

CHAPTER 229. COUNTY DISBURSEMENT**GENERAL PROVISIONS**

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Cross References

This chapter cited in 55 Pa. Code § 225.22 (relating to definitions); 55 Pa. Code § 225.24 (relating to procedures); and 55 Pa. Code § 227.24 (relating to procedures).

GENERAL PROVISIONS

§ 229.1. [Reserved].

COUNTY DISBURSEMENT PROVISIONS FOR AFDC/GA

§ 229.21. [Reserved].

§ 229.22. **Definitions.**

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Cancelled check—One which has been completely prepared and entered in the cash book, but never issued or cashed.

County disbursement—Payment of assistance from the emergency fund. The emergency fund is public money advanced to the “Executive Director for the furnishing of assistance and pensions respectively in emergency cases.” It will be used only where cash is necessary and disbursement by the Central Office will not meet the situation. Before the emergency fund may be used, the need for cash must be real and proven. An unsubstantiated claim that cash is needed at once will not be sufficient for county disbursement. Neither can need for cash be presumed. A county disbursement may be issued only if the conditions set forth in this chapter are met.

Voided check—One spoiled in writing before entry in the cash book.

Cross References

This section cited in 55 Pa. Code § 229.24 (relating to procedures).

§ 229.23. [Reserved].**§ 229.24. Procedures.**

(a) *Initial grants disbursed by county office.* Initial grants disbursed by the county office will be in accordance with the following:

(1) Central Office Disbursement will be the normal method of payment for initial grants. Through it the applicant will be issued a check within 10 calendar days. The amount of the first check will be dependent on when the Form PA 122 is received in the Central Disbursing Office, as set forth in § 227.24(b)(1) (relating to procedures).

(2) County disbursement will be used for initial grants only when there is a critical need for cash. A critical need for cash will be considered to exist if the last source of support of the applicant terminated 30 or more calendar days prior to application. In other instances, factual evidence of the immediate need for cash will be required.

(3) Factual evidence will consist of the following:

(i) Direct evidence such as warning or termination notices from landlords, utility companies and other vendors.

(ii) Indirect evidence such as heavy indebtedness for items essential to living or unusual expenditures from the last income that have depleted the resources of the client to the extent that his welfare may be jeopardized if he is denied immediate cash.

(b) *One-time grants disbursed by county office.* One-time grants disbursed by the county office will be processed as follows:

(1) *Replacements.* The replacement procedures in this paragraph apply to the replacement of Central Office or County Disbursement Mail Delivery checks only. For the replacement of Direct Delivery checks, § 227.24(k)(4)(vi) governs. A replacement check will not be issued if the county office has in its possession, at the time replacement is requested, the original endorsed check, containing irrefutable evidence that the client cashed the check. The evidence will be a signature and some item of identification, such as an operator's license number, found on the back of the check, which can be matched with the same item on the credentials of the client. This will only apply if the appropriate credentials are available or were not initially reported also lost or stolen. Replacement checks will not be issued by the county to replace incentive payment checks or for reinstatement of checks suspended due to noncompliance with monthly reporting requirements in accord with § 142.23(e) (relating to requirements). The only other instance in which a replacement check will not be issued is when there are repeated replacement requests as set forth in paragraph (3) and one of the following occurs:

(i) Client refuses to give a handwriting sample, as set forth in subsection (b)(4)(D).

(ii) Client did not keep appointment for claim settlement interview, as set forth in subsection (b)(4)(D).

(iii) When the client admits that he received the check unless an unendorsed check was lost or stolen.

(iv) Client does not agree to participate in direct delivery or mailing of his check to a special county or district Post Office box.

(2) *Replacement procedure.* Procedures for replacement of a check will be in accordance with following:

(i) A replacement for a check reported not received will be authorized only under § 231.24 (relating to procedures) and only after the following has been completed:

(A) The client will be informed of the consequences of providing fraudulent information with specific references to penalties in section 481 of the PW Code. A PA 207, Request for Investigation, will be signed by the recipient and CAO records will be reviewed to determine the possible cause of the alleged nonreceipt.

(B) Section 481 of the Public Welfare Code reads as follows:

(a) Any person who, either prior to, or at the time of, or subsequent to the application for assistance, by means of a willfully false statement or misrepresentation, or by impersonation or by willfully failing to disclose a material fact regarding eligibility or other fraudulent means, secures, or attempts to secure, or aids or abets or attempts to aid or abet any person in securing assistance, or Federal food stamps, commits a crime which shall be graded as provided in subsection (b).

(b) Any person violating subsection (a) commits the grade of crime determined from the following schedule:

<i>Amount of Assistance or Food Stamps</i>	<i>Degree of crime</i>
\$3,000 or more	Felony of the third degree
\$1,500 to \$2,999	Misdemeanor of the first degree
\$1,000 to \$1,499	Misdemeanor of the second degree
\$999 and under, or an attempt to commit any act prohibited in subsection (a)	Misdemeanor of the third degree

Pursuant to 42 Pa.C.S. § 1515(a)(7) (relating to jurisdiction and venue), jurisdiction over cases graded a misdemeanor of the third degree under this section shall be vested in district justices.

(c) Any person committing a crime enumerated in subsection (a) shall be ordered to pay restitution of any moneys he has received by reason of any false statement, misrepresentation, impersonation, failure to disclose required information or fraudulent means. Restitution ordered under this subsection may be paid in a lump sum, by monthly installments or according to such other schedule as is deemed just by the sentencing court. Notwithstanding the provisions of 18 Pa.C.S. § 1106(c)(2) (relating to restitution for injuries to person or property) to the contrary, the period of time during which the offender is ordered to make restitution may exceed the maximum term of imprisonment to which the offender could have been sentenced for the crime of which he was convicted, if the sentencing court determines such period to be reasonable and in the interests of justice.

