



RELEASE - TRANSMISSION OF REVISED MATERIAL TO BE
INCORPORATED INTO THE FEDERAL (EEOICPA) PROCEDURE MANUAL:
CHAPTER 3-0600, COMPENSATION PAYMENTS.

EEOICPA TRANSMITTAL NO. 16-04

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EXPLANATION OF MATERIAL TRANSMITTED:

This material is issued as procedural guidance to update, revise, and replace the Federal EEOICPA Procedure Manual Chapter 3-0600, Compensation Payments. This version incorporates changes that have arisen since the last publication of Chapter 3-0600, to include:

- Removes pagination from the Chapter and Page Number column in the Table of Contents.
- Removes the footer on all pages subsequent to the Table of Contents.
- Changes the process by which the EN-20 Acceptance of Payment form is processed and routed from the District Office (DO) Mail Room.
- Updates the policy for retention of payment documents by the DO.
- Creates a new paperless process for creating DO payments, eliminating the Payment Transaction Form (PTF).
- Explains the elimination of payment by paper check with special exceptions, as directed by the Department of Treasury.
- Eliminates the requirement that DO staff call the claimant's bank to verify account information.
- Provides special instructions for bank routing numbers pertaining to exception payments for terminal claimants.
- Explains the proper method for labeling payment documents in OIS.

- Explains a change in the process for creating DO weekly payment reports.
- Outlines a new process for National Office (NO) processing of payment cancellations through OIS.
- Adds new language pertaining to administrative closure in cases where the claimant dies during the payment process.
- Replaces Expedited and Exception Processing PTF sample forms with new versions (Exhibits 1-3).
- Replaces Payment Cancellation Form with a new version.



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FILING INSTRUCTIONS:

Remove

PM Ch. 3-0600

Insert

PM Ch. 3-0600

File this transmittal behind Part 1 in the front of the Federal (EEOICPA) Procedure Manual.

Distribution: List No. 3: All DEEOIC Employees
List No. 6: Regional Directors, District Directors, Assistant District Directors, National Office Staff, and Resource Center Staff.

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1. Purpose and Scope. This chapter describes the policy and procedure for the Division of Energy Employees Occupational Illness Compensation (DEEOIC) claim staff to process compensation payments, and defines the roles of the various personnel in the District Office (DO) and the Final Adjudication Branch (FAB), with respect to the compensation payment process. At the discretion of the District Director (DD), the order and manner in which payment documents are routed in the Office of Workers' Compensation Programs (OWCP) Imaging System (OIS), from one individual to another, may vary; however, the Energy Compensation System (ECS) process cannot.

2. Responsibilities. When lump-sum compensation is awarded by final decision (FD), the FAB Claims Examiner (CE) or Hearing Representative (HR), the District Office CE, Senior Claims Examiner (SrCE) or Supervisory CE (SCE), Fiscal Officer (FO), and DD all ensure that the payment is processed in an accurate and timely manner. The payment process begins at the FAB office, and continues at the DO, upon return of the completed Form EN-20 (EN-20). Persons in the roles listed above serve to validate the accuracy of payment data and enforce security of the payment creation process by conducting individual assessments of each lump-sum payment prepared for issuance.

Throughout this document, the term "routing," as it is used to describe the movement of the EN-20 from one individual to the next, entails assignment of the document in OIS, by means of OIS Notification, to the next appropriate role designation.

3. Processing the EN-20. Upon issuance of a FD awarding compensation, the FAB enters the Acceptance of Payment (AOP) amount in ECS. ECS generates the EN-20 (Acceptance of Payment Form) and the EE-20 (award letter), which FAB mails to the claimant, along with the FD. ECS will automatically assign an AOP sent date to correspond with the issuance date of the FD. As part of the electronic document retention process, the appropriate staff person will electronically image (a/k/a bronze) the cover letter, FD, and a copy of the EN/EE-20 for viewing in OIS. If the claimant requests another EN-20, it is permissible to send a photocopy or facsimile to the claimant, for signature, however, it must be returned by mail, bearing an original payee signature,

with no changes or alterations to the information contained on the original EN-20.

