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State of Wisconsin  
Governor Scott Walker



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

FROM: Margaret McMahon, Director  
Bureau of Working Families  
Division of Family and Economic Security  
Department of Children and Families

**BWF OPERATIONS MEMO**

No: 17-21  
DATE: 11/10/2017

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

**SUBJECT: *Release of the New Wisconsin Works (W-2) Overpayment Worksheet and Tools Form***

**CROSS REFERENCE:** [Wisconsin Works \(W-2\) Manual Section 10.3](#)  
[W-2 Manual Chapter 13](#)

**EFFECTIVE DATE:** Immediately

**PURPOSE**

The purpose of this Operations Memo is to announce the release of the new W-2 Overpayment Worksheet and Tools, forms [DCF-F-5223-2017](#) and [DCF-F-5223](#).

**BACKGROUND**

The goal of the Department of Children and Families (DCF) is to modernize the CARES Work Programs subsystem from a mainframe system to a web-based application. As the department modernizes CARES, the Bureau of Working Families (BWF) has revised the W-2 Overpayment Worksheet and created tools to assist in the calculation of overpayment claims.

Released in November 2016 and updated in July 2017, the Benefit Recovery Investigation Tracking System (BRITS) replaced the Fraud Investigation Tracking Screens (FITS) in the Benefit Recovery (BV) subsystem of CARES. Currently, workers complete the calculations for the overpayment determination using the Benefit Recovery W-2 Overissuance Worksheet (BVWW) screens in CARES or manually using the W-2 Overpayment Worksheet. With the release of BRITS Version 2.0, the entry, collection, and maintenance of overpayment claims will move to BRITS. At that time, the Benefit Recovery Referral (BVRF) and other BV screens in CARES will become read-only and workers must use the W-2 Overpayment Worksheet for all

overpayment calculations and upload the completed worksheet into BRITS. In anticipation of this system change, BWF has revised the W-2 Overpayment Worksheet to improve efficiency and overpayment calculations.

The new W-2 Overpayment Worksheet and Tools, forms [DCF-F-5223-2017](#) and [DCF-F-5223](#), replace the old W-2 Overpayment Worksheet (DCF-F-DES 10785). DCF-F-DES 10785 is now obsolete. This memo explains the revisions made to the W-2 Overpayment Worksheet and its new tools.

## **POLICY**

There are no policy changes associated with this Operations Memo. For information about W-2 overpayment and fraud, refer to W-2 Manual [Section 10.3](#) and [Chapter 13](#).

## **USING THE W-2 OVERPAYMENT WORKSHEET**

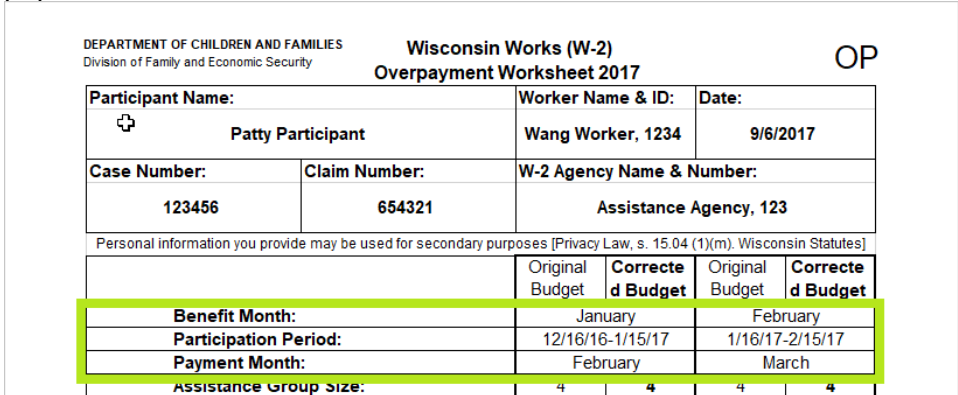
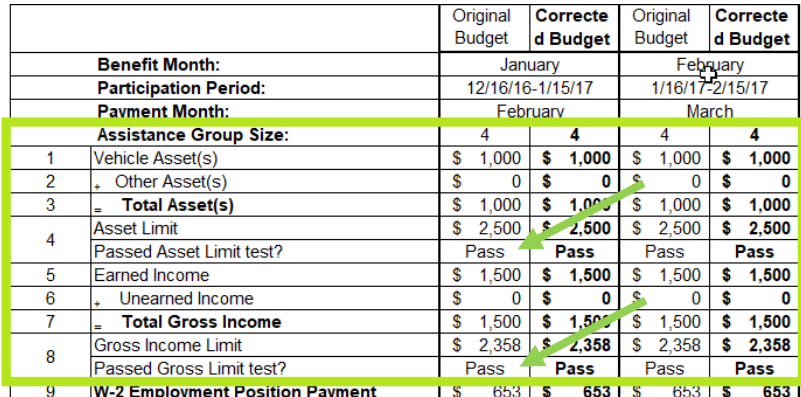
Workers should download and use the fillable Excel form [DCF-F-5223-2017](#) when creating overpayment claims that occurred beginning in benefit month January 2017. BWF will publish a new fillable form annually with the latest Federal Poverty Level (FPL) information. Once published, the fillable forms will be available for six years because W-2 overpayment claims for client errors may go back up to six years. Fillable forms will be cataloged by year. Workers should download and use the form that is the same year as the year in which the overpayment occurred. To process overpayments that occurred before January 2017, a PDF form ([DCF-F-5223](#)) is available to complete manually. [DCF-F-5223-2017](#) and [DCF F-5223](#) are located in the [DCF Forms Repository](#).

