



Electronic Payments Core of Knowledge

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# PARTICIPANT GUIDE

## **Gimme Shelter from Government Benefit Payments**

# Welcome to:

## *Gimme Shelter from Government Benefit Payments*

### Program Description

As an RDFI, your financial institution is liable for federal government benefit payments received and posted to your accounts. This includes responding to Notices of Reclamation using the new Automated Reclamation Processing System (ARPS). While a Notice of Reclamation could appear to be a shot away from causing a loss, proper handling can make a difference. We'll discuss various use cases and how to help limit your liability.

AAP/APRP Credits: 1.4

### Objectives

- Reclamation Notices
- Limiting Your Post-Death Federal Government Benefits Liability
- Post-Death Federal Government Benefit Scenarios

### Ground Rules

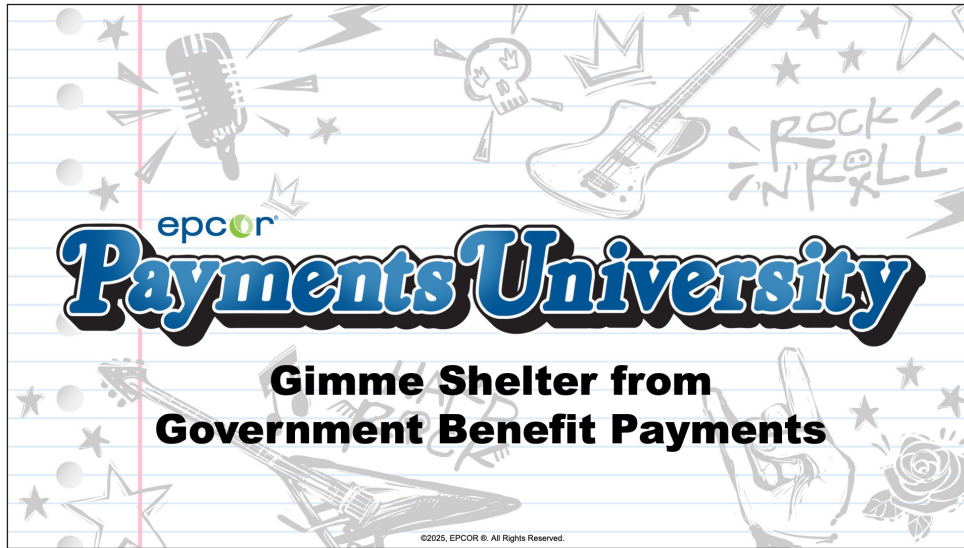
Please keep the following ground rules in mind to help create a more effective learning experience for everyone. We will discuss additional participation instructions during the online session.

1. Log on to class at least 10 minutes before the scheduled start.
2. Turn off email and phones and clear other distractions away from your training area.
3. Participate and prepare to be called on by name. The online learning environment lends itself to interaction. Participation will keep you engaged and move the class along.
4. Raise your hand if you have an immediate question or comment. Asking questions helps other participants clarify or reinforce concepts.
5. Be patient in waiting for a response to your chat message.

### Technical Assistance

Your course invitation email contains step-by-step instructions for logging into this event.

If you are having technical difficulty, please call 800.500.0100



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## Gimme Shelter from Government Benefit Payments

