

Chapter 13: Underpayment, Overpayment and Recovery

(iv) Refund of a Credit Balance

Intent:	To outline the procedure involved in refunding a credit balance to an Income Support recipient or a former recipient.
Act: (if applicable)	N/A
Regulations:	N/A
Overview: (if applicable)	N/A
Policy:	<ul style="list-style-type: none"> • Normally, recoveries from Income Support benefits should not exceed the balance of the existing Income Support overpayment. • However, when excess funds are recovered, it is essential that credit balances are reviewed immediately and if, as a result of a thorough review of the case, it is determined the recipient is owed a refund, the refund is to be issued immediately.
Procedure:	<p>Client Service Officer must:</p> <ul style="list-style-type: none"> • review the credit balance list provided from CAPS – XA1009 refers - as provided each month for active cases in receipt of Income Support benefits and inactive cases where the recipient's address is known. • determine how the credit balance was created by; <ul style="list-style-type: none"> ○ reviewing all debits and credits made against the account, ○ ensuring that all Income Support overpayments have been set up in the appropriate manner and the amounts are correct and there has been documentation to support the creation of the overpayment, ○ checking DACS to determine if a recovery was made and not recorded in CAPS, ○ checking the E.I. Assignment Report to ensure all balances have been recorded, ○ checking Worker's Compensation Report to ensure the appropriate balances have been recorded, and

- checking the CPP Assignment Report to ensure all balances have been recorded.
 - refund the credit balance by non-recurring pay cheque, once its determined that the credit balance is legitimate and owed to the recipient. It should show the requirement as Refund of a Credit Balance and the covering period as one day,
 - CAPS will automatically debit the amount to the existing credit balance.

- record the refund of the credit balance as a case note outlining the activity undertaken to verify the refund was legitimate.
 - When there is a credit balance for an inactive case, the Client Service Officer should:
 - try to locate the recipient either by mail or phone;
 - acknowledge that the recipient cannot be located and record in the case note all activities undertaken to locate the recipient;
 - remove the credit balance by creating an Action Memo to debit the account for the credit balance giving the reason “Unable to Locate Recipient;”
 - record the Action Memo in the case record;
 - make a case note in CAPS that if the former recipient is located, to set up the credit balance and refund the amount to the recipient.

Authority Level: Client Services Officer - up to \$500.00

Client Services Manager - > \$500.00

Client Service Manager/Regional Income Support Manager - addressing and assigning the removal of credit balances for former Income Support benefit recipients.

Date revised: January 6, 2009