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TO: **Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
W-2 Agencies
Training Staff**

FROM: Janice Peters
Bureau of Wisconsin Works
Division of Family Supports

DFS OPERATIONS MEMO					
No:	07-25				
DATE:	05/23/2007				
FS	<input type="checkbox"/>	MA	<input type="checkbox"/>	SC	<input type="checkbox"/>
CTS	<input type="checkbox"/>	CC	<input type="checkbox"/>	W-2	<input checked="" type="checkbox"/>
FSET	<input type="checkbox"/>	EA	<input type="checkbox"/>	CF	<input type="checkbox"/>
JAL	<input checked="" type="checkbox"/>	JC	<input type="checkbox"/>	RAP	<input type="checkbox"/>
WIA	<input type="checkbox"/>	Other	EP	<input type="checkbox"/>	*
PRIORITY: HIGH					

SUBJECT: **Expanded Use of Job Access Loans**

CROSS REFERENCE: W-2 Manual chapter 13; Operations Memo 97-106; CARES Guide; Benefit Recovery Accounting Manual Chapter 6

EFFECTIVE DATE: June 4, 2007

PURPOSE

This Operations Memo notifies W-2 agencies of a change in Job Access Loan (JAL) policy which will allow loan funds to be used to repay fines for the purpose of making the JAL recipient eligible to obtain a driver's license, an occupational license, or driver's license reinstatement. This Memo also provides a review of CARES screens related to JALs and provides a review of JAL policy.

BACKGROUND

JALs are available to applicants who meet W-2 financial and non-financial eligibility and are intended to assist individuals in meeting immediate expenses that have a direct relationship to obtaining or maintaining employment. With the issuance of this Operations Memo, the allowable uses of JAL fund is expanded to include the payment of fines that will result in the individual being eligible for a Wisconsin driver's license. The intent of this policy change is to assist the W-2 eligible job seeker in gaining access to employment opportunities that are outside of the reach of public transportation or that require a valid driver's license.

NEW POLICY

JAL funds can now be used for the payment of fines that, if unpaid, may result or have already resulted in the suspension of a person's driver's license or the inability to obtain a driver's license. JAL funds are not to be used to assist with paying any fine related to operating a motor vehicle under the influence of drugs or alcohol, including but not limited to fines for Operating While Impaired, and Blood Alcohol Content or Implied Consent Violations.

When using JAL funds to assist the applicant to pay a fine, the W-2 agency must:

- Verify in conjunction with the Department of Motor Vehicles (DMV) that payment of the fine will result in the applicant's eligibility for driver's license reinstatement, occupational driver's license, or an initial driver's license.
- Assist the applicant in identifying the fines necessary to obtaining a license. This includes identification of the amount owed, the court in which the fine must be paid, and the existence of any other barriers to obtaining a license. This may be done with the assistance of DMV or other community agencies.
- Write the loan check payable to the circuit or municipal courts to which the fines must be paid, instead of making the check payable to the JAL recipient. More than one check will be needed if the person's fines are owed to more than one court or municipality.

JALs can already be used for fees associated with obtaining a driver's license, an occupational license or getting a license reinstated. Fees include the regular license fee, the license reinstatement fee, and an alcohol assessment fee. When approving the use of a JAL for the payment of fines, also determine the necessary fees the person must pay to obtain the license and if the person wants those fees included in the JAL. Make the check payable to Registration Fee Trust for license fees. If the fee is for an alcohol assessment, the check should be made out to the local assessment agency that is approved by the DMV. The W-2 agency can find the *Directory for Assessment Services* at <http://dhfs.wisconsin.gov/subst Abuse/IntoxDriverProg/>.

Insurance is required for some people before a license can be issued. JAL funds may be used to cover the cost of required insurance for the first six months of coverage or five hundred dollars (\$500.00), whichever is less. Determine if the person wants to include the insurance cost in the amount of the JAL. If he/she does, determine the amount that is to be paid and make the check payable to the insurance company.

JAL POLCY AND PROCEDURE REVIEW

The local W-2 agency can approve JALs for up to \$1,600 and the maximum allowable outstanding balance for each individual receiving a JAL is \$1,600.

W-2 agencies must enter every JAL application into CARES whether the loan will be approved or denied. This will provide information to the Department regarding the scope of needs being met and not being met by JALs.

The loan recipient must develop a repayment plan approved by the FEP. The repayment period must be the shortest repayment period that is possible for the loan recipient, but can be extended for up to 24 months if the loan applicant requests such extension and the W-2 agency approves the request.