If a claimant or AR inadvertently returns an EN-20 to a Resource Center (RC), or to the Central Mailroom (London, KY), staff in these facilities will upload the document through the EDP, then mail the original document to the appropriate DO via regular mail.

a. DO Mailroom Handling. The FD cover letter instructs the claimant to return the completed EN-20 to the DO that issued the recommended decision (RD). Upon receipt of the completed EN-20, mailroom staff date stamps the form (AOP Received Date), in the upper right corner, using an ink date stamp, and writes the Case ID in the top, right corner. Mailroom staff then scans the completed EN-20, the envelope, and any supporting documentation received in the same envelope, into the corresponding OIS case record. It will not matter whether the EN-20 has obvious errors or omissions; mailroom staff scans any received payment documents into OIS for recordkeeping. Once scanned, the mailroom delivers the original EN-20 to the DO.

b. Retention of Form EN-20. Original EN-20 forms are maintained by the fiscal officers, in a secure area of the DO, and are retained for a period of three (3) years, then disposed in accordance with DOL document retention guidelines. The EN-20 is available for inspection by any of the individuals responsible for the creation, certification, verification or authorization of the payment, at any time during payment process.

c. ECS Routing. Once the completed EN-20 is bronzed into the OIS case record, the document automatically appears in the OIS Unreviewed Document Tab of the ECS-assigned DO or FAB CE, for initial review.

(1) Accuracy of Payment Data. The CE reviews the signed EN-20, in OIS, (or the original document if so desired,) to determine if the form contains correct payment data, and that the form has been

correctly completed by the payee, examining each of the following items:

- (a) File number.
- (b) Payee name.
- (c) Payee Social Security Number (SSN).
- (d) Verification of Account Information: "type account" block is checked ("C" for checking, "S" for savings) and the routing and account numbers are listed correctly, with no trace-overs, or corrections.
- (e) EN-20 is signed and dated. (If the form is signed by an individual with Power of Attorney (POA), refer to the POA process below).

If the CE, SrCE, FO, or DD wishes to examine the original EN-20, because the OIS document is not clear, that individual obtains the original document from the DO folder, then returns the original document to the DO folder, when finished.

d. Deficient EN-20. Minor deficiencies in claimant-provided information, other than items (a) through (e), above, can often be explained by a memorandum to the case file without having to return an EN-20 to the claimant. However, if the CE determines that a significant deficiency exists in one of the above-described items, the CE/FO prepares a letter to the claimant explaining the EN-20 deficiency and the corrective action required for the payment to proceed. In either case, the CE bronzes the memorandum, or the claimant letter, to OIS. The CE also annotates the OIS description field identifying the EN-20 as defective. When returning a defective EN-20 to a payee, a new copy of the EN-20 is to be provided for the claimant's use. If a modification of the original EN-20 is required, due to incorrect information provided by the FAB, the DO point-of-contact (POC) contacts the FAB and requests that a corrected EN-20 be mailed to the payee. In this

instance, the FAB office is responsible for sending a new EN-20 to the claimant and imaging a copy of the corrected EN-20 into OIS.

(1) Signature by POA. If the EN-20 contains a signature by a POA, either the FO, or the CE (at the DD's discretion) conducts a document review to ascertain whether the individual who signed the EN-20 has the legal authority to sign on behalf of the payee. To accomplish this, the CE identifies and reviews the legal document authorizing an individual as POA. If such a document does not exist in the case file, the FO/CE undertakes development to obtain this information. Upon receipt of a document identifying the designated POA, the FO/CE prepares a cover memorandum and sends the memorandum, the EN-20, and the POA documents, (via facsimile), to the National Office (NO) Policy Branch, for referral to the Office of the Solicitor of Labor (SOL). The DO memorandum requests a review of the POA documents to determine their legal sufficiency as they pertain to the signing of an EN-20. The person preparing the memorandum ensures that it is bronzed into OIS. At the time of referral to the Policy Branch, the FO/CE enters a 7-day "reminder" in ECS.

(2) The Policy Branch fiscal staff acts as the NO POC for any follow-up inquiries from the DO. Staff within the Policy Branch are responsible for routing POA requests to the SOL for review and response. Upon review, the SOL responds directly to the requesting DO, via facsimile.