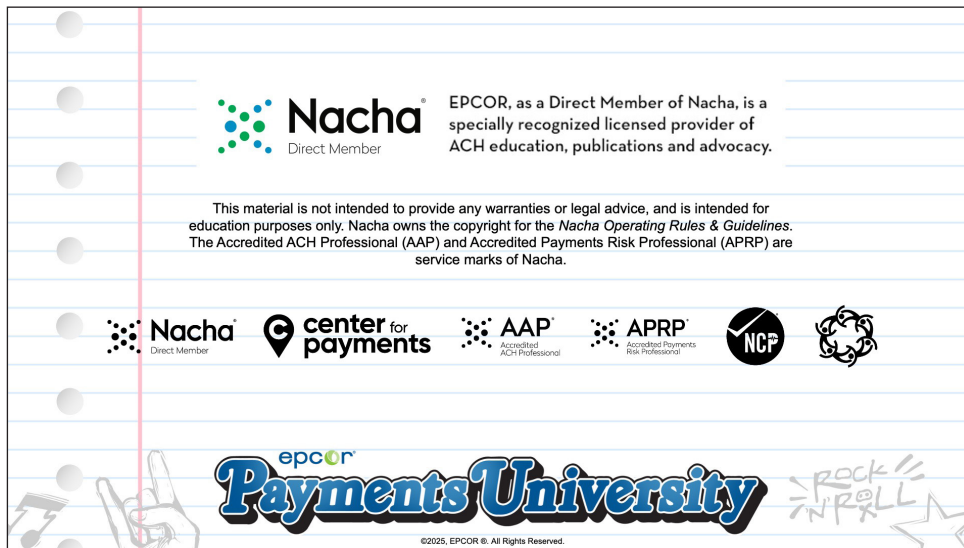
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**Gimme Shelter from Government Benefit Payments**

Agenda

- 1 Reclamation Notices
- 2 Limiting Your Post-Death Federal Government Benefits Liability
- 3 Post-Death Federal Government Benefit Scenarios

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**Reclamation Notices**

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## Reclamation LOSSES on Your Fed Account!

### FRB Statement of Account

BR	BATCH REF	OFFSET FI	DEBIT
#### (###) ###-####	#####	#####	849.00
#### (###) ###-####	#####	#####	755.00

Gov't Payment Center of Debit

Reclamation Ticket Number



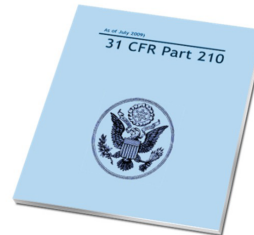
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## Federal Government Payments – ACH Rules

### 31 Code of Federal Regulations (CFR) – Part 210

Defines rights & liabilities

Protects federal government agencies



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### 31 CFR Part 210.9

(64 FR 17467, Apr. 5, 1999, as amended at 69 FR 13189, Mar. 19, 2004; 70 FR 67367, Nov. 7, 2005)

#### Subpart B—Reclamation of Benefit Payments

##### § 210.9 Parties to the reclamation.

(a) **Agreement of RDFI.** An RDFI's acceptance of a benefit payment pursuant to this part shall constitute its agreement to this subpart. By accepting a benefit payment subject to this part, the RDFI authorizes the debiting of the Federal Reserve Bank account utilized by the RDFI in accordance with the provisions of §210.10(e).

(b) **The Federal Government.** In processing reclamations pursuant to this subpart, the Service shall act pursuant to the direction of the agency that certified the benefit payment(s) being reclaimed.

##### § 210.10 RDFI liability.

(a) **Full liability.** An RDFI shall be liable for the total amount of all benefit payments received after the death or legal incapacity of a recipient or the death of a beneficiary unless the RDFI has the right to limit its liability under §210.11 of this part. An RDFI shall return any benefit payments received after the RDFI becomes aware of the death or legal incapacity of a recipient or the death of a beneficiary, regardless of the manner in which the RDFI discovers such information. If the RDFI learns of the death or legal incapacity of a recipient or death of a beneficiary from a source other than notice from the agency issuing payments to the recipient, the RDFI shall immediately notify the agency of the death or incapacity. The proper use of the R15 or R14 return reason code shall be deemed to constitute such notice.