The W-2 agency must ensure that all JALs that are issued are entered into CARES on the BVJL screen and that the loan status is "O" Open. If the loan status is not changed to open, no notices of non-payment (dunning notices) will be issued by CARES and payments cannot be recorded in CARES. JAL repayments begin the month following the loan issuance, making it important that the loan recipient has the ability to repay the loan within the agreed upon repayment period.

Within two working days of the loan approval the W-2 agency must enter all information on the loan issuance into the CARES system and must also report monthly cash or in-kind repayments into CARES no later than five business days.

POSTING THE JAL APPLICATION IN CARES

BVJL	JOB ACCESS LOAN INFORMATION		04/24/07 14:27
CLM: 0100005550			XCTI35 R PROCHAZKA
UPDATED DATE: 06 07 06	UPDATE USER ID: XCT355		
CASE: 5700311950	CAT: WW C	SEQ: 01	ORIG OFFICE: 5605 MILWAUKEE W2 RE
	STATUS: <input checked="" type="radio"/>		GRANTING WORKER: XCT355
LIABLE INDV PIN: 5100642611	SSN: 396827985	HELEN	J SIMPSON
APPLICATION AMT: 500.00	REPAYMENT PERIOD: 10 01 07	THRU 10 31 08	
LOAN AMOUNT: 500.00	MONTHLY CASH REPAYMENT AMOUNT:	21.00	
CASH: 250.00	MONTHLY IN-KIND REPAYMENT AMOUNT:	21.00	
IN-KIND: 250.00	MONTHLY IN-KIND HOURS:	3.0	
IN-KIND HOURS: 38	NEXT INSTALLMENT DUE DT:	11 25 07	
DUNNING NOTICE NUM: 0	DELINQUENCY DT:		
	R EFERRED TO CRES DT:		
REASONS FOR APPLYING JAL:			
<input type="checkbox"/> CAR PURCHASE	<input type="checkbox"/> CAR REPAIR	<input type="checkbox"/> MOVING	
<input type="checkbox"/> CHILD CARE	<input type="checkbox"/> WORK EQUIPMENT	<input type="checkbox"/> CLOTHING	
<input type="checkbox"/> SELF EMPLOYMENT	<input type="checkbox"/> VOCATIONAL TRAINING	<input type="checkbox"/> MEDICAL	
<input type="checkbox"/> RENT	<input type="checkbox"/> SECURITY DEPOSIT	<input type="checkbox"/> MORTGAGE	
<input checked="" type="checkbox"/> FINES	<input type="checkbox"/> OTHER		

A new field named **finer** is being added to the BVJL screen, this field will be available in CARES by June 4, 2007.

Use CARES screen BVJL to enter the JAL information. With BVJL in the TRAN field, and the PARMs field blank, tran to the BVJL screen.

FIELD	ACTIVITY
1. CLAIM	Automatically populated with a JAL Claim Number.
2. REPAYMENT PERIOD	Begin date is automatically populated with the first day of the next month after the loan has been granted.
3. PARMs	Automatically populated with the assigned JAL Claim Number.
4. STATUS	A: Applied. Indicates the applicant has applied for a loan. O: Open. Indicates that the loan has been approved and a check has been issued and that a repayment plan has been established.

D: Denied. Indicates that the loan has been denied; if the loan has been denied, the FEP must enter a two character reason code following the STATUS code.

SW: Self-Withdrawal

MN: Applicant cannot meet minimum cash repayment

OR: Applicant has other resources

LR: Loan application is not for an approved loan reason

PN: FEP did not approve the repayment plan

FN: W-2 agency does not have loan funds

H: Hold. Hold status can only be used after the loan has been opened and is used to stop collections due to a bankruptcy.

C: Closed. Indicates that the loan has been repaid.

W: Write-off. Indicates the loan was written off.

5. REPAYMENT PERIOD

The begin date is automatically populated with the first day of the next month. The FEP must enter the loan repayment period based upon the repayment agreement, which can include changing the first month of the repayment period to a later month at the discretion of the agency. The repayment period end date must be the last day of a month.

6. REASON FOR APPLYING

Enter an **A** to indicate the reasons the loan was applied for. When the loan has been granted return to this screen and type-over the A to change the status to **G** to indicate the reason(s) the loan was granted.

