212.1 PAYEES

A. The person who makes a request for TCA benefits by signing the application usually becomes the payee when eligibility is established.

B. In two-parent households, the adult female is made payee unless there is an agreement between the parents for the adult male to be payee.

C. The payee of the TCA grant is:
   1. A caretaker relative:
      a. Mother or father
      b. Grandparent
      c. Sister or brother
      d. Aunt or uncle
      e. Cousin (first, second, etc.)
   2. The degree of relationship is not important and relationship is not important unless it is questionable

212.2 PROTECTIVE PAYEES

A. At times, it may be necessary for the local department to seek a protective payee for a caretaker's TCA benefits

B. A protective payee is approved by the local department when the caretaker is:
   1. Physically disabled
   2. Mentally disabled
   3. Unable to manage funds
   4. A minor parent
   5. A minor pregnant woman
C. A protective payee may be approved if:

1. The caretaker makes a written request for a protective payee
2. The Social Security Administration pays the caretaker relative's benefits to a protective payee
3. A social worker requests a protective payee for a caretaker when there is confirmed evidence of need

D. When possible, make the selection of a protective payee should be made by or with the approval of the caretaker

E. Responsibilities of the protective payee include:

1. Management of the TCA benefits
2. Accountability for the TCA benefits
3. Other related obligatory services:
   - Purchase food, clothing, medicine
   - Pay rent or mortgage, water, utilities

F. A protective payee can never be:

1. A staff member of the Family Investment Administration
2. A person with medically diagnosed alcoholism or drug addiction, or
3. Any person who deals with the caretaker for profit, such as a landlord or merchant (this creates a conflict of interest)

G. Conduct an annual to ensure the protective payee is meeting expectations

H. Send timely and adequate notification of adverse action to the customer advising of the action to provide a protective payee and of appeal rights
I. The local department may terminate the protective payee arrangement when the:

1. Caretaker is no longer disabled
2. Social services worker recommends that the caretaker resume the payee responsibility
3. Social Security Administration terminates their protective payee and pays the caretaker's benefits directly to the caretaker
4. Minor parent or minor pregnant woman becomes of age or is eligible in her own right
5. Caretaker requests in writing to resume duties as own payee, or
6. Local department determines the protective payee is not satisfactorily meeting expectations

212.3 THIRD PARTY PAYEES

A. The following individuals have been approved by the Department as third-party payees:

1. Non-profit organizations
2. For-profit organizations
3. Responsible individuals (approved by the local department)
4. Government entities which include the local departments (but not FIA staff)

**Note:** An individual is not required to accept assistance from a religious organization if acceptance violates the individual's bona fide religious beliefs and practices

B. Designate third-party payees under the following circumstances:

1. The local department authorizes Transitional Assistance due to a program sanction
2. The needs of the head of household are removed from the assistance unit for failure to follow substance abuse provisions

C. Responsibilities of the third-party payee include:

1. The ability to track the family's funds
2. Accountability for the disbursement of the family's funds
3. Providing services relating to the management of the family's funds
4. Providing services to assist the family to comply with program requirements

D. Local departments may pay an administrative fee to the third-party payee to cover the administrative costs of managing the customer's benefits

E. A third-party payee can never be:

1. A staff member of the Family Investment Administration
2. A person with medically diagnosed alcoholism or drug addiction, or
3. A person who deals with the customer for profit such as a landlord or merchant (this creates a conflict of interest)

F. Conduct a review annually or semi-annually to ensure the third-party payee is meeting expectations

G. Send timely and adequate notification of adverse action, including an appeal form and a return envelope to the customer advising of the action to have benefits paid to a third-party

1. Include the name and address of the third-party payee
2. Explain how the third-party payee was selected and why

Note: Forms are available to help the third-party payee track and account for disbursement of the customer's benefits.
H. The local department may terminate the third-party payee arrangement when the:

1. Transitional Assistance period ends
2. Sanction for not complying with a work requirement is removed
3. TCA case is closed, or
4. Local department determines the third-party payee is not satisfactorily meeting expectations