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## Chapter 13: Underpayment, Overpayment and Recovery

### (iii) Issuance of Receipts

<b>Intent:</b>	To identify the circumstances under which receipts are issued.
<b>Act:</b> (if applicable)	N/A
<b>Regulations:</b>	N/A
<b>Overview:</b> (if applicable)	Inactive clients may continue to make payments on their accounts receivable balance. In all such cases, a receipt must be provided to the client acknowledging this payment.
<b>Policy:</b>	<b>Receipt Types</b> <ul style="list-style-type: none"><li>• There are two types of receipts. Interim cash receipts (ICR's) are issued by the Department and official cash receipts (OCR's) are issued by Newfoundland Exchequer. Funds received by the Department, usually at a local office, are credited to the accounts receivable balance via ICR's. Funds received by Newfoundland Exchequer are credited and issued an OCR.</li><li>• The main purpose of receipts is to credit the payments made by former clients to their account. Most payments are made by the client and or spouse. However, payments can be made by another individual on the former client's behalf. Monies also come from other sources such as CPP, EI, WHSCC, Support Enforcement Agency, other bulk payments and payments from insurance claims.</li><li>• Payments can be made by cash, cheque, money order and by debit/credit machine.</li><li>• Clients pay on their accounts by: visiting the local office, mailing payments to the office, or by mailing the payment to Central Cash.</li></ul>
	<b>Interim Cash Receipts:</b> <ul style="list-style-type: none"><li>• Interim cash receipts are receipts that are keyed at the local offices and submitted to Central Cash along with: the monies, their Interim Cash Receipt Batch Report, and a copy of the receipts in that batch. The money is keyed at Central Cash and</li></ul>

Policy and Procedure Manual

an official cash receipt is issued. Provincial Office 'matches' the OCR to the ICR Batch from the local office. This verifies that the money received at the office has been receipted by Central Cash.

- The payment can be credited to one client or several depending on the wishes of the person paying. For example, if a couple were together when an overpayment was created it would be split between them and usually any subsequent payments would be split as well; unless they are now separated and one client is making a payment only for himself/herself.

**Official Cash Receipts:**

- When the payment is mailed directly to Central Cash, they issue an OCR as an individual receipt and this payment is keyed to the client account by staff at provincial office. Clients who pay at local offices are given a receipt; however, when these receipts are keyed at Provincial Office, another receipt is not issued. In those cases, client receive monthly statements which show the payment credited to their account.
- Payments made by other sources such as CPP, EI or from companies for wage attachments are received directly at Central Cash and are credited to the client's account by Provincial Office staff. Funds are also received from the Federal Set-Off Program and this is credited to the accounts receivable balance matched by SIN #. This money is intercepted from Income Tax refunds or GST rebates.
- Money is also received from Service Canada on behalf of clients awaiting EI benefits where an Assignment of Benefits has been approved. Service Canada refunds the Department monies for any period which is overlapped. This money is keyed to the client's account by Provincial Office staff and a CSO in the local office will complete an action memo for the overlapping amount. Usually one amount offsets the other but each case must be reviewed to determine if there remains an overpayment owed to the Department or a credit owed to the client.

**Procedure:** N/A

**Authority Level:** Client Service Officers - set up overpayments on clients

Policy and Procedure Manual

	<p>Provincial Collection Officer - contacts former clients concerning repayment of overpayments</p> <p>Accounts Receivable Clerks - keys monies received at Nfld. Exchequer to former clients account</p> <p>Administrative Support Staff - keys monies received at local office to former clients account</p>
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