NOTICE OF DECISION

A notice of decision either approving or denying the JAL must be issued to the applicant. If approved the repayment agreement must include the amount of the total loan and specify the different amounts and payees for fines, fees and insurance. If denied, the notice must include the reason for the denial and information on how to request a Fact Finding Review.

LOAN REPAYMENTS

The W-2 agency must advise the person that up to 75% of the amount of the loan can be repaid through community service work and the procedures for arranging such repayment. If the person wants to repay any portion of the loan through community service work, such repayment must be incorporated in the repayment plan.

LOAN REPAYMENTS: DEFAULTS

When any JAL in Open status is not credited with a full monthly payment and an in-kind payment (if it is part of the repayment plan) a dunning notice will be issued. For example, if the Repayment Agreement requires both a cash payment and a number of in-kind hours to be completed each month, both must be entered on BVCP by the end of the month or a dunning notice will be issued.

After three dunning notices have been issued and the loan becomes delinquent, the loan reverts to cash only repayment; the loan recipient has lost the ability to partially repay the loan through in-kind service.

After three dunning notices have been issued regardless of whether they are consecutive or not, the loan will be referred to the Public Assistance Collections Unit for the purpose of intercepting a Wisconsin state tax refund to repay the delinquent loan.

POSTING LOAN REPAYMENTS IN CARES

JALs and repayments are processed through the CARES Benefit Recovery subsystem and are subject to requirements of the Public Assistance Collections Unit. Below are instructions for posting a JAL payment into the Benefit Recovery subsystem. Monthly cash repayments and in-kind hours worked are required to be entered into CARES with in five business days of receipt.

When a cash payment is received, it is necessary to apply the payment toward the individual's account in CARES. If the person's SSN is not available, go to AQIN to get the person's SSN. Then go to BVCI with the SSN in the PARMS. The BVCI screen will display all the outstanding claims for the individual. If the individual has multiple claims, for example an overpayment recoupment and a JAL , CARES will post the repayment to the oldest claim unless the worker uses BVCP to post the claim to a specific claim listed on BVCI. In this case, the worker should select the JL claim with an **S** in the selection field and press enter and CARES will bring up the BVCP screen.

BVCP		POST CLAIM PAYMENT			04/24/07 14:16		
					XCTI35 R PROCHAZKA		
PIN: 5100642611		NAME: HELEN		J SIMPSON		SSN: 396827985	
PAYMENT OFFICE: _____							
PAYMT TYPE: __ SOURCE: __ AMT: _____ IN-KND HRS: ____ ADJT DT: __ __ __							
		CLM	JAL	REPAYMENT	REMAINING		
SEL	CLAIM	TYP	TYP	AMOUNT	BALANCE	CASE	CAT SEQ
	0100005550	JL	CA	50.00	10.00	5700311950	WW C 01

Or if you know the individual's PIN or SSN, put BVCP in the TRANS and the individual's PIN or SSN in the PARMS press enter and the system will bring up the BVCP screen. The BVCP screen will display two types of loan balances: the in-kind balance due and the cash balance due. One **payment type** may be entered at a time. If the individual has submitted both a cash and an in-kind payment, the FEP must TRAN back to BVCP to enter each payment type separately.

- | FIELD | ACTIVITY |
|----------------|--|
| PAYMENT OFFICE | Enter the office number of the worker. |
| PAYMT TYPE | Enter CA for cash or IN for in-kind in the PAYMT TYPE field. |
| PAYMENT SOURCE | Enter JAL as the payment source code. |
| AMOUNT | Enter the payment amount in the payment. |

To enter both a cash and an in-kind payment TRAN back to this screen after completing the cash payment to enter IN-KIND HRS.

IN-KIND HRS

Enter the community service hours worked in the IN-KIND HRS field rounded to the nearest half-hour. CARES will automatically calculate the dollar value at Wisconsin minimum wage x hours worked.

ADJT DT

Adjustment date is not used for original payment entry. It is used only when a repayment is reversed and reapplied.

Repayments can also be recorded in CARES through the BVMP screen. Using the BVMP screen allows the worker to enter payments for the same program for multiple individuals on one screen. Please refer to the CARES Guide, Section 1, Chapter 09, Version 2 – Benefit Recovery (BV) for instructions for using the BVMP screen.

CONTACTS

For Policy Related Questions: BW-2 Regional Office Staff

For CARES Processing Questions: BHCE CARES Information & Problem Resolution Center

For BV related questions: Public Assistance Collections Unit 1-800-943-9499

★Program Categories – FS – FoodShare, MA – Medicaid, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – Food Stamp Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.