

DEPARTMENT OF BENEFIT PAYMENTS

744 P Street, Sacramento, CA 95814
(916) 445-6907



February 11, 1977

ALL-COUNTY LETTER NO. 77-11

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: FOOD STAMP PROGRAM - UMO MONEY ORDERS

REFERENCE:

This is to further detail information provided in a recent telegram concerning the filing of bankruptcy on January 12, 1977 by Universal Money Order Company (UMO). We are alerting you to this in the event that any of your food stamp agents have accepted UMO money orders in receipt for purchase requirements. Please instruct your agents to immediately cease accepting UMO money orders for payment of any purchase requirements.

Affected money orders may bear one of the following corporate names:

Universal USN Company, Inc.
Universal Money Order Company
USN Company, Inc.
Universal Exchange
International Express Company, Inc.

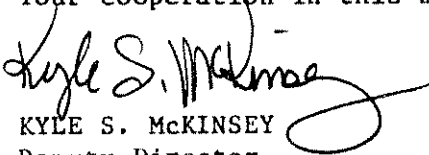
Even though UMO ceased issuing money orders on January 12, 1977, agents may possess returned UMO money orders issued prior to this date. These should be retained until the State Banking Department develops a payment procedure. Please notify the State Banking Department of these agents (include address, phone number, and total dollar amount of money orders returned) at one of the following addresses:

State Banking Department 235 Montgomery Street Suite 750 San Francisco, CA 94104	State Banking Department 600 South Commonwealth Avenue Suite 1501 Los Angeles, CA 90005
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If you have not already contacted Department of Benefit Payments (DBP) with the above information please notify Richard Macaluso of the Food Stamp Policy Coordination Bureau at (916) 445-6907.

Those agents which possess returned money orders will accordingly lack sufficient funds to make full deposits to the FRB. Agents should either make up the difference on the deposit or deposit only those remaining receipts that can be converted to a single negotiable instrument. If the agent (or county) chooses the latter course they must attach a sheet to the FNS-250 (Food Coupon Accountability Report) fully explaining why the full deposit is not being submitted. FNS will then bill the agent at the end of the semiannual accounting period.

Your cooperation in this matter is appreciated.


KYLE S. MCKINSEY
Deputy Director

cc: CWDA