(d) There shall be a four-year statute of limitations on all crimes enumerated in subsection (a).

(ii) A Form PA 207, Request for Investigation, will be signed by the client making him legally liable under penalty of fraud for any false statements as explained in section 481 of the Public Welfare Code (62 P. S. § 481) and on the Form PA 207, and CAO records will be reviewed to determine the possible cause of the alleged nonreceipt. The following actions will be taken:

(A) If the case record, card files, register, or turnaround Form PA 122 indicate an administrative error has caused nonreceipt of the payment, the error will be corrected promptly by a new Form PA 122 and a replacement issued.

(B) If there are no indications to the contrary, it will be assumed that the check was sent out on the scheduled mailing date and a replacement will not be made until three work days after the normal payment date to allow for delayed mail delivery.

(C) If the payment was for some reason delayed in central disbursement beyond the scheduled mailing date but notice has been received of a later mailing date, the check will not be replaced by county disbursement unless there is a critical need for cash as described in subsection (a) or the client is certified for Food Stamp purchases and delay would prevent a client from purchasing coupons.

(3) *Repeated replacement requests.* A recipient will be considered to have requested repeated replacements if any of the following take place:

(i) The recipient requests a replacement check, and the case file indicates that within the last 3 years recipient has received a duplicate payment based on a request for replacement check. This indication may be in the form of an investigative report from the Treasury Department, claim settlement, post office, other official agency or one of the following:

(ii) The recipient requests two replacements within a six payment period.

(iii) The recipient requests three replacements within 1 year.

(4) *Repeated replacement procedure.* If any of the conditions set forth in paragraph (3)(i), (ii) or (iii) apply, the replacement check will be issued under the following procedure:

(i) A Form PA 122 will be stapled to the Form PA 122-E and the Form PA 207 which must contain one of the following:

(A) Necessary information to remove the suspension, including the reinstatement code with effective date, which is the next regular payment date immediately following the payment day for which the current replacement is being issued, and both present and former address if a change of address is involved.

(B) A statement in the "Financial Codes" section, "No indication of suspension in County records," and the dates of the replacement checks issued during the six prior payment periods.

(ii) These documents will be batched and mailed in a separate PW 225L Envelope clearly marked "55 Pa. Code § 229.24(b)(2)." The Office of Data Processing will immediately send to the county a Form PA 122 (turnaround) confirming reinstatement or return the Form PA 122 attached to a DP 207 showing the reason for the return. This may result in suspension.

(iii) The county disbursement replacement check will be mailed certified mail-return receipt requested. This will substantiate that the client does or does not live at the address claimed.

(iv) The County Assistance Office will report the name, address, Social Security number and case number by memo to claim settlement in instances where duplication is suspected. The memo must state that the information is being submitted in accordance with 55 Pa. Code § 229.24(b)(4). CS will do the following:

(A) Maintain a record of all repetitive replacements.

(B) Secure a copy of the Form PA 207 from BDP.

(C) Give top priority to investigation of the reported nonreceipt of the check.

(D) Report the results of the investigation to the County Assistance Office and central disbursing office so that necessary action can be taken toward disposition of the pending investigation.

(v) If notified by claims settlement that the client did not report for an interview, the County Assistance Office will determine if client is house-bound. If so, claims settlement will be notified and a home interview will be held. If an interview with the client cannot be obtained or County Assistance Office is notified by claims settlement that client refuses to give a handwriting sample, no replacement checks that would be coded 115 may be issued until the client reports for interview or gives a handwriting sample. Claims settlement area office will notify the County Assistance Office when the client reports for interview and furnishes a handwriting sample. Eligibility for future replacement checks can then be determined.

(vi) In direct delivery counties if a direct delivery slot is available the client must agree to be placed on direct delivery unless the person is excluded by ordinary direct delivery procedures.

(vii) In direct delivery counties, if a direct delivery slot is not available or the person is excluded under the ordinary direct delivery procedures but is capable of going to the county office, the client must agree to have his central office check mailed to a special county or district post office box. Since these will be individual mailings, Form PA 122's will have to be processed to change the address. These checks will be picked up daily for distribution to the client at the county office. A client must sign a receipt at the time check is delivered to him in person. The client will only be issued his check at the county office until there is a substantial verified change in his living

arrangements such as a change of address, a DDS slot becomes available or the client presents proof that arrangements have been made for secure mail delivery.

(5) *Special replacement unit for certain offices.* A replacement unit will be established in all offices, county or district, where the volume of replacements is fifty or more per day. The sole function of the replacement unit staff will be to interview all recipients claiming nonreceipt of a check and to determine eligibility for a replacement. Staff for the unit will be selected on the basis of their ability to detect inconsistencies in facts, their knowledge of disbursement procedures, and the various causes of nondelivered checks. It is suggested that income maintenance workers be assigned to the unit.

(6) *Payment for special items.* Payment for special items will conform with the following:

(i) Central office disbursement will be the normal method of payment for special items specified in § 175.23 (relating to requirements). A county disbursement will only be used when there is an immediate need for these special items as specified in § 229.22 (relating to definitions). When these needs are nonrecurring as provided in § 175.23, a one-time grant will be authorized.

(ii) A one-time grant for transportation to obtain prescription drugs may be authorized as provided in § 175.23. SSI and categorically needy (NMP) persons will receive the grant from county disbursement as an “H” grant, Financial Codes 113 and 100. Authorizations for cash grant recipients must be made by a “G” grant county disbursement, Financial Code 112. The check will be written for actual transportation costs regardless of the amount. The \$1.00 check limitation will be waived only for these authorizations. In those family situations where there is an NMP case and a regular cash assistance case under the same case number, the CAO must assign a separate record number to the “P” case.