Reclamation of Benefit Payments

210.9(a) Agreement of RDFI

Acceptance of a benefit payment constitutes agreement to be debited



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### 31 CFR Part 210.10

RDFI Liability

210.10(a) Full Liability

RDFI is liable for ALL benefit payments received after death

tified the benefit payment(s) being reclaimed.  
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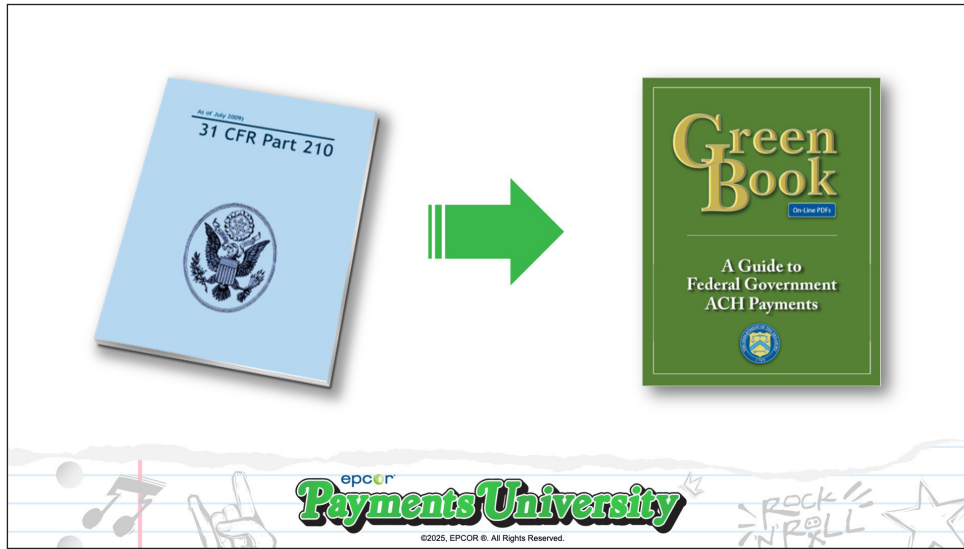
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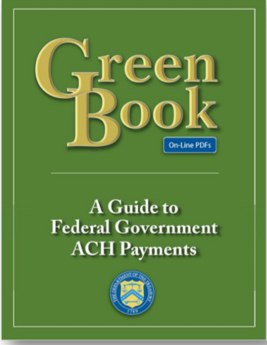
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**Chapter 5 of Green Book: Reclamations**

- Section 1: Payments Subject to Reclamation
- Section 2: Liability of RDFIs
- Section 3: Reclamation Procedures



The Green Book cover is shown on the right side of the slide, featuring the title "Green Book" in large gold letters, the subtitle "A Guide to Federal Government ACH Payments", and the Department of the Treasury seal.

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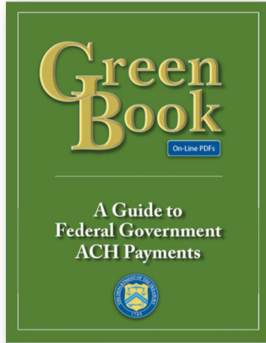
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## Federal Gov't Payments NOT Subject to Reclamation



### One-Time Payments

#### Payments not Subject to Reclamations

- Federal salary, allotments, and travel payments
- U.S. savings bond payments
- Vendor/miscellaneous payments
- IRS tax refunds
- Discretionary allotments
- Public Debt payments (*TreasuryDirect*)
- Other types of Federal ACH payments



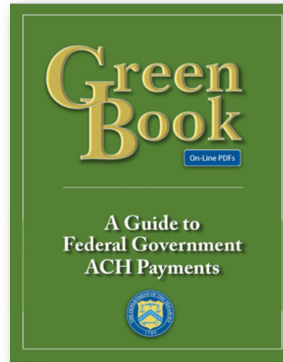
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## Federal Benefit Payments Subject to Reclamation

### Recurring Benefits

#### Payments Subject to Reclamations

- Social Security benefit or disability (SSA)
- Supplemental Security Income (SSI)
- Black Lung disability (Dept. of Labor)
- Military and Coast Guard retirement, including allotments from military retired pay (DFAS)
- Civil Service annuity (OPM)
- Veterans benefits (VA)
- Railroad retirement annuity (RRB)
- Central Intelligence Agency annuity (CIA)
- Worker's compensation (FECA)
- Longshoremen's and Harbor Workers' Compensation Act (Dept. of Labor)
- Any other Federal retirement or annuity