- (a) If the SOL determines that the POA documentation is deficient for any reason, the CE sends a letter to the claimant (with a copy to the POA), advising that the SOL has determined the POA documents to be unacceptable, and stating the reason why. The CE does not send a copy of the Solicitor's opinion to the claimant. Upon notification to the claimant, of a deficient POA, the CE

deletes the "AOP received date" from ECS.

- (b) All documents pertaining to the acceptance or rejection of a POA are imaged and stored in OIS, separate from the payment documents, and are specifically identified as POA documents.

e. Check Requests. In accordance with Department of Treasury Regulations, individuals requesting payment by check can only be approved for such under limited circumstances, and upon written request from the payee.

An exception was granted by Treasury for check requests by law firms that receive multiple payments (refer to 3d (6) below), and for payments made to foreign addresses (refer to 4e, below).

(1) In the event that a claimant contacts the DO, by letter or telephone call, requesting payment by check, the request is routed to the responsible CE. The CE is to inform the payee that compensation payments are delivered via Electronic Funds Transfer (EFT), unless the claimant meets one of two exceptions:

- (a) Payment by electronic funds would impose a hardship because of the individual's inability to manage an account at a financial institution due to a mental impairment; or,
- (b) Payment by electronic funds imposes a hardship because the individual lives in a remote geographic location lacking the infrastructure to support electronic financial transactions.

(2) If the claimant states that one of these two exceptions is applicable, the CE instructs the claimant to return the signed and completed EN-20 (leaving the EFT section blank), to the DO accompanied by a signed letter which:

- (a) Requests payment by check;
 - (b) States which of the above two exceptions applies;
 - (c) States the mailing address for the check.
- (3) Upon receipt of a satisfactory letter, which meets the above criteria, and which accompanies a properly executed EN-20 (minus the EFT information) the letter and EN-20 are bronzed into OIS, and the EN-20 is sent to the FO for review. If approved, the FO notifies the CE, via OIS, that the request for payment by check is approved.
- (4) Unsolicited letters from claimants, requesting payment by check, that do not meet the above exceptions ((items d (1)(a) and (b))), require a telephone call to the claimant explaining the limited exceptions to the EFT rule. If the claimant states that he/she meets one of the exception criteria, the claimant submits a new signed letter, specifically requesting payment by check, citing the applicable exception.
- (5) If, after the CE has explained the limited exceptions to a claimant and upon receipt of a letter deemed deficient or lacking in explanation, the CE refers the letter to the Policy Branch and requests that the NO contact the payee.
- (6) It is the responsibility of the DD in each DO to prepare procedural guidance for the law firms within their jurisdiction that regularly submit check requests to DEEOIC. This includes advising the firms as to what specific information should be contained in cover letters to be used when requesting payment by check. (See 3d above)
- f. EFT. If the FO finds that the EN-20 and associated payment documents are acceptable for payment processing, the FO sends a notification to the Pay

Change Assistant (PCA) for continuation of the payment process. If the case is designated "Terminal" in ECS, the FO directs the CE to prepare an Expedited Processing Payment Transaction Form (EPPTF) for use by the NO. If the DO is unable to process the payment through ECS, an Exception Processing Payment Transaction Form (EPPTF) is prepared for use by the NO. The payment forms available for use in creating expedited and exception payments, (samples of which are found in the Exhibits), are as follows:

- (1) **Expedited Payments** - Expedited Processing PTF (Exhibit 1)
- (2) **Expedited Payments** to third-party account names or alias names - Expedited Processing PTF, Third Party Accounts (Exhibit 2)
- (3) **Exception Payments** (Non-ECS Payments) - Exception Processing PTF (Exhibit 3)

Further instructions pertaining to exception processing of payments, by the NO, appear in section 8, below.

4. Creating the EFT Payment.

a. PCA Data Entry: The PCA enters the following items in the ECS payment screen:

- (1) AOP received date (i.e., date the EN-20 was date-stamped as received at the DO).
- (2) Banking Information pertaining to the recipient's financial institution (bank or credit union).
 - (a) Bank or Credit Union Name.
 - (b) ACH (Federal Reserve Bank) Routing Number.
 - (c) Recipient's account number.
 - (d) Type of account: Checking or Savings. (Payments may also be made to money

market accounts, as long as no third-party routing system is involved and the account type can be classified as checking or savings.)

