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State of Wisconsin  
Governor Scott Walker



TO: **W-2 Agencies  
Training Staff**

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

**BWF OPERATIONS MEMO**

No: 14-11

DATE: 04/25/2014

W-2	<input checked="" type="checkbox"/>	EA	<input type="checkbox"/>	CF	<input type="checkbox"/>
JAL	<input checked="" type="checkbox"/>	RAP	<input type="checkbox"/>	Other EP	<input type="checkbox"/> *

**SUBJECT: CHANGES TO WISCONSIN WORKS INTENTIONAL PROGRAM  
VIOLATION POLICY**

**CROSS REFERENCE:** Wisconsin Works Operations Memos [13-10](#), [12-55](#)

**EFFECTIVE DATE:** Immediately

**PURPOSE**

This operations memo announces changes to the Wisconsin Works (W-2) Intentional Program Violation (IPV) policy.

**BACKGROUND**

The IPV policy announced in Operations Memo 12-55 allowed for consecutive IPV penalties for multiple W-2 or Job Access Loan (JAL) program violations discovered at the same time, or for program violations discovered while an individual served an IPV.

Based on input from the Department of Children and Families, Office of Legal Counsel, imposing a second or third IPV penalty based on several W-2 program violations discovered at the same time without any requirement that prior penalties be served first, is not consistent with the idea of progressive penalties. Each IPV determination used to sanction a participant must be subject to the appeals process; therefore, the Bureau of Working Families (BWF) is revising the IPV policy related to multiple violations discovered at the same time.

## **POLICY**

### OLD W-2 IPV POLICY

If the W-2 agency discovers that more than one act of fraud occurs at the same time, i.e., at application, at eligibility review, or during a change report, then the W-2 agency must impose only one IPV. If the agency discovers another fraudulent act that occurred at a different time the agency must impose another IPV penalty for that subsequently discovered fraudulent act. If the W-2 agency determines that it must impose another IPV penalty prior to the end of the previous IPV penalty, the agency must impose the penalty periods consecutively. (W-2 Manual 11.6.1.1.1)

### W-2 IPV POLICY CHANGE

If the W-2 agency discovers that more than one act of fraud occurs at the same time, i.e., at application, at eligibility review, or during a change report, then the W-2 agency may impose only one IPV penalty. The agency can only impose subsequent IPV penalties after the individual has completed an IPV penalty period, re-enrolled in the W-2 program, and then violated program rules again. For example, after an individual has completed a 6-month penalty period for a first IPV, re-enrolls in the W-2 program, and then violates the program rules again, the agency can consider imposing a second IPV penalty. The same is true for imposing a third IPV penalty; an individual has to serve the 12-month penalty period for the second IPV, re-enroll in W-2, and then violate the program rules for the third time. (W-2 Manual 11.6.1.1.1)

**EXAMPLE:** Louis applies for W-2 in June 2013 and is determined eligible and placed in a Community Service Job. The following month, the agency discovers that Louis did not report a savings account with a balance of \$5,000. The agency imposes an IPV and Louis is disqualified from W-2 for six months. In March 2014, the agency discovers that Louis did not report his part-time employment that began in May 2013. The agency may not impose a second IPV since Louis had not re-applied for W-2 and violated program rules again.

BWF will be updating this policy in the next W-2 Manual release.

### CARES WORKER WEB (CWW) CHANGES

BWF made enhancements to the CWW **W-2 IPV Penalty** page to support the new policy on multiple program violations. New message validations will be in effect on April 26, 2014, under the following conditions:

1. Worker attempts to enter a subsequent IPV during an IPV penalty period:

**AE564:** The current date cannot be on or before the Penalty End Date (or Override End Date if entered).

2. Worker attempts to enter a subsequent IPV with a begin date that is prior to the previous IPV end date:

**AE565:** The Penalty Begin Date (or Override Begin Date if entered) of the new IPV cannot be on or before the Penalty End Date (or Override End Date if entered) of the existing IPV.

3. Worker attempts to enter a subsequent IPV when the W-2 program request date is prior to the previous IPV end date.

**AE566:** The W-2 Request Date on the **W-2 Request** page cannot be on or before the Penalty End Date (or Override End Date if entered) of the existing IPV.

4. Worker attempts to enter a subsequent IPV with an override penalty begin date of that is prior to the previous W-2 program request date:

**AE567:** The Penalty Begin Date (or Override Begin Date if entered) of the new IPV cannot be on or before the W-2 Request Date on the **W-2 Request** page.

### ***ACTION REQUIRED***

W-2 agencies must discuss the IPV policy changes and clarifications with staff and update any relevant local agency procedures.

### ***CONTACTS***

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

For W-2 Policy Questions in Milwaukee: Milwaukee Operations Section Regional Administrators

For W-2 CARES Processing Questions: W-2 Help Desk

DCF/DFES/BWF/BY