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## Green Book: Returning Post-Death Benefits

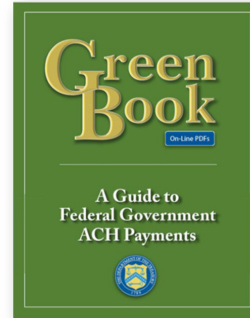
Green Book Pages 5-4 and 5-5

The Government cannot legally authorize or direct RDFI to take funds already credited to an account and return them to the government.

It is up to each RDFI to consider its policy upon learning of the death of a recipient:

Voluntarily return post death payments (R14 or R15)

Preserve funds pending a Notice of Reclamation



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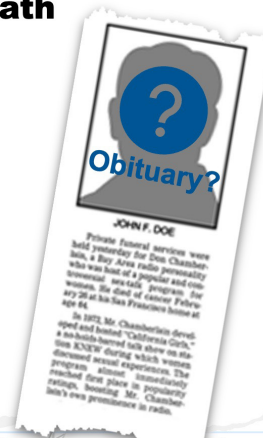
## Learning of Account Holder's Death

How could RDFI learn of a death?

Notice by survivors, executors, or funeral home

Receipt of Death Notification Entry (DNE)

Receipt of Notification of Reclamation



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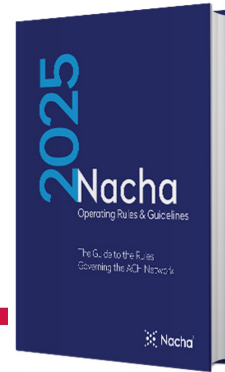
## Death Notification Entries – Payment Format

### Entry Detail of DNE

- Company Name: Gov't Agency
- Company ID: 1(9 digit # of agency or region)
- ID Number: #####(SSN) + letters + agency
- Receiver Name: Review carefully for spouses

### Addenda Record of DNE

- DATE OF DEATH: MMDDYY
- CUSTOMER SSN: #####
- AMOUNT: \$\$\$\$cc



## Things to Consider When Processing DNEs

### Risks of Credit blocks on Core/ACH System

- Gov't Agency may vary with Company ID
- May impact surviving spouse's benefits
- Nursing home or other rep payee accounts

### Access devices in the deceased's name



## Notice of Reclamation for Post-Death Benefits

For Paperwork Reduction Act Statement and Burden Estimate Statement See Reverse Side "Notice to Account Owners" Copy

OMB NO. 1510-0043  
Expiration Date: 02/28/2009

**DIRECT DEPOSIT**  
ELECTRONIC FUNDS TRANSFER  
FEDERAL RECURRING PAYMENTS

FROM:

**NOTICE OF RECLAMATION**

RECIPIENT AND/OR BENEFICIARY NAME: \_\_\_\_\_ CLAIM NUMBER: \_\_\_\_\_ TICKET #: \_\_\_\_\_ DATE OF DEATH: \_\_\_\_\_

DATE OF PAYMENT	AGENCY PAYEE ID	TRACE NUMBER	AGENCY POSITION	AMOUNT

OUTSTANDING TOTAL: \_\_\_\_\_

**A** Immediately mail NOTICE TO ACCOUNT OWNERS (last copy of this form) to current address of the account owner. Inform the account owner(s) of any actions your financial institution has taken or intends to take. Sign Certification No. 1 on the back of the DISBURSING OFFICE COPY.

**B** Correct any error in the fact of death, date of death and/or outstanding total on the back of the DISBURSING OFFICE COPY.

**C** Take, as appropriate, one of the four steps below:

**1** If the outstanding total was previously returned to the Government, attach copies of the front and back of the cancelled checks and/or proof that the payment was returned by ACH. Proceed with step D below.



