Overpayments and Returned Checks - Tuition

<u>Content Revisions</u>

In This Document

This Document contains the following topics:

- <u>Requesting a Return of Funds</u>
- <u>Check Handling</u>
- <u>Updating Account Records</u>
- <u>Processing the Adjustment</u>
- <u>Tracking the Adjustment</u>

Description

This procedure breaks down the various parts of an overpayment resolution. First we discuss identifying the overpayment, requesting the return of the monetary amount and finally, how to resolve the returned funds.

Note: The last portion of this document covers what EFS Oracle refers to as the **Returned Check Procedure.**

Requesting a Return of Funds

An overpayment can result from various factors as described in Understand the Returned Funds section. The first step to the case is requested and recovering the overpaid funds.

Various situations can result in the need for a participant to return all or a portion of a Tuition Refund amount. Some of the most prominent reasons for returning tuition funds:

- Consumer was overpaid on a Tuition Refund request and is returning ineligible value.
- Consumer failed to meet the grade minimum and thus is not eligible for the Tuition Reimbursement.
- Consumer does not meet other eligibility requirements for the plan, such as early termination from the client or withdrawal from the class.
- Prepaid tuition consumers withdrew or failed to complete course requirements. *Example*: This occurs predominantly with Lockheed Martin.

The overpayment is identified via the Consumer or by a Tuition Application Processor. Follow these steps to request a return of funds.

1	A **Case** is created in Seibel defining the Overpayment and the details of the issue. Use the reason code of "Overpayment."
2	A **PSS,** or Problem Status Sheet, is also created with the Call Type "EFS Incorrectly Processed Application."

3	After review of the account by the Smith Company Resolution Team, a Prepaid Lockout is placed on the Participant's Tuition Account. This will prevent any further reimbursement from the account until the fund issue has been rectified. This is performed by placing a "Y" in the **Prepayment Lockout** field on the consumer's account.

EFS System – Employee Maintenance Screen GENERAL ELECTRIC COMPANY
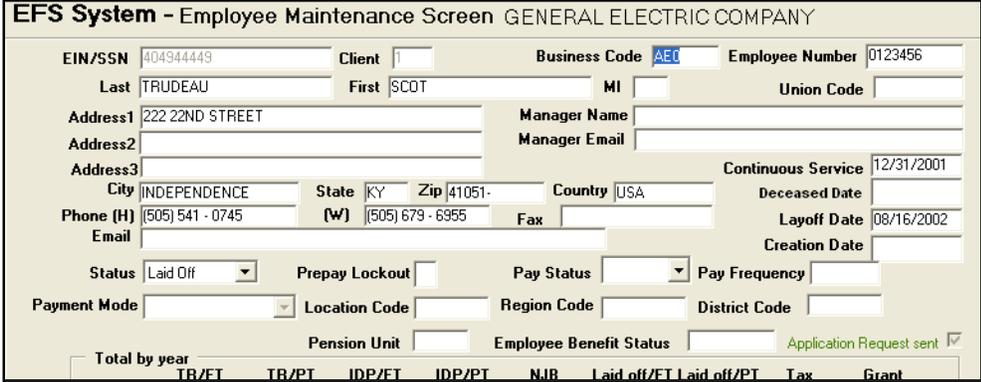
4	A Funds Recovery Letter will be generated and mailed to the participant.
5	When the funds are received, see Returned Check Maintenance.doc further action.

Top

Check Handling

Returned funds are sent to us two different ways depending on their disbursement method:

- Consumers from a File Client should send a personal check to **Smith Company** that is made payable to the client.
- Consumers from a Check Client should send a personal check to Smith Company Corporation that is made payable to the **Smith Company**.

Note: **Comerica Incorporated** is an exception to the rule. Checks should be made payable to **Comerica Incorporated**.

The Consumer mails the check to **Smith Company Tuition Reimbursement Service Center** along with a **Funds Recovery Letter**. Upon receipt, checks are forwarded to RBA Administration and attached to the Returned Check Routing Sheet.

Review the consumer to determine the client's payroll type.

