workshops
 - Perform Compliance Examinations

Internal Compliance Efforts

- Internal Compliance Targeting
 - Utilize Other State Resources
 - Utilize External Sources
- Introduction Letter and Questionnaire
 - Follow Up in 30 Days
 - No Response = Likely Audit Candidate
- Emphasis is on Self-Audit with Oversight

Internal Compliance Efforts

- Holder Report Review Process
 - Evolved over Past 5 to 7 Years
 - Electronic Filing-Mandatory
 - Availability of Information
 - Social Security Numbers
 - Beneficiaries/Alternate Owners
 - Penalties for Incomplete Report Data
- Rationale

Internal Compliance Efforts

- Increase in Electronic Filing
 - FY1996 – 44% of Reports
 - FY2004 – 88% of Reports
- Increase in Receipts
 - FY1996 - \$81 Million (248,000 Owner Records)
 - FY2004 - \$251 Million (1.3 Million Owner Records)
- Increase in Claims Paid
 - FY1996 – \$18 Million (45,000 Accounts)
 - FY2004 – \$99 Million (180,000 Accounts)

Contact Information

- Internet Site – www.FLtreasurehunt.org
- Reporting/Compliance Section
 - Phone (850) 410-9000
 - Fax (850) 410-9980
 - Email – ereporting@fldfs.com
- Claimant Services Section
 - Phone (888) 258-2253
 - Fax (850) 410-9728
 - Email – funclaim@fldfs.com