**Example:** Ben is in a CSJ placement. He received four months of W-2 overpayments for benefit months November and December 2016 and January and February 2017. Ben's FEP uses the [W-2 Overpayment Worksheet PDF form \(DCF-F-5223\)](#) to manually calculate the overpayment for November and December 2016 and uses the [W-2 Overpayment Worksheet 2017 fillable Excel form \(DCF-F-5223-2017\)](#) to calculate the January and February 2017 overpayments.

- **Note:** In the current BRITS Version 1.1, it is best practice for workers to create an overpayment claim by using and uploading a W-2 Overpayment Worksheet into BRITS. However, with the release of Version 2.0, workers will be required to use and upload completed worksheets into BRITS. DCF has not scheduled a release date for BRITS Version 2.0.

## **REVISIONS TO THE W-2 OVERPAYMENT WORKSHEET**

The revised [W-2 Overpayment Worksheet and Tools form \(DCF-F-5223-2017\)](#) is now an Excel workbook. It contains five tabs, one of which is the W-2 Overpayment Worksheet. The worksheet contains fillable sections and embedded formulas to automatically calculate overpayment totals. The condensed worksheet provides more accurate overpayment claims calculations. Revisions to the worksheet include the removal of three rows from the form: W-2 Underpaid, Child Support Retained (CS control group), and Unreimbursed W-2 Payments. The table below describes the revisions and enhancements to the W-2 Overpayment Worksheet.

#	Row	Revision Description
N/A	Participant Name	“Case Name” is now “Participant Name” to better identify the name of the liable individual(s) on the case.
N/A	Claim Number	“Claim Number” is now at the top of the form to identify the claim referral number in BRITS.
N/A	Original Budget	The “Previous Budget” column is now “Original Budget” to better identify the budget for the original payment. This column shows how the original budget was calculated and the original amount issued.
N/A	Benefit Month, Participation Period, and Payment Month	<p>The “Eligibility Period: Month/Date/Year” row is now “Benefit Month” to indicate the month the benefit was issued. The “Check Date: Month/Year” is now “Payment Month” to indicate the month the payment was received.</p> <p>The Participation Period and Payment Month automatically populates when the worker enters the Benefit Month.</p> <p><i>Screenshot:</i> Participation Period and Payment Month automatically populates when the worker enters the Benefit Month.</p> 
1-4	Asset Test	Based on the W-2 Assistance Group (AG)’s assets entered, the new worksheet automatically calculates the asset test against the \$2,500 amount allowed for combined equity value of the W-2 group’s assets to determine when the AG passed or failed. (See the screenshot in the Income Test section below.)
5-8	Income Test	<p>Based on the W-2 AG’s size and income entered, the new worksheet automatically calculates the income test against the 115% Federal Poverty Level (FPL) combined gross income to determine when the AG passed or failed.</p> <p><i>Screenshot:</i> Pass or Fail of Asset and Income Tests</p> 