(3) Names listed on EN-20 for all account-holders. (Note: For wire transfer ((Fed Wire)) payments, the Payee Name on the EN-20 must match one of the Account Holder names.)

b. PCA Verification. Upon PCA submission of the data in ECS, the CE automatically receives a "Payment Pending" item in their ECS work queue.

c. Verification of Federal Reserve Bank Routing Number. The FO (or designated alternate) verifies the authenticity of the bank routing number, listed on the EN-20, through the Federal Reserve Financial Services website: Search for ACH Participants. Once verification of the routing number is complete, the FO memorializes the verification in an ECS Note. The Federal Reserve website is found at: <https://www.frb services.org/EPaymentsDirectory/agreement.html>.

d. Special Routing Instructions for Expedited Payments (Terminal Claimants). When processing EN-20 payment requests, for terminal claimants, it is permissible to substitute the bank ACH routing number for a Fed Wire routing number to that same bank. The staff person completing this task documents this change with a printout of the Treasury Fed Wire webpage, and a memorandum of explanation signed by the DD/ADD. These documents become part of the payment record in OIS.

e. International Payments.

(1) Payments to claimants living outside the U.S. can only be made by check; however, a claimant living outside the U.S. can open a bank account at a U.S. bank and arrange for withdrawal or transfer of funds, once payment has been made to that account.

(2) When preparing a check request in ECS, for a

mailing address outside the U.S., the addressee information (street name and number, building name, etc.) is entered on the three address lines provided on the payment screen; the City and any special City Code is entered on the "City" line; 5 zeroes are entered in the Zip Code field; and "Non-USA State Address" is selected from the "State" drop-down menu. The Country Name is typed in the "Country" field.

5. Creating the Check Payment. After review by the FO, check requests are routed directly to the CE, who reviews the claimant's address listed on the EN-20, and verifies this address against case file documents, the current address displayed in ECS, and any change of address requests in the case record. If the claimant provides a different mailing address on the EN-20, from the current address of record, and indicates this is a "Payment Only address," the CE contacts the claimant by telephone to determine if the change of address is permanent, or if it is a one-time payment-only address. An appropriate call note is added to the ECS record.

a. Permanent Change. If the payment address provided on the EN-20 represents a permanent change of address, the CE instructs the claimant to submit a separate signed document requesting a permanent change of address.

b. Temporary Change. If the payment address is a temporary address for that payment only, the CE advises the payee that any permanent change of address will be processed upon submission of a separate written and signed request.

6. Completing the ECS Payment. Once the PCA has verified the accuracy and completeness of the information provided on the EN-20, and entered the payment data in ECS, the CE receives a "Pending Payment" item in their work queue. The CE verifies the banking information (account number, routing number, and account type) by re-entering it in ECS. The CE *Creates* the payment in ECS and routes the payment to a Senior CE for *Certification*. After certification, the payment is routed to an FO for *Verification*, then to a DD (or an individual with DD privileges), for *Authorization*. As

each individual (CE, SrCE, and FO) completes their function in ECS, the next designated user automatically receives a pending payment item in their ECS work queue. Each individual, who completes their respective payment step in ECS, is responsible for examining the payment documents and affirming that the payment amount and associated data, recorded on the EN-20, appears correctly on the ECS payment screen. Once the DD completes the authorization step, the payment is automatically added to the weekly batch payments for that DO and the payment is authorized for issuance by the Department of Treasury.

7. Entering and Identifying Payments in OIS: Payments completed at both the DO and the NO are to be bronzed in OIS and identified as follows:

a. DO Payments. At the time a payment is *Authorized* by the DD (or an approved person with the DD role), the EN-20, and any associated correspondence or memoranda associated with the final EN-20, are to be bronzed and saved as a "final payment" documents in OIS. When adding these documents to OIS, they are to be labeled with a unique identifier consisting of the letters "PMT" followed by the first 4 letters of the payee's last name, the last 4 numbers of the payee SSN, and the *Authorization Date* as it appears in ECS. For example, the EN-20 for a payment to someone named Jones, with a "last 4" of 9876, and an *Authorization Date* of 01/01/2014 would be stored in OIS as follows:

Category:	Forms & Claims
Subject:	EN-20
Description:	PMT JONE9876, 01-01-2014

The purpose of this unique identification is to allow for easy identification of the final EN-20 and associated documents used in the creation of the ECS payment.