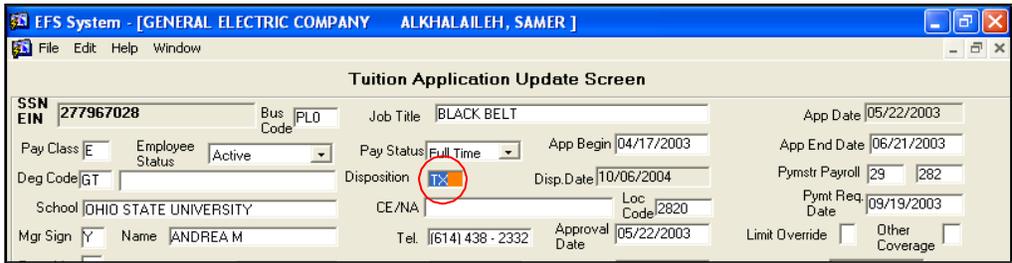| If	Then
The Consumer works for a Client that uses the **File** method of Tuition Disbursement.	Mail the check to the client's Payroll Department.
The Consumer works for a Client that uses the **Check** method of Tuition Disbursement.	The Benefits Administrator will create a BAMS case which will be routed within 24 business hours to a Tuition Benefits Specialist for handling.

Top

| | Updating Account Records | As the check moves through this procedure, it is hand-delivered and signed for on the Returned Check Routing Sheet to confirm receipt and processing. This will insure that the live check is handled securely. Once completed, the Routing Sheet is stored for easy review by the RBA Manager. |

Updating Account Records

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Important: Due to the nature of handling live checks, these checks are to be securely stored within the RBA business unit and are not turned over to CBS Administration.

One case can be created for each log sheet but multiple participant checks can be listed on the log as needed. The CID number of the BAMS case as well as the Due Date should also be recorded. The following procedure should be completed within 48 business hours from the date or receipt.

1	Log in to the **EFS Oracle Database**
2	Select **Applications** from the top row.
3	Choose **Tuition Refund** and then **Tuition Refund Browser**.
4	For the participant requiring the refund, enter the Reference Number (found on the attached letter) in the Reference Number field.
5	Click F8.
6	Double click in the **SSN** field.
7	A pop-up box should ask you what you would like to do next. Select **Update**.
8	In this Employee Maintenance Screen, delete any information in the Prepay Lockout indicator. In the Remarks field, add **Date**, **Check Number**, **Check Amount** and **Reason for returned check**. *Example*: 10/21/2008, Check #41111 for $280.00, rec'd due to insufficient funds.
9	Click **Save** & **Exit**.
10	Review the applications to locate the one that corresponds to the returned funds. It should either a "PT" or a "TX" Disposition Code.
11	By double-clicking the **Application Date** field, you will jump to the Tuition Application Update Screen.
12	Change the **Disposition** to "RC" for Returned Check.
13	Jump to the next new link in the **Course Description** section

14	Enter a "RC" in **Fee Code** field.

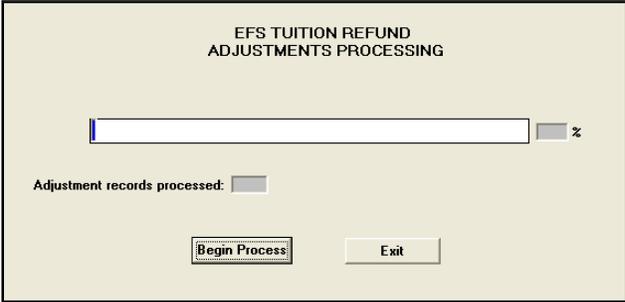| 15	In the field named **Course Description**, type "Returned Check", Name of Course (for applications with more than one course) along with a short description of the reason for return.
16	Enter check amount in **Amount Requested** field.
17	Put an "A" in **A** field.
18	In **T** field, place "T" for a taxed reimbursement or an "N" for a non-taxed item.
19	The **I** field should be "I" for IDP or "T" for Tuition.
20	Enter date of original payment in **Date Paid** field.
21	In the Remarks field, define the Check Number, Check Amount and Reason for the returned check.
22	Select **Save**.
23	At the top, choose **File** and then **Print**. **Note**: Printing the screen will allow you to capture the saved changes

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Processing the Adjustment

Now that the consumer account has been updated with the returned check information, we can force the system to recognize the funds. The system refers to this as processing the adjustments.