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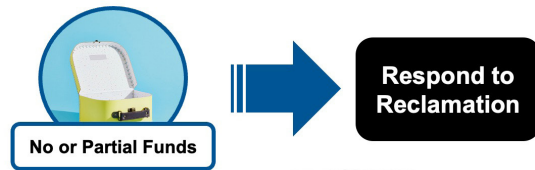
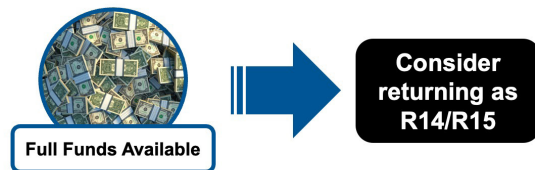
Mailed Copies

**6 YEARS**

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## Two Independent Responses to Reclamations



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### Partial Funds: To Hold or Not To Hold?

Single Account Owner = Deceased

Consider Account Status = "Frozen" or "Limited"

Part-Owner of Joint Account = Deceased

Track withdrawal activity of other account owners

Communicate with other account owners for NoR



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### Automated Reclamation Processing System (ARPS)



Click Sign In, then Create an Account

Select ID.me or Login.gov & follow instructions

Follow email instructions to complete enrollment

Secure your Pay.gov account (text or phone call)

Begin responding to Reclamations online



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## ACH Debit Authorization – Paying on ARPS

**RDFI authorizes debit to its Fed account via ACH for full or partial payments (versus sending a check)**

**Total Reclamation Amount = \$2,500.00**

**Total Reclamation Amount = \$1,500.00**

**FISCAL SERVICE Form 133 Notice of Reclamation (NOR)**  
(For Financial Institution Use)

1. Enter Reclamation Ticket Number: \_\_\_\_\_ 1a. Reenter Reclamation Ticket Number: \_\_\_\_\_

2. Total Reclamation Amount: **\$2,500.00** 2a. Debit Authorization Amount: **\$1,500.00**  
(Less "Outstanding Total" from the Notice of Reclamation) (Equal to or less than amount for #2)

IF LESS THAN THE OUTSTANDING TOTAL IS BEING PAID, PROVIDE THE NAMES AND ADDRESSES OF THE ACCOUNT OWNER AND/OR LAST WITHDRAWER ON QUESTION #6.

3. Recipient/beneficiary did not die:

4. Date of death is wrong:  (If box is checked, provide correct date of death from death certificate.)  
Correct Date of Death: (MMDD/YYYY) \_\_\_\_\_

5. Protesting Notice of Reclamation under the 120-Day rule:  (If box is checked, it is optional to provide additional notes on question #8.)

6. Provide Account Owner Information and/or Last Withdrawer:

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_  
Address of Last Account Withdrawer: \_\_\_\_\_  
Street Address: \_\_\_\_\_ Apt. Number: \_\_\_\_\_  
City Name: \_\_\_\_\_ State: \_\_\_\_\_ Zip/Postal Code: \_\_\_\_\_  
Country: \_\_\_\_\_

7. Sole Owner:  Yes  No (If NO, PROVIDE ACCOUNT CO-OWNER INFORMATION)

Account Co-Owner Information:  
Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_ Apt. Number: \_\_\_\_\_  
City Name: \_\_\_\_\_ State: \_\_\_\_\_ Zip/Postal Code: \_\_\_\_\_

## Reclamation Response Scenario #1

Walter passed away on 5/15 and his Social Security deposits for 6/3, 7/3, and 8/3 for \$844.00 each are still in his account.

Which option should RDFI choose?

**A** Provide Debit Authorization to Fed Account on ARPS

**B** ACH Return – R15



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## Reclamation Response Scenario #2

Elvira passed away on 1/28/25, but had 7 VA benefit payments for \$1,150.00 sent to her account between 2/1 & 8/1. Account closed.

Which option should RDFI choose?