8. Expedited and Exception Payments. The National Office Fiscal Officer (NOFO) and national office staff with Certifying Officer status process expedited (terminal) payments, and other "exception" payments that cannot be processed through the normal ECS payment method. For expedited and exception processing of payments at the NO,

the Expedited Processing, or Exception Processing Form (EPPTF) [Exhibits 1 & 3] is completed by the DO. For payments where the account-holder name is different from the payee name, the CE verifies with the payee that payment is being made to a third-party account name and uses the Third-Party PTF [Exhibit 2]. The third-party EPPTF is also used by the DO to account for minor variances between the account holder name and the payee name of record in ECS (a/k/a alias name). Any memorandum of explanation, or record of a telephone call to the payee, is printed and becomes a part of the payment record in OIS. Once the DO actions are complete, the payment documents are forwarded to the NO for processing, and bronzing, as follows:

a. Expedited Payments are payments involving cases coded "Terminal" in ECS, and which require immediate processing by the NO.

(1) Upon receipt of an ECS payment requiring expedited processing, and upon review and confirmation that all ECS payment data has been completed correctly, the FO selects "Expedited Payment" on the ECS screen and proceeds with *Verification* of the payment in ECS.

(2) The FO then compiles the payment documents (i.e., EPPTF, EN-20, payment memo, etc.) in a PDF document and forwards that document to the DD, via email, advising that the expedited payment awaits completion in ECS by the NO fiscal staff.

(3) The DD (or individual with DD role) reviews the payment in ECS, and upon verification that all payment data is correct, the DD forwards the payment documents to the NO payment team, authorizing completion of the expedited payment in ECS.

(4) Upon completion of the expedited payment, the NO fiscal staff bronzes the final payment packet, including the final EPPTF, into OIS, and identifies the documents with the unique identifier described in 7a, following the same process as the DO.

b. Exception Payments are payments, such as 2nd Part B payments, and payments that exceed the programmatic limits. Because ECS is unable to process these payments, they must be forwarded to the NO for completion. The DO staff is to process and bronze exception payments as follows:

(1) Because exception payments are created outside ECS, the DO staff will create and circulate an EPPTF, collecting the names and signatures of the appropriate ECS user roles required to create a payment (i.e., CE, SrCE, FO and DD). Upon completion of the EPPTF, the FO forwards the documents (EPPTF, EN-20, and other related documents) to the DO mailroom for bronzing into OIS. Upon completion of OIS bronzing, the FO sends a notification to the NO Certifying Officers, advising that exception payment documents are pending action.

(2) Upon completion of an exception payment at the NO, the NO fiscal staff bronzes the payment packet into OIS, using the unique identifier described in 7a, and following the same process as the DO. Once the final payment documents are bronzed into OIS, a notification is sent to the verifying FO in the DO.

c. Retention of Documents. Upon completion of any payment, both DO and NO staff will retain the original payment documents (excepting the EN-20) in accordance with the document retention schedule for OIS documents. (EN-20 forms will be retained by the FO, for a period of 3 years, as previously specified in 3a.)

9. Deleting Payments and Cancelling Transactions. During the payment process, if a staff person discovers a critical issue relating to the sufficiency of the EN-20, or an error in the accuracy of ECS payment data, or (in limited circumstances) the EPPTF, that individual stops the payment process and undertakes corrective action to rectify the error.

a. Error in EN-20. If the cancellation is due to a deficient EN-20, the CE is notified, via OIS, that

corrective action is required. (Return to Item 3c above.)

b. Data Entry Error from EN-20. If the CE, or any individual above the CE level, identifies a data entry error after the payment information has been entered in ECS, the payment is returned (via OIS Notification) to the CE, who "Deletes" the payment from ECS. "Deleting" the payment removes the AOP received date in ECS, and any information on the payment screen. (Note: If there is a pending Part B and Part E payment included in the same EN-20, deleting one payment will cause both payments to be deleted. If one of the two payments is not in a state that can be deleted, then the System will abort and will not allow the deletion. Once a payment is created, it must be rejected by the reviewer [SrCE or SCE prior to certification, FO prior to verification, or DD prior to authorization] before the CE can delete it. Once the payment is deleted the payment process begins anew, with the PCA, upon receipt of a corrected EN-20.