12-13	Hours of Nonparticipation and Nonparticipation Penalty	<p>The “Missed Hours Penalty” row is now divided into two rows. The first row, “Hours of Nonparticipation” allows workers to enter the number of hours the participant missed (without good cause) in an assigned activity. When workers enter the hours of nonparticipation, the worksheet automatically calculates the “Nonparticipation Penalty” amount in the second row (hours of nonparticipation x \$5 per hour).</p> <p><i>Screenshot: Hours of Nonparticipation and Nonparticipation Penalty</i></p> <table border="1" data-bbox="630 478 1421 682"> <tr> <td>8</td> <td>Gross Income Limit</td> <td>\$ 2,358</td> <td>\$ 2,358</td> <td>\$ 2,358</td> <td>\$ 2,358</td> </tr> <tr> <td></td> <td>Passed Gross Limit test?</td> <td>Pass</td> <td>Pass</td> <td>Pass</td> <td>Pass</td> </tr> <tr> <td>9</td> <td><b>W-2 Employment Position Payment</b></td> <td>\$ 653</td> <td>\$ 653</td> <td>\$ 653</td> <td>\$ 653</td> </tr> <tr> <td>10</td> <td>- Drug Felon Penalty</td> <td>\$ 0</td> <td>\$ 0</td> <td>\$ 0</td> <td>\$ 0</td> </tr> <tr> <td>11</td> <td>- Learnfare Penalty</td> <td>\$ 0</td> <td>\$ 0</td> <td>\$ 0</td> <td>\$ 0</td> </tr> <tr> <td>12</td> <td>(Hours of Nonparticipation)</td> <td>0</td> <td>13</td> <td>0</td> <td>5</td> </tr> <tr> <td>13</td> <td>- <b>Nonparticipation Penalty</b></td> <td>\$ 0</td> <td>\$ 65</td> <td>\$ 0</td> <td>\$ 25</td> </tr> <tr> <td>14</td> <td>= <b>Total W-2 Penalties</b></td> <td>\$ 0</td> <td>\$ 65</td> <td>\$ 0</td> <td>\$ 25</td> </tr> <tr> <td>15</td> <td>= <b>Sub-total of W-2 Payment - W-2 Penalties</b></td> <td>\$ 653</td> <td>\$ 588</td> <td>\$ 653</td> <td>\$ 628</td> </tr> </table>	8	Gross Income Limit	\$ 2,358	\$ 2,358	\$ 2,358	\$ 2,358		Passed Gross Limit test?	Pass	Pass	Pass	Pass	9	<b>W-2 Employment Position Payment</b>	\$ 653	\$ 653	\$ 653	\$ 653	10	- Drug Felon Penalty	\$ 0	\$ 0	\$ 0	\$ 0	11	- Learnfare Penalty	\$ 0	\$ 0	\$ 0	\$ 0	12	(Hours of Nonparticipation)	0	13	0	5	13	- <b>Nonparticipation Penalty</b>	\$ 0	\$ 65	\$ 0	\$ 25	14	= <b>Total W-2 Penalties</b>	\$ 0	\$ 65	\$ 0	\$ 25	15	= <b>Sub-total of W-2 Payment - W-2 Penalties</b>	\$ 653	\$ 588	\$ 653	\$ 628
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17	Calculated W-2 Payment Amount	<p>The “Corrected W-2 Payment Amount” row is now “Calculated W-2 Payment Amount” to indicate the correct payment amount. This section automatically calculates based on the W-2 employment position payment and the penalties entered. (See the screenshot in the Cumulative Total section below.)</p>																																																						
20	Sub-total of W-2 Overpayment Amount to be Recovered	<p>The worksheet automatically calculates the “Subtotal of W-2 Overpayment Amount to be Recovered” for the Correct Budget column. This section contains the overpayment amount to be recovered for that month. (See screenshot in the Cumulative Total section below. The screenshot shows an overpayment of \$65 and \$25 to be recovered.)</p>																																																						
N/A	Cumulative Total of W-2 Overpayment to be Recovered	<p>This row automatically calculates the “Cumulative Total to be Recovered” for all benefit months entered. The screenshot below shows a cumulative total of \$90 to be recovered.</p> <p><i>Screenshot: Calculated W-2 Payment Amount, Subtotal of W-2 Overpayment Amount to be Recovered, and Cumulative Total of W-2 Overpayment to be Recovered</i></p> <table border="1" data-bbox="630 1266 1421 1528"> <tr> <td>14</td> <td><b>Total W-2 Penalties</b></td> <td>\$ 0</td> <td>\$ 65</td> <td>\$ 0</td> <td>\$ 25</td> </tr> <tr> <td>15</td> <td>= <b>Sub-total of W-2 Payment - W-2 Penalties</b></td> <td>\$ 653</td> <td>\$ 588</td> <td>\$ 653</td> <td>\$ 628</td> </tr> <tr> <td>16</td> <td>- Prior Monthly Recoupment Withheld</td> <td>\$ 0</td> <td>\$ 0</td> <td>\$ 0</td> <td>\$ 0</td> </tr> <tr> <td>17</td> <td>= <b>Calculated W-2 Payment Amount</b></td> <td>\$ 653</td> <td>\$ 588</td> <td>\$ 653</td> <td>\$ 628</td> </tr> <tr> <td>18</td> <td>Actual W-2 Payment</td> <td>\$ 653</td> <td>\$ 653</td> <td>\$ 653</td> <td>\$ 653</td> </tr> <tr> <td>19</td> <td><b>W-2 Subtotal Overpaid</b></td> <td>\$ 0</td> <td>\$ 65</td> <td>\$ 0</td> <td>\$ 25</td> </tr> <tr> <td>20</td> <td><b>Sub-total of W-2 Overpayment Amount to be Recovered</b></td> <td></td> <td>\$ 65</td> <td></td> <td>\$ 25</td> </tr> <tr> <td colspan="2"><b>CUMULATIVE TOTAL OF W-2 OVERPAYMENT TO BE RECOVERED:</b></td> <td>\$</td> <td>90</td> <td></td> <td></td> </tr> </table>	14	<b>Total W-2 Penalties</b>	\$ 0	\$ 65	\$ 0	\$ 25	15	= <b>Sub-total of W-2 Payment - W-2 Penalties</b>	\$ 653	\$ 588	\$ 653	\$ 628	16	- Prior Monthly Recoupment Withheld	\$ 0	\$ 0	\$ 0	\$ 0	17	= <b>Calculated W-2 Payment Amount</b>	\$ 653	\$ 588	\$ 653	\$ 628	18	Actual W-2 Payment	\$ 653	\$ 653	\$ 653	\$ 653	19	<b>W-2 Subtotal Overpaid</b>	\$ 0	\$ 65	\$ 0	\$ 25	20	<b>Sub-total of W-2 Overpayment Amount to be Recovered</b>		\$ 65		\$ 25	<b>CUMULATIVE TOTAL OF W-2 OVERPAYMENT TO BE RECOVERED:</b>		\$	90								
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N/A	Reason for W-2 Overpayment	<p>Previously, a worker would manually write in the reason for the W-2 overpayment. In the CARES screen BVCL, the reason codes were available on reference table TOPC. In the W-2 Overpayment Worksheet, workers can now select an overpayment reason from the drop-down list. A free form textbox is also available for workers to enter any additional information, if needed.</p> <p><i>Screenshot: Reason for W-2 Overpayment</i></p>																																																						