**A**  
Provide Debit Authorization to Fed Account on ARPS

**B**  
ACH Return – R15



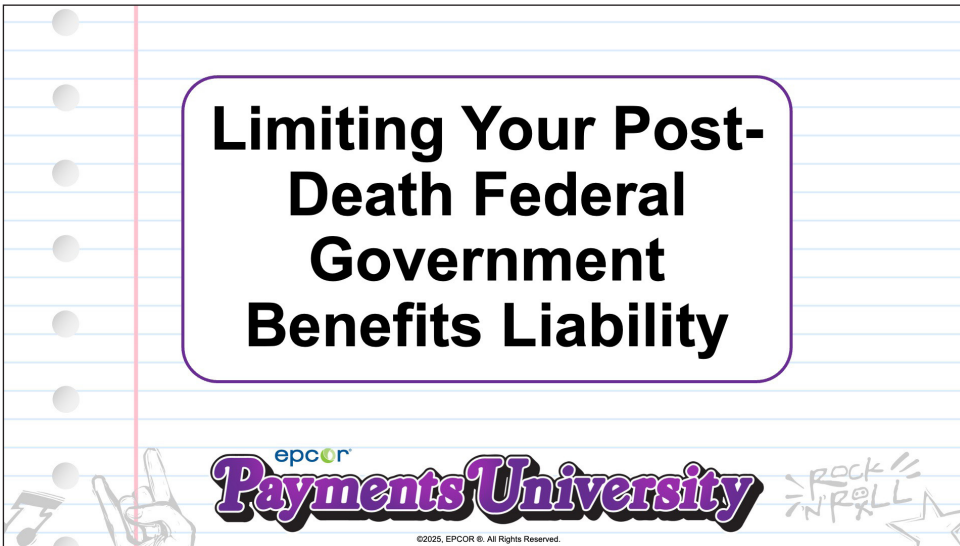
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## Limiting Your Post-Death Federal Government Benefits Liability



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### No Death or Incorrect Date of Death on Reclamation

Respond on ARPS

3. Recipient/beneficiary did not die.

4. Date of death is wrong  (If box is checked, provide correct date of death from death certificate.)

Correct Date of Death: (MM/DD/YYYY)



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### Protesting 120-Day Rule on Reclamation

Respond on ARPS

5. Protesting Notice of Reclamation under the 120-Day rule.  (If box is checked, it is optional to provide additional notes on question #8.)

8. Notes: (500 Character Limit)

 INITIATION OF RECLAMATION (120-Day Protest): The authorizing federal agency must initiate the reclamation within 120 calendar days after the date that the agency first has actual or constructive knowledge of the death or legal incapacity of a benefit recipient or the death of a beneficiary.



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### Co-Owners or Account Withdrawers on Reclamation

#### Respond on ARPS

6. Provide Account Owner Information and/or Last Withdrawer:

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_  
 Address of Last Account Withdrawer  
 Street Address: \_\_\_\_\_  
 City Name: \_\_\_\_\_ State: \_\_\_\_\_  
 Country: \_\_\_\_\_

7. Sole Owner:  Yes  No (IF NO, PROVIDE ACCOUNT CO-OWNER INFORMATION)

Account Co-Owner Information:  
 Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_  
 Street Address: \_\_\_\_\_ Apt. Number: \_\_\_\_\_  
 City Name: \_\_\_\_\_ State: \_\_\_\_\_ Zip/Postal Code: \_\_\_\_\_  
 Country: \_\_\_\_\_

8. Notes: (500 Character Limit)




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### Financial Institution Certificates on Reclamation