10. Payment Reports. On Thursday of each week, at close-of-business (5:00 PM EST), ECS automatically creates an electronic file of all pending, "Authorized" payments created during that weekly cycle. The Branch of Automated Systems (BAS) forwards this electronic payment file to Treasury for payment the following Thursday. The BAS also stores a copy of this weekly report (Benefit Transaction History Report or BTHR) on a shared-access drive, available to the DO fiscal staff on the Monday following the close of the payment cycle. Once the weekly payment cycle is closed, the FO closes the separate weekly spreadsheet report of all DO payments for that pay cycle, and reconciles the DO spreadsheet against the BTHR. After reconciliation, each district office FO prepares an email summary report containing the total of all weekly payments, broken down by Part (B or E) and by payment type (EFT or check), authorized during that week's payment cycle. Each FO forwards their DO summary report to the NO FO, via email. Upon completion of the reconciliation of these three documents (BTHR, DO spreadsheet, and email summary), the FO scans and stores the reports in a secure, limited-access payment folder on the DO share-drive, labeling them as the DO weekly payment report.

11. Substitutions Among Staff. If the creator, certifier, verifier, or authorizer is not available to perform a particular payment function, alternate persons in these same roles can substitute for them. Any CE, SrCE, or SCE can create the payment. Any SrCE or SCE can certify the payment as long as that person did not create it.

In the absence of a FO, either the DD or Assistant District Director (ADD) can verify a payment. However, the same individual who verifies a payment cannot authorize that same payment, as no one person can perform the function of two different roles for any particular payment.

If both the DD and ADD will be unavailable to authorize payments on any given date, advance notice is sent by one of those individuals, via email, to the Unit Chiefs for Policy, Regulations and Procedures, the Policy Branch Chief and the Deputy Director at the NO. The DD/ADD advises the name of the person to be designated as Acting DD, and the applicable dates. In response, the Policy Branch Chief, a Unit Chief, or the Deputy Director sends an email request to Energy Technical Support (ETS), requesting that they assign a temporary DD role to the designated individual, thus allowing that individual to authorize ECS payments on the requested date(s). ETS notifies the Policy Branch, via email, once the role-change request is processed.

12. Temporary Role Changes for Expedited Payments. For Expedited Payments requiring authorization by an individual assigned a temporary DD role in ECS, the FO includes a copy of the approval email (Step 11) confirming the temporary role-change approval associated with that individual for that date, when forwarding the payment documents to the NO.

The FO will not accept any expedited payment without the necessary role-change email attached, and returns the payment documents to the appropriate party, requesting that a temporary role-change request be approved by the NO.

13. Stolen Check Claims. Upon notification that a payee's compensation check has not been received, the CE requests that the payee (or appropriate representative) provide the DO with immediate written notification of non-receipt of payment. Upon receipt of such notification, the FO forwards that notice to the National Office Fiscal Officer (NO FO),

who takes the following actions:

- a. Review payment status in the Treasury Check Information System (TCIS).
- b. If Payment Status in TCIS shows as: "Negotiated" (check cashed), the NO FO creates a claim in the Treasury system for that payment and selects Option #2 - Entitlement After Status.
- c. After 24 hours, the NO FO reviews the payment and confirms that the updated status of the payment appears properly in the Treasury TCIS system. Once confirmed, the NO FO contacts the claimant and provides the toll-free telephone number for the Treasury Stolen Check Department. Upon reporting the claim to Treasury, the investigation and disposition of the stolen check claim is entirely between Treasury and the payee.
- d. Treasury will notify the payee of its determination once the investigation is complete. If Treasury determines that the stolen check claim is bonafide, Treasury will reissue payment to the payee.