(iii) The special item or need must be identified or explained briefly in the Financial Code section of the Form PA 122-E, as specified in § 227.24.

(7) *Reinstatement of terminated monthly reporting cases.* A one-time grant may be authorized when a case, which was terminated for failure to comply with monthly reporting requirements, is eligible for reinstatement in the payment month based on good cause in accordance with § 142.23(e)(2)(ii)(B).

(c) *Disbursement controls.* Disbursement controls will be in accordance with the following:

(1) *Control of payments.* Regular disbursements will be audited and approved before payment by the disbursing office, the DHS Comptroller, and the State Treasurer. Responsibility for these disbursements will be, to some extent, shared by these three and the County Assistance Office that authorized the payments. County disbursements, however, will be audited and approved before payment only by the person who signs the check. Under no circum-

stances may county disbursements exceed total advances received. Accordingly, no county disbursement checks may be written when the county's Emergency Fund is reduced to \$0.00 balance. Overdrafts will not only be prohibited; they are illegal.

(2) *Authorization to sign checks.* Requirements for check signing authorization are as follows:

(i) In order that payments may be made at any time, each Executive Director will request from the Chief, Division of Management Consulting Services, authorization for two members of the county/district staff to present to the bank an authority to sign checks on the emergency fund. The request will be made by submitting the original and four copies of the completed signature card, OA Form 275, to the Division of Management Consulting Services Post Office Box 2675, Harrisburg, Pennsylvania 17120. Reference should be made to DHS 6190.

(ii) The level of staff members who may be authorized for this purpose will be restricted to the second level supervisor or above and should not be the same person who authorizes the grant or certifies the Form PA 122-E. If this criteria cannot be applied in the smaller counties because no one on the staff, except the Executive Director, is above the level of first line supervisor, the Executive Director, after consulting with the Regional Office, will authorize an appropriate member of the staff to sign checks. The person selected should be in a position to fulfill the intent of the regulation and should not be the same person who authorizes the grant or certifies the Form PA 122-E.

(iii) If circumstances in a county/district office warrant the need for additional staff members to sign checks on the emergency fund, the Executive Director may request authorization by memorandum justifying the need and sent with the required signature cards to the Chief, Management Consulting Services Division. Under no conditions may more than four persons in a county/district office be authorized to sign checks.

(iv) As soon as the employees have their authorizations to sign checks, they will present the authorizations to the bank and sign the signature cards of the bank.

(3) *Use of Form PA 740, Form PA 21-P, Form PA 21-B, and Form PA 21-N.* Form PA 740 and Form PA 21-P, Form PA 21-B or Form PA 21-N will be used for authorizing county disbursement.

(d) *Form PA 122-E (CBA disbursement authorization).* The procedure for the use of Form PA 122-E, CBA Disbursement Authorization, will be in accordance with the following:

(1) *Distribution of Form PA 122-E.* Distribution of Form PA 122-E will be as follows:

(i) The Form PA 122-E will be used when making a county disbursement. A separate Form PA 122-E will be prepared for each check when the

total amount authorized exceeds the stipulated limit printed on the check. Each separate Form PA 122-E must contain complete information regarding the amount for the corresponding check, the full amount authorized, and all check numbers and amounts.

(ii) The Form PA 122-E will be typed in triplicate from the information on Form PA 740, Form 21, Form 21-P, or Form 21-B. The original will be held in the county office until the Form OA 132 and Form PA 214 are prepared as set forth in subsection (e)(5). The duplicate only will be sent to the central disbursing office once a day without transmittal in a special assistance disbursement envelope.

(iii) For initial grants the Form PA 122-E must be stapled to the Form PA 122, batched, and sent in a special assistance disbursement envelope.

(iv) The original Form PA 122-E will be forwarded to the Bureau of Finance with the Form OA 132.

(2) *Preparation of Form PA 122-E.* Use of the Form PA 122-E will be in accordance with the following instructions:

(i) *Case number.* The number of the authorizing county will be entered. On intercounty transfers, the receiving county must assign a case number before a county disbursement may be authorized.

(ii) *Control digit.* The control digit, if applicable, will be entered to the right of the case number, as set forth in § 227.24.

(iii) *Payment name and address.* The payment name must be the same as appears on the county disbursement check and on Form OA 132, as set forth in § 227.24. The address must include the correct zip code.

(iv) *Social Security number.* The Social Security number for the payment name on the county disbursement check must be entered in the financial codes and explanation section. If none is available at the time of the county disbursement SS# 000-00-0000 must be entered.

(v) *Unadjusted grant.* If the payment is prorated grant, unadjusted grant will be entered in this space, otherwise left blank.

(vi) *Period covered.* The first and last dates of the period covered by the grant will be entered.

(vii) *Action code.* The appropriate code, G or H, will be entered.

(viii) *Authorized by.* The name or initials of the staff member who authorized the grant will be typed here. For county use only.

(ix) *Certified by and date.* The person authorized to sign Form PA 122-E as specified in § 227.24 (j)(5) must sign the Authorization in this space exactly as the signature appears on the signature card. In addition, the date the Form PA 122-E is certified will be entered. Copies must be certified. This should be done by signing before the carbon paper is removed. Sufficient pressure must be used so that the carbon signature on the duplicate copy is legible. Name must be signed in ink.