#### Respond on ARPS

<p><b>CERTIFICATION NO. 1</b></p> <p>This certifies that the Notice to Account Owners form was mailed to the owners of the account at the addresses on the records of this financial institution on _____.          If a correction has been made to the fact or date of death, this certifies that the date of death entered above is correct and that this financial institution took prudent measures to assure that the person is alive or that the date of death was erroneous.</p> <p>Signed _____          Title _____          Date _____</p>	<p><b>CERTIFICATION NO. 2</b></p> <p>In accordance with 31 CFR 210, this certifies that this financial institution received the Notice of Reclamation on _____ and first learned of the death on _____. The financial institution had no knowledge of the death or legal incapacity of the recipient or death of the beneficiary at the time any of the payments listed were credited to or withdrawn from the account. An amount equal to the amount remaining in the account, including any additions to the account balance since the receipt of this notice, has been paid to the Government.</p> <p>Signed _____          Title _____          Date _____</p>
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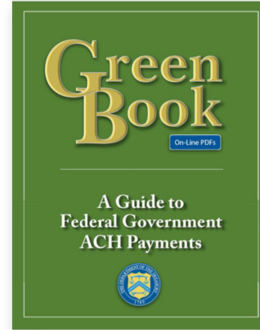
## Green Book – Chapter 5, Section 2(B)

### RDFI may qualify to limit its liability if:

Certifies it had no actual or constructive knowledge of recipient's death

Returns all post-death benefit payments

Reports to Notice of Reclamation completely, accurately, & timely



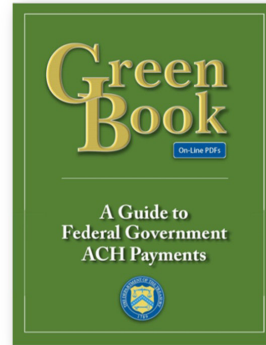
## Green Book – Chapter 5, Section 2(C)

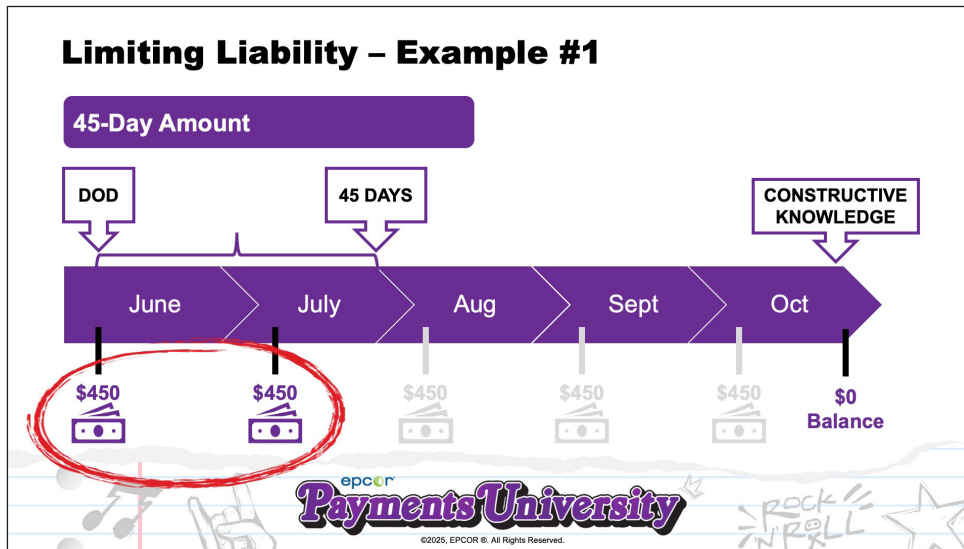
### ACH 45-day amount

If RDFI qualifies for limited liability, RDFI will only be debited for the ACH 45-day amount

45-day amount = Dollar amount of the post-death benefit payments received within 45 calendar days following the death

Limited liability amt. may not exceed NoR amt.





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## Post-Death Federal Government Benefit Scenarios

The slide features the title 'Post-Death Federal Government Benefit Scenarios' in a pink rounded rectangle on a lined paper background. At the bottom, it includes the 'epcor Payments University' logo and '©2025, EPCOR ®. All Rights Reserved.'.

