



Department of Human Resources
311 West Saratoga Street
Baltimore MD 21201

FIA ACTION TRANSMITTAL

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TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS AND ELIGIBILITY STAFF
FINANCE OFFICERS

FROM: *Charles E. Henry*
CHARLES HENRY, ACTING EXECUTIVE DIRECTOR

Ted Martin
TED MARTIN, CHIEF FINANCIAL OFFICER, BUDGET AND FINANCE

RE: COLLECTING AND POSTING FOOD STAMP OVERPAYMENTS FROM
THE TREASURY OFFSET PROGRAM (TOP)

PROGRAM AFFECTED: FOOD STAMP PROGRAM

ORIGINATING OFFICES: OFFICE OF POLICY, RESEARCH AND SYSTEMS

SUMMARY

Effective October 1, 1999 the Food and Nutrition Service changed the way they distribute funds from the Treasury Offset Program (TOP). This change has caused some confusion about how to record payments on the FNS-209 report.

This transmittal provides guidance on completing the FNS-209 report and the FNS-209 TOP Supplemental Report. It also furnishes information about re-establishing an overpayment when a claim is collected through TOP from a spouse who is not liable for the overpayment (injured spouse).

OLD POLICY

Since the beginning of TOP, FNS has sent biweekly collection files and 100 percent of the amount collected on food stamp debts back to the State. We retained the full amount while we determined the Federal portion, which we returned to FNS.

NEW POLICY

- FNS sends weekly collection files to the State, which include amounts collected or reversed by claim.
- FNS retains 65 percent of the actual funds collected through the Federal collection program and sends 35 percent to the State.

POLICY CLARIFICATION – INJURED SPOUSE

Sometimes a claim is collected through TOP from a spouse who is not liable for the food stamp debt. This happens when a joint return is filed and only one spouse owes a past due debt. The State will refund the amount collected from an injured spouse and the local department must re-establish the Benefit Error Group (BEG) against the liable assistance unit (AU).

ACTION REQUIRED – FINANCE OFFICE

The Local finance office will receive from DHR Central a copy of CCU statements along with a wire transfer to the Local Assistance bank account, monthly. CCU account #300 statements are Food Stamps collections.

The columns on the CCU statement represent the following:

<u>AMOUNT PAID US</u>	Collection Amount paid to CCU
<u>AMOUNT PAID YOU</u>	Collection Amount paid to LDSS on CCU accounts
<u>OUR COMMISSION</u>	17% Commission on all CCU account collections, and 65% Retention on Federal TOP collections – CCU code 600
<u>AMOUNT DUE YOU</u>	CCU Collections less Commissions and TOP Retentions

AMOUNT DUE YOU column total equals the amount transferred.

Finance Office staff should locate the appropriate BEG in CARES (follow the CARES procedures), and post the amount recorded in the AMOUNT PAID US column – 100% of collection – in CARES.

Injured Spouse claim credits appear on CCU's statements as negative TOP collections. These credits require the Local FIA worker to re-establish a BEG against the appropriate Assistance Unit (AU).

When the monthly CARES receipt report is issued, finance office staff should reconcile the amount receipted to the AMOUNT PAID US column on the CCU report less Injured Spouse claim credits.

CCU TOP Collections are to be recorded on monthly FNS 209 and supplemental reports **at 100%**. Injured Spouse claim credits are reported on the FNS 209 as a refund. Budget and Finance compiles an agency-wide FNS-209 report and the Federal portion of the non-TOP Food Stamp Overpayment Collections is returned to FNS.

Local Finance Office staff will deposit in the Comptroller's bank account all Food Stamp collections less credits, and **LESS** Federal TOP retention; CCU's 17% commission, charged to "collection fees", and the wire transfer received make up the cash to be deposited.

Note: The 65% TOP retention included in OUR COMMISSION column on the CCU statements, **must not be charged anywhere and subsequently deposited in the Comptrollers account**; the Federal government already has its share – they retained it.

ACTION REQUIRED – CARES

Local Department finance office staff should refer to the CARES USERS Manual pages 11-21 through 11-24 in chapter 11 to complete the following process to properly account in CARES for the repayment of funds received through the Central Collections Unit (CCU).

If the CCU report displays the NAME only, from the CARES MAIN MENU

Type "A" in the selection field and the printer ID
Press Enter and the AMEN screen appears
Type "A" in the selection field
Press Enter and the NMIQ screen appears
Type in the last name, first name, sex, race
Press Enter and the list of customers appears
Type a "Y" in the selection field of the desired customer
Press "PF 14" and the CDBP screen appears
Record the Food Stamp AU
Return to the CARES Main menu
Type R and the RMEN screen appears
Type G and the FS AU ID and press enter

INQUIRE ON A BEG

Benefit Error Group Status

If the status is CL finance must contact FIA to have the status changed to SC
Once the BEG Status is changed to SC, finance can post the receipt

If the CCU report displays the Client ID, from the CARES MAIN MENU

Type R in the selection field and press enter

The RMEN screen appears

Type Client ID, Source Payment (CC), Amount and press enter

The Receipt Maintenance Screen appears and finance can post the receipt

If the CCU report displays an AU ID number, From the CARES Main Menu:

Type R Benefit Error Submenu in the selection field

Press enter and Benefit Error Submenu –RMEN displays.

Type M in the selection field

Type the AU ID in the AU ID field

Type the payment source code in the Source of Payment field

Type the amount that is being reported by CCU in the Cash amount field

Press enter and RECM displays.

The Receipt Maintenance (RECM) screen is used to select the BEG to which a payment applies.

Type "Y" in the SEL (select) field next to the BEG that is being updated, and press PF13.

RECP displays with the receipt amount, account ID, and subaccount number fields completed and the head of household name in the Payor field.

Once RECP is accessed, complete the required fields (indicated with a red asterisk) and press enter to commit the information and return to the RECM screen.

Note: Finance office staff should take the CCU report and post the amount recorded in the AMOUNT PAID US column which is 100% of the collection.

ACTION DUE

This policy is effective upon receipt of the transmittal.

INQUIRIES

Please direct policy questions to Kay Finegan at (410) 767-7939.

cc: DHR Executive Staff
FIA Management Staff
Constituent Services
OIM Help Desk
CIS Testing Facility