14. Processing Payment Cancellations. A "cancelled" payment is a payment, either electronic or check, that has been issued by, and then returned to, the Department of Treasury. When this occurs, Treasury notifies the DEEOIC via Cancellation Report that a payment has been returned to Treasury and credited to the DEEOIC account. In order to maintain an accurate and comprehensive accounting of all funds disbursed by the DEEOIC, it is then necessary to cancel any returned payment in ECS, as well.

The ECS payment cancellation process is completed before the compensation payment is reissued to the same payee, or before the funds can be awarded to other claimants in the same case. Multi-level reviews, concurrence by DEEOIC management and documentation of the actions taken by all parties (claimants, financial institutions, and DEEOIC claims staff) are essential to safeguarding the integrity and security of the DEEOIC's financial accounting processes.

- a. Cancellation Initiated by Treasury. The Treasury Department transmits an electronic Cancellation Report

to the DEEOIC when EFT payments are rejected or returned to Treasury by the payee's bank, or when a check is returned to Treasury for any reason. These reports are sent to the DEEOIC NO FO, who then notifies the appropriate DO fiscal staff (via OIS and email) of the returned payment. The NO FO also has the capability of viewing the status of any payment through Treasury's online TCIS system.

b. Cancellation Initiated by Claimant. Upon notification from a claimant of non-receipt of payment, the DO takes the following steps:

(1) The CE documents any telephone call or correspondence in ECS regarding contact from a claimant who has not received a payment. A printed record of all phone calls is bronzed into OIS.

(2) If notification of non-receipt is by telephone, the CE instructs the claimant to provide DEEOIC with a written, signed notice of the non-receipt of payment.

(3) Upon receipt of either a telephone call or letter advising of non-receipt, the CE transfers the case file to the FO.

(4) The FO notifies the NO FO, via email, of the non-receipt of funds.

(5) The NO FO initiates an inquiry in Treasury's TCIS system, determines the status of the payment, and advises the FO of one of the following:

(a) Check Outstanding (not yet negotiated).

(b) Check Cancelled (returned to Treasury).

(c) Check Reconciled in Treasury system.
(This indicates the check has been negotiated [cashed] by someone, but not necessarily the payee.)

(d) EFT transaction completed.

(e) EFT funds returned to Treasury
(Cancelled).

(6) The NO FO provides the FO with a screenshot of the Treasury payment status, via email.

(7) The FO notifies the claimant of the payment status and explains the payment cancellation process, if appropriate.

(a) EFT Status. If Treasury shows delivery of the funds to the payee's bank, the FO notifies the payee of same. If Treasury shows that the EFT payment was returned by the payee's bank, the FO advises the payee that the DEEOIC will begin the payment cancellation process and, if appropriate, process a new payment.

(b) Check Status. For checks outstanding in the Treasury payment system, upon receipt of the signed notice of non-receipt of payment from the payee (or AR), the FO initiates an email to the NO FO and requests that a "Stop Pay" order be placed on the check. The NO FO initiates a stop pay request, in TCIS, and after 24 hours, verifies that the cancellation request has been processed. Upon confirmation that a stop pay order has been placed on the check, the NO FO sends a screenshot confirmation, via email, to the FO.

15. ECS Payment Cancellation Process. Upon receipt of documentation (from the NO FO), through OIS, confirming return of a payment to Treasury, (check or EFT), or confirming a valid stop pay order on an outstanding check, the FO proceeds with an ECS Payment Cancellation request. The steps outlined below ensure that appropriate documentation exists to explain and validate the need for cancellation of a payment in ECS.

