



Memorandum

Date: June 17, 1998

To: Directors
Employment and Income Assistance

From: Gerry Schmidt
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Client Services
Employment and Income
Assistance
305 - 114 Garry Street

Telephone:

Subject: **Direct Deposit – Daily**

Employment and Income Assistance (EIA) introduced a province-wide expansion of Direct Deposit with the April 98 monthly cheque run. Although originally limited to regular monthly benefits, Direct Deposit was positively received and worked so well that the necessary programming changes have been completed to pay nearly all assistance by Direct Deposit. This includes income assistance for clients who receive split cheques and those on the Work Incentive program. This further expansion should result in significant improvements to client services.

WHAT IS DAILY DIRECT DEPOSIT

Employment and Income Assistance will introduce Direct Deposit for any income assistance (continuous or non-continuous) issued to clients in the daily run commencing June 15, 1998.

Direct Deposits will be available in a client's account three "working days" after it has been transmitted by Central Accounts.

- e.g.
- Staff issue a continuous/non-continuous need on Monday.
 - Central Accounts transmits the Direct Deposit to the Financial Institution on Tuesday.
 - The funds are in the client's bank account on Thursday.

INCOME DECLARATIONS

Clients who are declaring income will continue to receive their monthly benefits by Direct Deposit on the last banking day of the month if their income declaration is processed by cut-off. As an incentive to clients who are on the **Work Incentive Program** and declaring employment income, staff may wish to process Income Declaration forms beginning the day after cut-off to ensure that those clients receive their income assistance in a timelier manner.

SETTING UP DIRECT DEPOSIT

Please refer to Directive #98-13 for instructions on setting up a case for Direct Deposit. Clients must produce a void cheque or the Financial Institution must complete the Direct Deposit Enrollment Form before a case can be set up for Direct Deposit.

When Direct Deposits are issued at cut-off, Central Accounts receives a rejection report from the Financial Institution notifying EIA of invalid Direct Deposits. Central Accounts notifies staff of these rejections and they have two days to verify the error and make any necessary corrections. The Direct Deposit does not allow for the two days to correct errors and, therefore, in order to keep errors to a minimum, it is suggested that Direct Deposits are issued for monthly benefits before issuing a daily Direct Deposit for non-continuous needs.

It is recognized that clients on the Work Incentive Program may not be included in the monthly Direct Deposit depending on the processing of their Income Declaration form. Those cases may be processed on the Daily Direct Deposit prior to issuing non-continuous needs.

PUBLIC TRUSTEE

It should be noted that clients of the Public Trustee whose cheques are sent directly to the client can be put on Direct Deposit.

Those clients who have payments directed to the Public Trustee must not be on Direct Deposit. Further discussions between Central Office and the Office of the Public Trustee are required to reach agreement on the best way to handle payments sent directly to that office.