

**STATUTORY
REFERENCE**

MCLA 600.6452(1)

Under State law a claim against the State filed in the Court of Claims must be filed within 3 years after the claim accrues.

AGENCY POLICY

The support specialist assists clients and Friends of the Court in securing replacement warrants. This item provides procedures for replacing child support participation, refund and reimbursement warrants reported as lost, destroyed, stolen or not received. Uncashed child support participation, reimbursement, and refund warrants can be replaced within 3 years of the warrant date. Warrants lost or stolen after endorsement cannot be replaced unless the warrant is later returned, or canceled.

Note: Warrants issued after 8/1/94 are not revenueed. They remain outstanding until cashed, returned, or canceled.

See "Special Instructions" at the end of this item for warrants issued to deceased clients or clients whose whereabouts are unknown.

WARRANT STATUS

Determine the status of child support participation, refund or reimbursement warrants reported as lost, destroyed, stolen, or not received.

Warrant Records

The Child Support Payment Reports (DL-040 and DL-150) identify child support participation, refund, and reimbursement warrants issued (see facsimiles in Appendix 3). The Client Information System (CIS) also contains child support participation, refund and reimbursement warrant records. They are identified by the following warrant reason codes:

- Child support participation payments - 26
- Refunds - 24, 25, 27, 38 and 39
- Reimbursements 30 and 37

**Warrant
Disposition**

Prior to 8/1/94 child support participation payments, refunds and reimbursements were valid for 30 days. Warrants that were not cashed were revenueed after the expiration date.

Warrants issued 8/1/94 and later remain outstanding until cashed, returned, or canceled. Warrants undeliverable as addressed are returned to the Treasury Department and canceled immediately. Report DL-220, Monthly Canceled Child Support Warrants, contains records of canceled and revenueed warrants (see Exhibit 1). CIS normally displays warrant information, including warrant disposition, for 10 months.

The following warrant disposition codes identify cashed, canceled and revenueed warrants:

- CW - Cashed warrant.
- CR - Warrant credited.
- RC - Warrant was revenueed (not used since 10/1/94).

- U1-U7 - Undeliverable.

See Item 350 for other warrant disposition codes.

No Warrant Record A client may request replacement of a payment for which there is no warrant record. Notify OCS Central Office, Distribution and Client Services Unit by memo if:

- The Distributed Collection Report lists a calculated reimbursement or refund; and
- The timeframe for issuance of the payment has elapsed. See Item 315 for payroll schedule.

Provide the case name, number and address, and AP county and district number in the memo. Attach a copy of the Distributed Collection Report page showing the calculated payment.

To determine the status of an unpaid refund requested via FIA-820, Support Collection Payment Request, submit a copy of the FIA-820 labeled "Second Request" to the Payment Control Section, Bureau of Accounting, Central Office.

REPLACING RETURNED WARRANTS

Undeliverable warrants are returned to the State and canceled. These canceled warrants are identified by disposition codes U1-U7. Replace canceled child support participation, refund or reimbursement warrants using the FIA-138, Action Taken on State Treasurer's Warrant by Local Offices or, if appropriate, via CIS.

Local Office Replacement

Authorize a warrant replacement locally using the FIA-138 or CIS when:

- The warrant was canceled because it was undeliverable as addressed (Codes U1-U7), **and**
- The replacement is to be issued to the payee and address on CIS.

FIA-138 Process

Replacement warrants can be requested using the FIA-138. See Exhibit 2 for a facsimile and instructions for completion.

Note: A supervisor's signature is not required for local office replacement of returned warrants.

CIS Process

Replacement warrants can also be requested on CIS using the FWAR screen. See Exhibit 5 for instructions for local office replacement on CIS.

Central Office Replacement

Submit the FIA-138 to Central Office when:

- The canceled warrant is payable to a Friend of the Court, **or**

- The warrant was canceled for reasons other than U1-U7, **or**
- The replacement is to be mailed to an address not on CIS.

**Supervisory
Signature**

A supervisor's signature is required for warrants replaced through Central Office. If it is more expedient to do so, route the FIA-138 through Office of Child Support Central Office, Distribution and Client Services Unit for a supervisor's signature. FIA-138's processed in this manner will normally be delivered to Warrant Control by the day after they are received in Central Office.

**Warrant Returned
To Local Office**

The local office fiscal unit sometimes receives returned warrants. The fiscal unit will notify you of child support warrants returned to the local office by providing a partially completed FIA-138.

Determine whether the warrant should be:

- Returned to the state, **or**
- Canceled and rewritten, **or**
- Mailed to the client, **or**
- Picked up by the client at the local office.

Return the completed FIA-138 to the local fiscal unit. If the warrant is to be canceled and rewritten, follow the appropriate process. If the warrant is rewritten locally, return the FIA-138 to the local fiscal office after the request is entered on CSES.

Note: If the appropriate process requires a supervisor's signature and it is most expedient to obtain the signature from the OCS Distribution and Client Services Unit, attach a transmittal to the FIA-138 asking the local fiscal office to route the FIA-138 through the Distribution Unit.

**REPLACING LOST,
STOLEN, OR NOT
RECEIVED
WARRANT****Payee Action**

If a client or Friend of the Court reports a warrant as lost or stolen and the warrant is not returned and canceled:

- Instruct the payee to report stolen support warrants to the police. If a police report is not verified, replacement will be made only after the recovery of the amount.
- Instruct the client to contact the post office to verify delivery status of a warrant not received but not believed stolen. A postal inquiry is not required when the Friend of the Court is the payee.
 - If delivery is verified, consider the warrant lost or stolen.
 - If delivery is not verified, consider the warrant not received.