		<div style="border: 1px solid black; padding: 5px;"> Reason for W-2 Overpayment: <div style="border: 1px solid black; padding: 2px; margin-top: 5px;"> AGENCY FAILED TO BUDGET CHILD SUPPORT DEDUCTION  AGENCY FAILED TO CORRECTLY BUDGET MEDICAL EXPENSE DEDUCTION  AGENCY MISAPPLIED PROGRAM POLICY  AGENCY FAILED TO BUDGET NON-PARTICIPATION HOURS  AGENCY FAILED TO BUDGET ACCURATE SHELTER EXPENSES  AGENCY FAILED TO BUDGET ASSETS  BENEFITS CONTINUED DURING FAIR HEARING  COLLUSION BETWEEN THE PARENT AND CHILD CARE PROVIDER </div> </div>	1
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## NEW W-2 OVERPAYMENT TOOLS

The four additional tabs within the [W-2 Overpayment Worksheet and Tools Excel workbook \(DCF-F-5223-2017\)](#) provide information and tools to assist workers in calculating overpayments. The table below provides an overview of each tool:

W-2 Overpayment Tool	Description
W-2 Participation-Benefit Issuance (BI) Schedule	This tool lists the W-2 Benefit Month, Payment Month, Participation Period, Days Count, Adverse Action, W-2 Pull Down Date, W-2 Intercept Date, Mail Date, Date of Check, and Daily Rate Amount based on the W-2 Placement. It is available as a reference table.
W-2 Overpayment (OP) Worksheet Directions	This tab describes what information to enter in each row in the W-2 Overpayment Worksheet. It describes how each amount is calculated and provides references to the W-2 Manual to help workers understand the reasoning for the section.
W-2 Conversion Calc	This tab contains two Conversion Calculators. The first calculator assists workers with determining the number of days for the Participation Period-Benefit Month. The other conversion calculator determines the number of Hours of Nonparticipation from the Nonparticipation Amount.
W-2 Overpayment Calc	The W-2 Overpayment Calculator tool determines the overpayment amounts by daily rate or by nonparticipation amounts.

## TRAINING

The following resources are available in the [Partner Training Team Learning Center](#):

- Identifying and Processing W-2 Overpayments;
- [Processing Agency Error Overpayments in BRITS – Desk Aid](#); and
- Webcast Recording: W-2 Overpayments and Auxiliaries: Calculations and Actions.

## AGENCY ACTION

W-2 agencies must familiarize staff with the new W-2 Overpayment Worksheet and Tools forms ([DCF-F-5223](#) and [DCF-F-5223-2017](#)). When BRITS Version 2.0 becomes available, the completed worksheet will be required and must be uploaded in BRITS when creating an overpayment claim. W-2 agencies must update any relevant local agency processes.

**ATTACHMENTS**

[Wisconsin Works \(W-2\) Overpayment Worksheet and Tools 2017 \(DCF-F-5223-2017\)](#)  
[Wisconsin Works \(W-2\) Overpayment Worksheet and Directions 2016 and Earlier \(DCF-F-5223\)](#)

**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/DVD and CH