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TO: **W-2 Agencies**  
**Income Maintenance Supervisors**  
**Income Maintenance Lead Workers**  
**Income Maintenance Staff**  
**Workforce Development Boards**  
**Job Center Leads and Managers**  
**Training Staff**  
**Child Care Coordinators**

FROM: Janice Peters, Director  
Bureau of Working Families  
Division of Family and Economic Security

DFES OPERATIONS MEMO					
No:	11-57				
DATE:	11/08/2011				
FS	<input type="checkbox"/>	MA	<input type="checkbox"/>	BC+	<input type="checkbox"/>
SC	<input type="checkbox"/>	CTS	<input type="checkbox"/>	FSET	<input type="checkbox"/>
CC	<input type="checkbox"/>	W-2	<input checked="" type="checkbox"/>	EA	<input type="checkbox"/>
CF	<input type="checkbox"/>	JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>
RCA	<input type="checkbox"/>	RMA	<input type="checkbox"/>	Other	<input type="checkbox"/>
				EP	*
PRIORITY: HIGH					

SUBJECT: **Update to CARES Electronic Funds Transfer Screen AGET, Electronic Funds Transfer Form 10791, and W-2 Manual Chapter 10 - W-2 Payments**

CROSS REFERENCE: [W-2 Manual, Chapter 10](#)  
[Operations Memo 09-79](#)  
[W-2 Benefits Issuance Guide](#)

EFFECTIVE DATE: November 15, 2011

**PURPOSE**

This Operations Memo announces:

- 1) An update to Cares screen AGET to accommodate use of prepaid debit cards;
- 2) An update to *Electronic Funds Transfer* form ([10791](#)); and
- 3) Updates to Manual Chapter 10.

**BACKGROUND**

AGET is the CARES screen used to enter information necessary to arrange Electronic Funds Transfer (EFT) for W-2 payments. To accommodate participant use of prepaid debit cards, the Department is adding PREPAID as an entry option on this screen.

The Department is also updating the *Electronic Funds Transfer* form (10791) and W-2 Manual Chapter 10 - W-2 Payments to reflect acceptance of prepaid debit cards as an account type on AGET.

**ADDING EFT PAYMENTS TO A W-2 CASE**

Instructions for adding EFT to a W-2 case begin on page 3 on the [W-2 Benefits Issuance Guide](#). Part of this process is listing the bank to which the EFT will be made. Bank information is stored on CARES screen IQBA. If a W-2 agency needs a bank added to IQBA, the agency must send the bank's name, address and routing number to the W-2 Help Desk via fax or email. The bank information will be added to IQBA within 7 days of the request. For more information on CARES screen IQBA, please refer to page 4 of the [W-2 Benefits Issuance Guide](#).

**AGET UPDATE**

Currently, the ACCOUNT TYPE field allows for three possible entries: C (CHECKING), S (SAVINGS) or J (JOINT-MANDATORY). To accommodate participant use of prepaid debit cards, the Department is adding P (PREPAID) as an entry option.

AGET	EFT	09/20/11 14:54
CASE: 1700492411	WORKER: XCTO07	XCTO06 G SEERY
LAST UPDATED:	CASE STATUS: OPEN	CASE MODE: ONGOING
PROGRAM CODE: WW		
DC: ___	BANK CODE: ___	BANK NAME: _____
		EFT REASON: ___
BANK ADDRESS:	NUMBER	UNIT DIR ST/RURAL RT/BOX# SFX QUAD APT
CITY:		STATE: ZIP:
TELEPHONE:		
ACCOUNT TYPE: _	ACCOUNT NUMBER: _____	
	ACCOUNT HOLDER NAME: _____	
IS EFT PAYMENT FOR THE CLIENT MANDATORY? (Y/N): _		
DATE OF NEXT REVIEW OF EFT STATUS: ___ ___ ___		
NEXT TRAN: _____	PARMS: 1700492411_____	

**ELECTRONIC FUNDS TRANSFER FORM**

The Department made the following updates to the *Electronic Funds Transfer* form ([10791](#)):

- Added a check box for prepaid debit cards; and
- Added the following text to the statement above the participant's signature box: *If I am using a prepaid debit card, my W-2 worker talked to me about the card's possible monthly fee, customer service fee, inactivity fee, or paper statement fee.*

## ***POLICY UPDATES***

Manual Chapter 10 Section 10.4.1 will be updated in Release 11-06. Underlined text will be added. Text with strikeouts will be deleted.