- a. The DO FO conducts inquiries with the payee and the payee's bank to determine why the payment was returned to Treasury.
- b. DO FO prepares a memorandum to the NO, with an explanation as to the reason for the returned payment and requests payment cancellation in ECS. The memorandum is imaged in OIS, and notification is sent to the NO FO. Additionally, the DO FO notifies the NO FO, and the two Policy Branch Unit Supervisors, via email, that a Payment Cancellation Request is pending in OIS.
- c. It is not necessary to transfer the ECS case record to the NO when requesting initiation of a payment cancellation by the Director. [ECS allows appropriate NO staff to initiate the cancellation action without file transfer.]
- d. Upon receipt of the DO memorandum requesting cancellation, the NO FO prepares a Payment Cancellation Memorandum and an ECS Payment Cancellation Form (Exhibit 3) for review and signature by a Policy Branch Unit Chief and the Director or Deputy Director of DEEOIC.
- e. The Director or Deputy Director completes the relevant portion of the ECS Payment Cancellation Form, and initiates cancellation of the payment in ECS. Upon completion of these actions the payment cancellation documents are returned to the NO FO for bronzing of the partially completed cancellation form into OIS.
- f. The NO FO notifies the DO FO and the DD that a partially completed ECS Payment Cancellation awaits final action by the DD, and that the relevant documents are available in OIS.
- g. The DD reviews the payment cancellation documents and completes the payment cancellation in ECS. If the payment is not being reissued, the DD checks the box labeled "Claimant Repayment Not Authorized" when completing the cancellation action. Upon completion of the ECS cancellation, the DD signs the ECS Payment

Cancellation Form and routes the completed form to the appropriate district office personnel for imaging in OIS.

16. Post Payment Cancellation Actions.

a. Reissuing Payment. If the compensation payment is to be reissued, the DD routes the case file to the CE, advises that the ECS payment cancellation process is complete, and instructs the CE to reissue the payment.

b. Voided Transactions. If the compensation payment is not being reissued, the FO confirms that the "Void Transaction" has been completed in ECS, and verifies that the "Claimant Repayment Not Authorized" option has been checked by the DD. The case is routed to the DO file room, and/or transferred to "FIL" in ECS, on the transfer screen, or, is routed to the CE for survivor development, if applicable.

17. Death During Payment Process. If the employee or survivor is alive when the Final Adjudication Branch (FAB) issues its final decision, but that individual dies before the DO processes the payment, the assigned CE, FAB CE, or Hearing Representative shall administratively close the deceased individual's claim in ECS.

In the event that payment is processed and DEEOIC receives notification that the payee died prior to receipt of payment, it is the responsibility of the DO FO, in conjunction with the assigned CE, to attempt recovery of the payment. The OWCP Regulations state that under these circumstances, the person who receives the payment shall return it to OWCP. Should the DO encounter difficulty in recovering the payment, the DO refers the case to the NO Policy Branch to initiate overpayment procedures.

In either instance, the assigned CE (DO or FAB CE2) administratively closes the deceased individual's claim and undertakes necessary development to identify any individuals potentially eligible for redistribution of the payment.

ECS PAYMENT CANCELLATION

Case I.D.: _____

PAYEE NAME: _____

Payee SSN: _____

FILE NUMBER: _____

Part B or E: _____

Payment Date: _____

Payment Amt: _____

Check, as Applicable:

If Initiated by Claimant . . .

If Initiated by Dept of Treasury . . .

Action 1:

<input type="checkbox"/>	Letter/Call Received from Claimant
<input type="checkbox"/>	Status Reviewed in PACER
<input type="checkbox"/>	Return of Payment To DEEOIC Verified

<input type="checkbox"/>	Treasury Cancellation Report Received by DEEOIC
<input type="checkbox"/>	Status Reviewed in PACER/TCIS And Return of Payment to DEEOIC Verified

Printed Name - NO Fiscal Officer _____	Signature - NO Fiscal Officer _____	Date _____
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Action 2:

Reviewed by Unit Chief, BPRP

Printed Name - Unit Chief _____	Signature - Unit Chief _____	Date _____
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Action 3:

Reviewed by Director or Deputy Director, EEOICP

Action 4:

Payment Cancellation Initiated in ECS (Director or Deputy Director)

Printed Name - Director or Deputy _____	Signature - Director or Deputy _____	Date _____
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Action 5:

Reviewed by District Director, DO

Action 6:

Repayment to this claimant authorized? YES NO

Action 7:

Payment Cancellation Authorized in ECS (District Director)

Printed Name - District Director _____	Signature - District Director _____	Date _____
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