- (x) *Financial codes.* Appropriate Financial Codes will be entered in the exact format, except for one-time grants, when only one 110-series financial code will be used. If the one-time grant is being issued for more than one reason, the code that is most appropriate to the reason for the action will be used. When opening a case by county disbursement, Financial Code 109 will always be used.
- (xi) *Bureau of Finance.* Leave blank.
- (3) *Correction of Form PA 122-E.* The Form PA 122-E will be corrected as follows:
 - (i) If the county office discovers a Form PA 122-E to be in error after it has been submitted to central office, a Form PA 123-E will always be required to correct the error. A Form PA 123-E will not be submitted to correct an error that was discovered by central office. The procedure for submitting this form to central office will be determined by the type of error specified as follows:
 - (A) A Form PA 123-E will be submitted with a corrected Form PA 122-E to correct an error in the following:
 - (I) Date.
 - (II) Check number. The “check cancelled” block on the Form PA 123-E will be checked.
 - (III) Name on an “H” grant.
 - (IV) Social Security number.
 - (B) A Form PA 123-E only will be submitted to correct an error in the following:
 - (I) Check amount. It will be explained that adjustment of check amount will be required.
 - (II) Other items not specified in this paragraph. It will be explained that correction will be required.
 - (ii) If a Form PA 122-E has been processed with a Form PA 123-E “stop payment received” transaction and the Division of Finance determines that revalidation of the County Disbursement check is appropriate, a new Form PA 122-E must be submitted.
- (e) *Accounting for the emergency fund.* Accounting for the emergency fund will conform with the following:
 - (1) *Advancements of funds to the county.* Advancements of funds to the county will conform with the following:
 - (i) Advancements will be made on the basis of an Advancement Transmittal to be Accounted for Later, Form OA-130. Because the approved maximum amount must never be exceeded, it will be extremely important in preparing the Form OA 130 to consider the following factors:
 - (A) Cash book balance.
 - (B) Outstanding checks, being those checks written which have not yet been reported on Form OA 132.

- (C) Amount being requested.
- (D) Vouchers in process in Harrisburg.

(ii) The total of these four amounts cannot exceed the approved emergency fund maximum.

(iii) If at the time this form is prepared a temporary advancement has been received but not repaid, the receipt of the advancement will be included in line "Total of Advancement Account."

(iv) The Form OA 130 will be submitted as frequently as necessary to maintain sufficient operating funds in the emergency account. This should include an extra margin in the event of an unexpected drain on the fund.

(v) The frequency of submittal will vary by county from once every other month to many times in 1 month. The Form OA 130 will be prepared. The original and two copies must be submitted to the Division of Finance at least 10 work days in advance of actual need.

(vi) All advancements will be deposited immediately upon receipt in the approved bank in the name of Commonwealth of Pennsylvania, Department of Human Services.

(2) *Temporary advancements of funds to the county.* To assure that county emergency accounts will never be completely exhausted by an unexpected emergency before funds can be replenished through the Form OA-130 procedure, the county office may obtain a temporary advancement or loan from the State Office Advancement Fund Account as follows:

(i) When depletion of the emergency account is imminent, that is, within four or five days, the county phones the division of finance who will determine the amount of the loan based on the status of the county's emergency account, that is, from information reported via the Form OA-130, Form OA-132, and Form PA 214 in accordance with subsection (e)(1) and (6) and the payment date of the next regular replenishment check. A check for the temporary advancement will be prepared and mailed out the same day. As 2 days should be allowed for delivery, the county should make the requests no later than 4 days before the anticipated depletion of their account.

(ii) The county will be expected to repay the full amount of the loan out of their next regular replenishment check, that is, advancement requested via the Form OA-130. This will be essential as the County's Emergency Fund Advancement Account may not exceed the amounts authorized by special instructions from the Deputy Secretary for Family Assistance. When the fund balance is not adequate for full repayment by one check, repayment may be made on the installment basis. However, loans for the most part will be in amounts that permit repayment by one check. Arbitrary installment payment for other reasons will not be permitted. To avoid fiscal difficulties and adjustment at the fiscal year closing of the account, every effort should be made for the repayment of loans prior to the deadline of June 30.

(iii) Checks for repayment of loans will be written on regular emergency fund checks and made payable to “Commonwealth of Pennsylvania, Department of Human Services,” and mailed to the Director of Finance, Post Office Box 2675, Harrisburg, who will validate the \$250 limitation on the check.

(3) *Emergency fund evaluation.* The regional office will evaluate the Emergency account annually or as frequently as region or the county office considers appropriate. If an adjustment is required in the approved maximum amount, region will submit a written request, with accurate and detailed justification, to the Director, Bureau of Fiscal Management.

(i) The needs of the emergency fund in a county will be evaluated on the basis of the following:

(A) The compliance of the county with regulations governing usage of the emergency fund.

(B) The internal procedures of the county for maintaining proper control and disbursement of funds.

(C) The frequency with which the county requests replenishment of their fund.

(4) *Emergency fund checks.* Emergency fund checks will be processed as follows:

(i) *Generally.* Emergency fund checks in general will be as follows:

(A) Emergency fund checks will be printed for each county. The name of the county board of assistance will appear on the checks which are numbered in sequence. Checks must be issued in numerical sequence, should preferably be typewritten or written in ink, and under no circumstances should erasures be made.

(B) The amount of the check will be the amount shown on Form PA 122-E. The written amount of the check should begin at the extreme left of the space provided, and should be written as “Ten and 50/100 dollars,” and the unused space should be filled in by dashes to prevent raising of the amount. The date of the check must not be prior to the date of the Form PA 122-E from which it will be written. Every check used must be entered in the cash book to account for the sequence of check numbers.

(C) Before signing a check, the Executive Director or other person authorized to sign must compare the check with the attached Form PA 122-E to see that the date, name, Social Security number and authorized amount are correctly shown on the check.