1	Exit back to the **Main Menu**.

2	At the top, select **Processes**.
3	From the drop-down choices, choose **Weekly Process** then **Process Adjustments**.
4	Click on **Begin Process**. EFS TUITION REFUND ADJUSTMENTS PROCESSING [ ] % Adjustment records processed: [ ] Begin Process Exit
5	Click **OK** when the confirmation box appears, causing a report to print to the default location. (If it doesn't complete to 100%, you will need to start over and being process again.)
6	Jump back to the **Tuition Application Update Screen**.
7	Verify the application is updated and disposition codes reflect processing guidelines – Disposition codes will return to previous state prior changing to RC.
8	Return each application to the proper disposition code. Disposition codes will return to previous state prior changing to "RC." Review the state of the application now and determine the proper Disposition Code, See Appendices - Tuition. Change this Application to the proper Disposition Code.
9	After you have made the appropriate changes, click **Save**.
10	Audit the buckets to confirm they have been corrected.

Top

Tracking the Adjustment

Next, it is our responsibility to record the adjustments that we have just performed. Below you will find the steps to follow should you be working on a **File Client Account** or a **Check Account**. Locate and proceed with the appropriate steps.

Track Adjustments of a File Client

1	Access the Tuition Repayment Checks Spreadsheet located in the current Month's folder found in the link below: Q:\EFS\TUITION REPAYMENT CHECKS\TUITION REPAYMENT CHECKS JAN - DEC 2009
2	On the Tuition Repayment Spreadsheet, under GROSS PAY, put the amount of the check as the repayment may be a partial reimbursement due to change of course costs.

3	Complete the spreadsheet, **Print** a copy and **Save** to this folder. Save document as "*Client –* Overpayment - *date*.xls" *Example*: "LM-Overpayment-06132009.xls"
4	Mail via Fed-Ex to Client's Payroll Department.
5	Locate the participant on the Return Funds Tracking Sheet and update the spreadsheet, columns H through L.
6	If the check we received from the consumer doesn't fulfill the debt, we need to create a new overpayment letter for the consumer to define the remaining deb. Locate the original letter located here: Q:/EFS/2009 Return of Funds Request. Include the remaining balance that is still owed.
7	Find the folder that represents the reason for the overpayment. Access the letter and modify with the new debt information.
8	Generate the letter and mail to consumer.
9	Validate if copy of the check is located in **Acorde**. If not, send copy of the check, including Tuition Repayment letter, to Back End Scanning (B1B).
10	When an Overpayment has been resolved, create an e-mail to **FSA Claims Supervisor Dice** and to the **Tuition Processing SME** (currently Jane Doe) using subject line of "Tuition Refund Recovered/Review for Processing". Move the sent e-mail to the **Return Checks Verification Folder** in the **Tuition Mailbox** location. **Note**: We must advise the Claims Processing Department once a consumer has repaid an outstanding debt. Once you note the account, there is no way that the processing department will know to process any outstanding applications so communication is important. To locate a copy of the Overpayment Return Request letter that was sent to the participant, you can find them in these respective folders: 2008 Participant Overpayment letters 2007 Participant Overpayment letters
11	Obtain a FedEx Label from RBA administrator and package the Tuition Repayment Check Spreadsheet copy, Funds Recovery Letter and check in a FedEx Mailing Envelope.

Top

Track Adjustments of a Check Client

1	Complete Check Manifest Form and jump here and save to the current month.
2	Attach check to **Check Manifest Form**.
3	Deliver the Check Manifest Form by hand to **Smith Company Accounting**.
4	Accounting will credit client's account.

5	The credit will appear on ACH Debit report on next scheduled check run.
6	Locate the participant on the Return Funds Tracking Sheet and update the spreadsheet, columns H through L. .
7	If check does not equal total amount needed to meet tuition repayment requirement, send revised Tuition Repayment Letter, located: Q:/EFS/20089Return of Funds Request. Include the remaining balance that is still owed. Send copy of revised Tuition Repayment Letter to **Back End Scanning** (B1B)
8	Validate if copy of the check is located in **Acorde**. If not, send copy of the check, including Tuition Repayment letter, to Back End Scanning (B1B).

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	To locate a copy of the Overpayment Return Request letter that was sent to the participant, you can find them in these respective folders:
	
	    2008 Participant Overpayment letters
	
	    2007 Participant Overpayment letters

Top

Content Revisions as of Friday, June 26, 2009
Revision by David Craig performed on 05/07/2009 to update need for Communication step at the end of procedure.
Revision by David Craig 06/02/2009.