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### Scenario #1: Tax Refund

Irwin Rotunda filed his 2024 taxes with the IRS and received his Tax Refund payment on 4/8/2025 and heard from known relatives that day about his passing. However, Irwin passed away on 4/4/25.

Mon	Tue	Wed	Thu	Fri
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30		

What could be the RDFI's liability?




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### Scenario #2: SSA Benefit Payments

Mon	Tue	Wed	Thu	Fri
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30	31	

Frances received a Social Security Administration (SSA) benefit for \$855 on 8/16/25. On a DNE received 8/29/25, it indicated Frances passed away on 8/16/25.

What could be the RDFI's liability?




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### Scenario #3: SSA

Frederick passed away on 8/1/25 and receives SSA benefit of \$766 on 8/3/25. RDFI learns of death via family bringing in death certificate on 8/22/25 and were inquiring about withdrawing the 8/3 payment for funeral expenses or other bills.

Mon	Tue	Wed	Thu	Fri
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30		

What could be the RDFI's liability?




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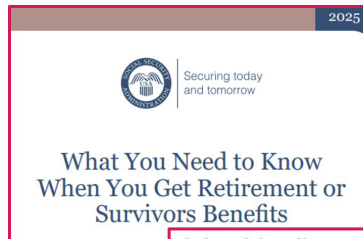
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### 31 CFR Part 210 versus SSA.gov

tified the benefit payment(s) being re-claimed.

**§210.10 RDFI liability.**

(a) *Full liability.* An RDFI shall be liable to the Federal Government for the total amount of all benefit payments received after the death or legal incapacity of a recipient or the death of a beneficiary unless the RDFI has the right to limit its liability under §210.11 of this part. An RDFI shall return any benefit payments received after the RDFI becomes aware of the death or legal incapacity of a recipient or the death of a beneficiary, regardless of the manner in which the RDFI discovers such information. If the RDFI learns of the death or legal incapacity of a recipient or death of a beneficiary from a source other than notice from the agency issuing payments to the recipient, the RDFI shall immediately notify the agency of the death or incapacity. The proper use of the R15 or R14 return reason code shall be deemed to constitute such notice.



**If a beneficiary dies**

Let us know if a person who receives Social Security benefits dies. We can't pay benefits for the month of death. That means if the person died in July, the check received in August (which is payment for July) must be returned. If the payment is by direct deposit, notify the financial institution as soon as possible so it can return any payments received after death.




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### Scenario #4: Multiple Railroad Retirements

Deborah passed away on 3/15/25, but RDFI only found out via DNE on 8/7/25. The following post-death benefits posted to her account:

4/1: \$950	45 Days	<b>TOTAL = \$4,750.00</b>
5/1: \$950		
6/1: \$950		
7/1: \$950		
8/1: \$950		



What could be the RDFI's liability?

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### Scenario #5: Had Constructive Knowledge



RDFI received death certificate on 1/15/25 for Frank Stein but did not image, place on system, or alert back office. Civil Service Notice of Reclamation arrives 8/5/25 requesting 6 payments for \$655 from early February to early August (\$3,930).

What could be the RDFI's liability?

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**EPCOR Knowledge Community:**  
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# Thank You for Attending!

EPCOR is your best resource for:

## Expertise—

Payments professionals are just a phone call away to help you resolve issues and understand the complex rules and regulations regarding all types of electronic payments.

## Diverse Programs—

More than just the *ACH Rules*, you get a variety of programs on fraud, risk, audits and more to protect your organization against loss and penalty.

## Keeping Pace with the Evolving Payment Landscape—

You have a voice in industry issues through EPCOR and you stay connected with industry initiatives that influence policy.

**Visit [epcor.org](https://epcor.org) for a complete list of classroom and online learning events.**

# CERTIFICATE OF COMPLETION

This certificate is awarded to:

on

In completion of:  
**Gimme Shelter from  
Government Benefit Payments**

This course is worth 1.4 AAP/APRP  
continuing education credits.



James Carrick  
Vice President, Education, EPCOR