(D) As soon as a check is signed, the signer must enter the number and date of the check on all copies of Form PA 122-E. The check should then be entered in the cash book and the copies of Form PA 122-E should be distributed as described in subsection (d)(1).

(ii) *Voided and cancelled checks.* Requirements for voided and cancelled checks are as follows:

(A) The words voided or cancelled will be plainly marked across the face of the check, and the greater part of the signature space cut out. The appropriate entry will be made on Form PA 21-P or Form PA 21-B.

(B) If a check previously reported to the central disbursing office on Form PA 122-E has been cancelled, Emergency Fund Notice of Credit, Form PA 123-E will be prepared in a single copy and signed by a person authorized to sign emergency checks. The original Form PA 123-E and a corrected Form PA 122-E will be sent to the central disbursing office immediately.

(C) If the county office discovers a Form PA 122-E to be in error after it has been submitted to central office, a Form PA 123-E will always be required to correct the error. A Form PA 123-E will not be submitted to correct an error that was discovered by central office. The procedure for submitting this form to central office will be determined by the type of error specified as follows:

(I) A Form PA 123-E will be submitted with a corrected Form PA 122-E to correct an error in the following:

(-a-) Date.

(-b-) Check number. The “check cancelled” block on the Form PA 123-E will be checked.

(-c-) Name on an “H” grant.

(-d-) Social Security number.

(II) Only a Form PA 123-E will be submitted to correct an error in the following:

(-a-) Check amount. It will be explained that adjustment of check amount will be required.

(-b-) Other items not specified in this paragraph. It will be explained that correction will be required.

(iii) *Process procedure.* Process procedure will be in accordance with the following:

(A) If a Form PA 122-E has been processed with a Form PA 123-E “stop payment received” transaction and the Division of Finance determines that revalidation of the county disbursement check is appropriate, a new Form PA 122-E must be submitted.

(B) Counties will also be reminded that county disbursement checks will not be written in excess of the \$250 limit. If the checks are issued in excess of that amount, they cannot be processed. The counties may not use their own discretion regarding this restriction but will be required to comply with the regulation without exception.

(C) Form PA 123-E will not be prepared for voided checks or checks cancelled before Form PA 122-E has been forwarded to the central disbursing office. If Form PA 122-E has been prepared but not forwarded, the copies ordinarily sent to the central disbursing office will be destroyed.

(iv) *Stop payment.* The bank will be requested to stop payment on a check which is issued in error, reported lost or stolen, destroyed or which for other reasons should not be paid. Also upon receipt of a bank statement as of the close of the month, stop payment will be requested on any unpaid checks dated prior to the first of the month for which the statement is obtained.

(A) *Where the check has not been paid.* The written acknowledgement of the bank of the stop payment request will be obtained. Thereupon, a credit entry will be made in the cash book in accordance with subsection (e)(5) and a Form PA 123-E prepared in accordance with subsection (e)(4)(i). When the county office recovers such a check or replacement is requested by a holder for value, the check will be sent at once to the Director, Division of Finance, with a memorandum giving a full explanation and requesting instructions.

(B) *Where the check has already been paid.* If the check for which stop payment is requested has already been paid, the county office will investigate the endorsement. If the payee disclaims the endorsement, the Executive Director will forward the check, with a detailed memorandum, to the Director of Finance. The office of the Director will issue the necessary instructions based on the information submitted. When credit is received from the bank, a credit entry will be made in the Cash Book and Form PA 123-E will be prepared.

(v) *Stale date checks.* When a check is not presented for payment at the bank within 30 days of the date it was issued, the bank will be requested to refuse payment. If the second endorser who holds such a check requests payment, the stale date check will be sent to the Director, Division of Finance, with a memorandum giving a full explanation. The Director, Division of Finance, will issue necessary instructions. In the event a client has retained the check beyond the 30-day validity period, eligibility must be redetermined.

(vi) *Uncashed emergency fund checks returned by the client.* Uncashed emergency fund checks will be processed as a “cancelled” item as set forth in subparagraph (ii)(A) and (B), checks will be listed in red in the cash book and amount entered in red in the disbursement column.

(5) *Cash book.* Maintenance of the cash book will conform with the following:

(i) A bound ledger will be furnished each county office for use as a cash book in which each advancement received and each check issued will be entered. The cash book will consist of two columns marked advancements received and disbursements. The pages of the ledger will be numbered in sequence and will be used in that order. At no time should any page be removed or destroyed. The column headings should be in accordance with the sample form attached.

(ii) In the column headed "Advancements Received" only the temporary and regular advancements received by check from the State Treasurer and refunds of county disbursements as set forth in subparagraph (v) will be entered, or the balance brought forward at the beginning of a calendar month. Repayment of temporary advancements will be entered in red in this column. Checks must be entered as soon as written. The entry will be posted from the check. The new balance will be shown after each day or page. The warrant number shown on the advancement check will be entered in the case number column.

(iii) The number of a voided check will be entered, and "Voided" written in the explanation column. No amount will be entered.

(iv) Checks cancelled after entry will be listed again in red, with a notation "Cancelled," and the amount entered in red in the disbursement column.

(v) A refund check for deposit to the county emergency fund will be entered as an advancement. Upon receipt, all refund checks will be stamped on the reverse side for deposit only to and the name of the county board of assistance to secure check for deposit in the proper account. A check refunded may be in cash, check or money order and will be limited to repayment of an emergency fund check. The refunds must be in the exact amount of the original emergency check issued and paid and made within 90 days from the date of the original emergency check. Repayment of any other claim or for any amount other than the amount of the original emergency check will be transmitted to Bureau of Claim Settlement.