- Proceed with the M-1009, Affidavit Claiming Lost, Destroyed, Not Received, Or Stolen State Treasurer's Warrants.

Note: Warrants lost or stolen after endorsement cannot be replaced if cashed. (Warrant Control will consider replacement of uncashed warrants lost or stolen after endorsement after 6 months under extraordinary circumstances. Make such a request through the Distribution and Client Services Unit.)

M-1009

Have the payee complete and sign the M-1009. (See Exhibit 3 for completion instructions.)

Assist the payee in completing the form if necessary. (**Exception:** Mutilated warrants do not require the payee's signature. See "Destroyed Warrant" below.)

Have the payee examine the form or, if requested, read and explain the contents. Have the payee sign all copies of the affidavit in the presence of a notary public. Both the payee **and** notary must sign **each** copy of the M-1009 in ink. Do not use the M-1009 if the warrant has been returned and canceled (disposition codes U1-U7).

Supervisor's Signature

The M-1009 requires a supervisor's signature. Obtain a supervisor's signature through the most expedient means available. Either a local FIA Supervisor or an Office of Child Support District Manager may sign the form.

After the M-1009 is completed, return part 5 to the payee. Enter the stop payment and replacement request on CIS by using the FWAR screen or forwarding the M-1009 to the local CIS unit.

If the transaction was accepted:

- Write the transaction number in box 3 of the M-1009,
- **Promptly** send parts 1 and 2 to Warrant Control Unit,
- File part 3 in the case record, and
- Send part 4 to the local fiscal unit.

If the transaction was rejected because the warrant was undeliverable, file part 1 in the case record, and discard the remaining copies. Follow the instructions for "Replacing Returned Warrants" elsewhere in this Item.

If the transaction was rejected for a reason other than the warrant was undeliverable, attempt to correct the error. If unable to correct the error,

attach a screen print of the error message to the copies of the M-1009 sent to Warrant Control Unit.

Central Office Assistance

Contact the Distribution and Client Services Unit for assistance when prompt action cannot be taken locally. The Distribution and Client Services Unit can only replace warrants that can be requested online and do not require the payee's signature.

Destroyed Warrant

When the local office receives a destroyed (i.e., mutilated) warrant, the local office fiscal unit supervisor can complete and sign the M-1009 on behalf of the client or Friend of the Court. The supervisor will also attach the warrant remains to the M-1009. Destroyed warrants do not require a police report.

WARRANT CONTROL UNIT

Warrant Control Unit will replace child support warrants only after the recovery of the amount **unless**:

- The warrant is for \$50.00 or less, **and**
- The client has not previously requested a replacement after cashing the original warrant, **and**
- A stop payment action was taken three or fewer times previously (shown as S-3 on the IPYT screen), **and**
- A police report was filed on a stolen warrant, **and**
- The FIP case is not closed or pended for closure, **and**
- The warrant to be replaced is not a replacement warrant.

M-1002 PROCESS

Often, a stop payment is requested after the original warrant was cashed and paid by Treasury. FIA and Treasury are then jointly responsible for recovery of the overissuance if a replacement warrant was issued. Treasury destroys cashed warrants after two years. Cashed warrants cannot be replaced after they are destroyed.

The Warrant Control Unit will secure a copy of the cashed warrant from the Treasury Department. The warrant copy and form M-1002, Affidavit Claiming a Forged Endorsement on a State Treasurer's Warrant, will be sent to the local office. Arrange for the payee to view the endorsement signature on the back of the warrant.

The payee is presumed to have cashed the original warrant if the payee:

- States that he/she or the agency cashed the warrant, (be sure to obtain a self-cashed warrant statement) or

- Fails to view the warrant, or
- Fails to sign the M-1002.

Return the M-1002 to the fiscal unit with a note that the payee cashed the original warrant.

If the payee denies endorsing the warrant, the payee and a notary public must sign **each** copy of the M-1002 **in ink**. Carbon copy signatures by the payee and notary are not acceptable.

Do not remove any of the M-1002 carbon copies. File a photocopy of the signed form and warrant in the case record and give the payee a photocopy of only the form. Return the M-1002 and warrant copy to the fiscal unit for mailing to Warrant Control Unit.

If forgery is apparent, Warrant Control Unit sends a copy of the M-1002 and warrant to the U.S. Postal Inspector and file a forgery claim with Treasury. Treasury attempts recovery from the establishment that cashed the warrant.

If a forgery is not immediately apparent, **or** if the establishment which cashed the warrant refuses Treasury's recovery attempt, Warrant Control Unit sends the warrant to the Office of the Inspector General (OIG) for forensic examination and response.

SPECIAL INSTRUCTIONS

These instructions describe when to replace warrants issued to deceased payees or to payees whose whereabouts are unknown. Follow Central Office Replacement instructions for these warrants.

Deceased Payee

Correctly Issued Warrants

Reissue child support participation and reimbursement warrants to a new grantee or custodian for the children recognized by FIA or the Friend of the Court, if there is no longer an active FIA case.

Take no action if there is no new grantee or custodian.

Reissue returned refund warrants to the Friend of the Court. Take no action on cashed or outstanding warrants.

Incorrectly Issued Warrants

Notify the Distribution and Client Services Unit of any incorrectly issued returned warrants. The status of these warrants will be changed so they cannot be reissued.

Whereabouts of Payee Unknown

Correctly Issued Warrants

Reissue returned refund warrants to the Friend of the Court.

Take no action on returned child support participation or reimbursement warrants or on any cashed or outstanding warrants.

Incorrectly Issued Warrants

Reissue all returned warrants to the Friend of the Court. Take no action on cashed or outstanding warrants.