### **10.4.1 Electronic Funds Transfer Option**

W-2 agencies are encouraged to provide money management and banking information to W-2 participants and to promote direct deposit of W-2 benefits.. Advantages of direct deposit, or Electronic Funds Transfer (EFT) include:

- Payments are more safe and timely.
- Avoids expensive check cashing fees.
- Many banks and credit unions offer a no-fee, no-minimum-balance checking or savings account with direct deposit accounts.
- Less staff time dealing with phone calls, documentation, completion and mailing of affidavit forms associated with lost, stolen, or destroyed checks.

Some participants may decline the EFT option because they are chronically overdrawn and may owe fees associated with their negative balance. For these participants, money management workshops or classes may be appropriate.

The FEP should discuss various options with the participant, such as opening a limited account with a debit card only option that does not allow expenditures in excess of available funds. Participants with credit problems may still have access to a checking or savings account. Those who have "non-fraudulent" activities reported on their ChexSystems report and have been denied access to a checking account in the past may benefit from participation in a program to repair their standing with banks. Agencies should assist participants in connecting with these community resources.

Some participants may have a prepaid debit card and use this option when electing EFT.

Prepaid debit cards may offer advantages such as helping build good credit and providing an option to participants with bad credit. However, some prepaid card vendors may charge excessive fees. Fees are sometimes hidden or hard to find. In addition to the monthly fee, other fees may include: initiation or activation fees, point of sale transaction fees, cash withdrawal fees, balance inquiry fees, customer service fees, bill payment fees, and/or fees to add or "load" funds. If the participant chooses EFT using a prepaid debit card, the FEP must discuss the possible fees with the participant.

**Example 1:** While meeting with her FEP, Destiny asks if she can have her W-2 payments electronically deposited onto her prepaid debit card. Her FEP gives Destiny the *Electronic Funds Transfer* form and asks Destiny if she knows about the card's possible monthly fee, customer service fee, inactivity fee, or paper statement fee. Destiny says that she has only had the card for a few weeks and is not sure of all of the fees. Her FEP advises her to call the 800 number on the back of her card to ask about the fees.

**Example 2:** Mercedes tells her FEP that she is planning on getting a prepaid debit card so she can have electronic deposit of her W-2 payments. The FEP advises Mercedes to be aware of fees when choosing a card, including possible monthly fees, customer service fees, inactivity fees, or paper statement fees. The FEP suggests that Mercedes compare a few cards before making her choice.

## **Wage Garnishment**

Some participants have a garnishment order for unpaid debts or child support. Per Wisconsin Statutes Section 49.96, W-2 payments cannot be garnished, however banks must honor garnishment actions ordered by the court. Agencies must provide this information to W-2 participants who choose direct deposit of W-2 benefits. If the bank garnishes the W-2 benefits, the FEP should advise the participant to seek legal assistance to stop the garnishment.

## ***ACTION REQUIRED***

W-2 agencies must begin using the updated form and discuss the AGET update with staff. Additionally, if a W-2 participant chooses EFT using a prepaid debit card, the FEP must discuss possible debit card fees with the participant.

## ***ATTACHMENTS***

Updated W-2 Manual, Chapter 10, Section 10.4.1, Electronic Funds Transfer Option  
Updated *Electronic Funds Transfer (10791)* form

## ***CONTACTS***

For Policy Questions in the Balance of State: Bureau of Regional Operations, W-2 Regional Coordinators

For Policy Questions in Milwaukee: Milwaukee Operations Section Regional Administrators

For CARES Processing Questions: W-2 Help Desk

\*Program Categories – FS – FoodShare, MA – Medicaid, BC+ – BadgerCare Plus, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – FoodShare Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RCA – Refugee Cash Assistance Program, RMA - Refugee Medical Assistance Program, \*Other EP – Other Employment Programs.

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