(vi) Checks for which an acknowledgement of stop payment has been obtained from the bank during the month will be listed in red, with a notation "Payment Stopped," and the amount entered in red in the disbursement column. Entry will be made from the acknowledgement of stop payment.

(vii) After entries for the last day of a month are recorded, the cash book will be ruled and the advancement and disbursement columns totaled, by adding black figures and subtracting red, and the balance entered. A bank statement must be obtained as of the close of business the last day of a month. The checks paid by the bank will be checked against the cash book entries. A reconciliation of the bank statement listing the outstanding checks will be made on Form PA 214 in accordance with subsection (e)(6)(ii).

(viii) Paid checks received from the bank must be examined to see that they are properly endorsed. Checks not properly endorsed must be returned to the bank and included among outstanding checks.

(6) *Reports.* Reports will conform with the following:

(i) *Accounting for Appropriation Advancement Voucher Transmittal.* The Accounting for Appropriation Advancement Voucher Transmittal, Form OA-132, will be prepared at the end of a month, or more frequently if necessary, in accordance with the sample form attached. When a Form OA-132 is submitted more often than once a month, an accounting must nevertheless

be submitted at the end of each month. The Executive Director or a member of his staff authorized to make disbursements from the emergency fund must sign Form OA-132 as indicated on the sample form. The original and first two copies of Form OA-132 with all supporting data will be sent to the Division of Finance. The report covering transactions to the end of the month must be submitted for receipt not later than the eighth of the month following that for which the report is prepared. The Executive Director will retain the last copy for his file. An emergency fund check in excess of the amount authorized cannot be accounted for until adjustment has been made as described in subsection (e)(7). In preparing Form OA-132, the following items will be listed and attached as supporting data:

(A) Paid check with the original Form PA 122-E. Special approvals called for by procedure will be attached. This includes repayment of temporary advancements which are listed with check number, payee, and the like, on one line in the proper columns. The notation "Repayment of Transfer" will be shown on the next line and the amount will be entered in the "Detail" column. The amount will not be entered in the "Total" column and it will not be included in the total of the accounting. The paid check will be included in the group of cancelled checks in the order it appears on the form.

(B) Cancelled check with the original Form PA 122-E. Check number with word "cancelled" will be listed in the column headed "Name of Payee." No amount will be entered.

(C) The check number with the notation "Payment Stopped" will be listed in the column headed "Name of Payee." No amount will be entered.

(D) Voided check. The check number with "Void" will be listed typed in the column headed "Name of Payee." No amount will be entered.

(E) Refunds. The amount of the refund will be listed. The number and payee of the check for which the refund was made and the notation "Refund" will also be shown. A copy of the receipted deposit slip for every refund must be included.

(ii) *Form PA 214 (monthly report of advancements, expenditures, and balances emergency fund)*. The monthly report of advancements, expenditures, and balances emergency fund will be prepared in triplicate at the end of a month. This form must be prepared and submitted even though no advancements have been received nor payments made during the month.

(A) If a temporary advancement is not repaid in the current month, the receipt of transfer will be included in Item 2 with the notation "Includes transfer of \$ _____."

(B) If the transfer is repaid in a later month, the repayment will be included as a reduction of Item 2 for said month with the notation "Includes repayment of transfer of \$ _____."

(C) If the check for the repayment of the transfer is outstanding at the close of the month in which issued, it will be included in Item 7.

(D) In the event that this form covers a period less than a full month, the instructions in clauses (A)—(C) apply to the period.

(E) The form will be signed by the Executive Director or a member of his staff authorized to make disbursements from the emergency fund. Two copies will be sent to the Division of Finance in time to be received by the eighth of the following month. The Form PA 214 will be attached to the Form OA-132. The Executive Director will retain the third copy.

(iii) *Submission to Division of Finance.* The material for submission to the Division of Finance will be assembled in the following way:

(A) Material will not be stapled to the Form PA 122-E's.

(B) Material will be arranged face up from bottom to top as follows: Form OA-132, Form PA 122-E's checks, refund slips and the like, and on top the Form PA 214.

(C) Material will be stapled together at upper left corner, or, if too bulky, bundled and tied with string or rubber bands.

(D) It will be addressed to Division of Finance, Post Office Box 2675, Harrisburg, Pennsylvania 17120.

(iv) *Monthly report of checks written and voided.* In order that the central disbursing office may insure it has processed all checks issued and thereby make proper allocation of Federal and State funds, a county office must send a memorandum report to the central disbursing office on the last work day of a month listing the following:

(A) Number of the first check dated within the month.

(B) Number of the last check dated within the month.

(C) Number of each check voided during the month.

(D) Number of each check cancelled during the month for which no Form PA 123-E has been prepared as provided in subsection (e)(4)(i). Checks must be accounted for including State reimbursements.

(7) *Refunds for deposit.* County disbursement refunds will be processed as follows:

(i) Refunds of county disbursements will be deposited in the emergency fund account and recorded in the cash book as provided under subsection (e)(5). A receipted deposit slip will be secured from the bank and attached to the Form OA-132 on which the refund is reported. The payee will be given a receipt for the amount refunded. The duplicate copy of the form will be retained.

(ii) A Form PA 123-E will be prepared in a single copy for each refund received. An "X" will be placed in the appropriate block and a brief explanation entered in the comments section. The amount of the refund will be shown in the space "Cash Refund". The Form PA 123-E will be sent to the central disbursing office at once.

(iii) When an emergency fund check is disapproved by the Division of Finance because the expenditure has been made in violation of regulations, it will be deleted from Form OA-132, and returned to the county office with instructions for resubmittal.

(8) *Closing accounts for the fiscal year.* Closing accounts for the fiscal year will be in accordance with the following:

(i) *Cash book (previous fiscal year).* On July 1 of each year, the unexpended balance in the cash book for the previous fiscal year will be transferred to the cash book for the current fiscal year. The entry in the cash book for the previous fiscal year for the transfer of funds will be "Transferred to (fiscal date) funds." The amount will be entered in red in the "Advancements Received" column.

(ii) *Cash book (current fiscal year).* The unexpended balance remaining in the cash book for the previous fiscal year will be used to start the cash book record for the current fiscal year. A new page will be used and the first entry will be "Transferred from (fiscal date) funds." The amount will be entered in black in the "Advancements Received" column. No county disbursement may be made on or after July 1 until notice is received from the State office that an appropriation has been made to the Department for the fiscal year. The notice will be sent as soon as the appropriation act is signed by the Governor.

(iii) *Closing account (previous fiscal year).* Closing the account from the previous fiscal year will be as follows:

(A) A statement will be obtained from the bank as of June 30. This statement must be obtained even though there have been no transactions since the previous statement was received.

(B) If checks dated prior to July 1 have cleared the bank and there are no paid checks held for collection of overpayments or refunds pending, the final Form OA-132 will be prepared in accordance with subsection (e)(6)(i). The transfer of funds will be accounted for on OA-132 as follows: In the column "To Whom Payable," "Transferred to (fiscal year) funds" will be entered and the amount will be entered in the "Detail" column only.

(C) The cash book for the previous fiscal year will be ruled. The totals of the advancement received and disbursements must be equal, and the balance will be zero. The unexpended balance will have been transferred to the current fiscal year fund as set forth in this paragraph. The cash book should not be ruled before all transactions for the previous fiscal year have been completed.

(D) If the checks dated prior to July 1 have not cleared the bank by June 30, or if there are paid checks held for collection of overpayments or refunds, the final Form OA-132 for the previous fiscal year will be submitted as soon as possible, but no later than August 31. An unexpected

balance occurring as the result of stop payments, collections or refunds will be transferred to the current fiscal year funds. This paragraph should be referred to for details regarding the entries in the cash book, and for the entry on Form OA-132.

(iv) *Refunds received after final accounting, Form OA-132, has been submitted.* Refunds received after the final Form OA-132 for the previous fiscal year has been submitted will be credited to the current fiscal year funds and will be entered in the "advancement" column in the cash book. The refund will be entered on Form OA-132 in the usual manner as set forth in paragraph (6)(i)(E). However, it will be a credit to the current fiscal year funds.

(v) *Overpayments (previous fiscal year).* Overpayments as defined in subsection (e)(7) made in the funds for the previous fiscal year must be cleared by August 31 in order that they can be included in the final Form OA-132 submitted for the previous fiscal year.

(vi) *Form PA 214 (Monthly report of advancements, expenditures and balances emergency fund).* The report will be a combined report until the final Form OA-132 has been submitted for the previous fiscal year.

(9) *Bank service charges.* The payment of bank service charges on the emergency fund should be avoided, if possible, by maintaining an adequate balance in the account or by having the bank consider the total of State funds on deposit when calculating service charges. However, if it is necessary to pay service charges the following instructions will apply:

(i) *Cash book and check book.* Upon receipt of a notice of service charge, the amount should be entered as a disbursement in the cash book and should be deducted from the balance in the check book. Since it will be impossible to honor service charges for a fiscal period, after the end of the fiscal year, it will be necessary that the charges be entered as of a date not later than June 30, the end of each fiscal year.

(ii) *Form OA-130 (Advancement transmittal to be accounted for later).* In statement "B," the amount of bank service charges will be included in the amount of vouchers filed herewith.

(iii) *Form OA-132 (Accounting for Appropriation Advancement Voucher Transmittal).* The service charge will be entered on the Form OA-132 for the current month in the "total" column so that it will be included in the total of the accounting. The service charge notice will be forwarded to the Division of Finance with Form OA-132.

(10) *Petty cash fund.* The petty cash fund will be as follows:

(i) *Generally.* The petty cash fund provides payment in cash or transportation tokens to AFDC or GA assistance recipients for the special transportation needs listed as follows if the recipient has no other means of transportation or if the expense for the transportation cannot be met from other resources available to the recipient. Payments from the petty cash fund may

not exceed \$2.00 per trip, per assistance recipient, except the actual minimum cost of transportation will be provided for WIN registration of AFDC applicants, and the actual minimum cost of expenses for attending Citizen's Advisory Committee meetings. Payments from the petty cash fund will be limited to the following items:

(A) To explore job referrals at the request of the county office, including mandatory WIN registration of AFDC applicants.

(B) To obtain a required medical examination at the request of the county office.

(C) To report for an office interview at the request of the county office.

(D) To report for an office interview at the request of the domestic relations office under the child support program.

(E) To enable the client to attend a citizen's advisory committee meeting, CBA or State, as provided in § 175.23(b)(3)(vii).

(ii) *Establishing a petty cash fund.* To establish a petty cash fund, the county submits a request, which includes justification to the regional office who forwards, if approved, with a cover memorandum so stating to the Deputy Secretary for Family Assistance.

(iii) *Obtaining initial funds.* In order to start the fund initially, the Executive Director will draw a check, payable to himself, on the emergency fund account. The expenditure for the initial check will be charged to general assistance and will be listed as such a charge in the cash book and on the Accounting For Appropriation Advancement Voucher Transmittal, Form OA-132. The cancelled check with a Form PA 122-E prepared in accordance with the instructions in paragraph (10)(viii) will be attached to the Form OA-132 as the supporting document for the expenditure.

(iv) *Custody of the fund.* The Executive Director will be responsible for custody of the fund. If desired, the Executive Director may delegate this responsibility to a staff member. In counties having district offices, the fund may be distributed to the district offices with responsibility delegated to not more than two staff members in each district office. Funds on hand in a county office or district office must be kept in a safe place, preferably a safe, if available, or a locked file.

(v) *Disbursements.* Payments from the fund will be made by the Executive Director or the person or persons delegated by the Executive Director upon receipt of an authorization as provided in subparagraph (viii).

(vi) *Form PA 122-PC (Petty Cash Voucher).* The Petty Cash Voucher, Form PA 122-PC, will be used to authorize payments from the Fund. The Form PA 122-PC will be prepared in an original only. The Form PA 122-PC will be retained and used for the accounting necessary to replenish the fund. A consecutive numbering sequence beginning with "1" will be used for numbering Form PA 122-PC's. The number will be entered in the space, or Voucher No., provided on the form. If desirable, counties with district offices

may assign to each district office a predesignated block of numbers or may assign a prefix to the district office and start the numbering system with "1."

(vii) *Replenishing funds.* Replenishing funds will be accomplished as follows:

(A) In order to obtain funds to replenish those expended, the following steps will be followed:

(I) The Form PA 122-PC's will be separated by category.

(II) A check payable to the Executive Director will be drawn on the Emergency Fund account for the total amount expended.

(III) A Form PA 122-E will be prepared in accordance with the instructions in Item F.

(B) The cancelled check, the Form PA 122-E and Form PA 122-PC's will be attached to the regular Accounting For Appropriation Advancement Voucher Transmittal, Form OA-132. The amount in the Fund may at no time exceed the maximum amount, that is, cash on hand plus amount on Form PA 122-PC's not accounted for will equal the maximum amount.

(viii) *Preparation of Form PA 122-E.* The PA 122-E will be distributed in the regular manner. The Form PA 122-E covering payment for the Petty Cash Fund will be prepared as follows:

(A) *Initial payment.* The following instructions will apply to an initial payment:

(I) *Case No.* General Assistance will be entered.

(II) *County-District.* County name will be entered.

(III) *Payment name and address.* The name of the director and address of County Board of Assistance will be entered.

(IV) *Check amount.* Amount will be entered.

(V) *Statistical code.* No. 99 will be entered.

(VI) *Check date.* Date of check will be entered.

(VII) *Check number.* Number of check will be entered.

(VIII) *Certified by and date.* The person authorized to sign Form PA 122-E's will enter his name and date.

(IX) *Financial codes and explanation.* "Petty Cash Fund" will be entered.

(X) No entries will be needed for the items not listed.

(B) *Additional payments.* The entries will be the same as for the initial payment except as follows:

(I) *Case No.* "See Below" will be entered.

(II) *Financial codes and explanation.* "Petty Cash Fund" will be entered. In addition the amount expended for each category will be listed.

(ix) *Petty cash fund evaluation.* The regional office evaluates the petty cash fund annually or as frequently as region or the county office considers appropriate. If an adjustment is required in the approved maximum amount,

region will submit a written request, which includes justification to the Deputy Secretary for Family Assistance. A county's petty cash fund needs will be evaluated on the basis of:

- (A) The compliance of the county with regulations governing usage of the petty cash fund.
- (B) The internal procedures of the county for maintaining proper control and disbursement of funds.
- (C) The frequency with which the county requests replenishment of the fund.

Authority

The provisions of this § 229.24 issued under sections 201(2) and 403(b) of the Public Welfare Code (62 P. S. §§ 201(2) and 403(b)).

Source

The provisions of this § 229.24 amended through April 8, 1983, effective April 9, 1983, 13 Pa.B. 1259. Immediately preceding text appears at serial pages (71796) to (71809), (57952) to (57957), (71811), (71812) and (79109).

Notes of Decisions

If regulations in effect at the time do not distinguish between mail delivery and direct delivery, the DPW can not refuse to replace a check on the grounds that the regulations which prohibit replacement only if the CAO has the original endorsed cancelled check in its possession do not apply to direct delivery checks, even if regulations pertaining specifically to direct delivery checks have been proposed. *Simmons v. Department of Public Welfare*, 413 A.2d 48 (Pa. Cmwlth. 1980).

Lack of identification of the party cashing check together with marginal evidence of genuineness of the signature is insufficient to meet the 55 Pa. Code § 229.24(b)(1) requirements of irrefutable evidence that claimant cashed the check. *Hill v. Department of Public Welfare*, 455 A. 2d 1291 (Pa. Cmwlth. 1983).

The regulation found at 55 Pa. Code § 229.24 (e)(4)(iv)(B) (relating to procedure where the check has already been paid) is inapplicable where a replacement check was not issued. *Hill v. Department of Public Welfare*, 455 A.2d 1291 (Pa. Cmwlth. 1983).

Cross References

This section cited in 55 Pa. Code § 167.44 (relating to procedures); 55 Pa. Code § 175.23 (relating to requirements); 55 Pa. Code § 227.24 (relating to procedures); 55 Pa. Code § 231.24 (relating to procedures); and 55 Pa. Code § 275.4 (relating to procedures).

APPENDIX A
[Reserved]

Source

The provisions of this Appendix A reserved July 11, 1986, effective July 12, 1986, 16 Pa.B. 2524. Immediately preceding text appears at serial pages (65000) to (65001) and (60720).

APPENDIX B
[Reserved]

Source

The provisions of this Appendix B reserved July 11, 1986, effective July 12, 1986, 16 Pa.B. 2524. Immediately preceding text appears at serial page (60721).

[Next page is 231-1.]

229-22