

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



March 21, 2007

ALL COUNTY LETTER NO. 07-15

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY FISCAL OFFICERS
ALL COUNTY PROGRAM MANAGERS

**REASON FOR THIS
TRANSMITTAL**

- State Law Change
- Federal Law or Regulation
Change
- Court Order
- Clarification Requested by
One or More Counties
- Initiated by CDSS

SUBJECT: OVERPAYMENT COLLECTION AND REPORTING
REQUIREMENTS OF FEDERAL TITLE IV-E FUNDS FOR THE
FOSTER CARE AND ADOPTION ASSISTANCE PROGRAM

REFERENCE: ALL COUNTY LETTER NO. 06-48

The purpose of this All County Letter (ACL) is to inform county welfare departments and county fiscal officers of Administration for Children and Families (ACF) Federal Region IX requirements to submit a comprehensive list of the total amount and the federal share of uncollected and unpaid balances of all disallowed costs associated with state and county foster care and adoption assistance overpayments.

ACL No. 06-48 issued on December 18, 2006 informed counties of the requirements received from the ACF Federal Region IX regarding repayment of the federal share of improper payments identified under the Title IV-E Foster Care and Adoption Assistance Programs. Required county actions were described and further reporting instructions were promised. This ACL describes the specific reporting instructions that counties are now required to follow.

Counties must submit a comprehensive list of the total amount and the federal share of all uncollected and unpaid balances of foster care and adoption assistance overpayments or disallowed costs for which the county has records from audits, reviews or other sources, regardless of the county's ability to collect. The period of time is October 1, 2003 through December 31, 2006. This list must be in Excel format and include the following information:

- Aid Codes: 42 AND 03
- Provider Name
- Child Case Number (do not submit child's name)
- Balance of amount due as of 12/31/06
- Only the Federal Share of the balance due
- Identify the overpayment period for each occurrence of overpayment
- Only those overpayments where due process has concluded as of 12/31/06

Example:

Aid Code	Provider Name	Child Case No.	Balance of amount due as of 12/31/06	Fed Share of Bal Due As of 12/31/06	Overpayment Period
42	HuHu Group Home	xx-xxxxxx	\$5,000	\$ 3,135	November 1-31, 2004
42	Mrs. Williams	xx-xxxxxx	\$ 50	\$ 44	May 20-31, 2003
42	XYZ FFA	xx-xxxxxx	\$ 400	\$ 330	June 28-30, 2005

The Department continues to negotiate with ACF regarding the retroactive period for overpayments with the goal of setting the date as October 1, 2003. Should these negotiations be unsuccessful, counties must be prepared to provide information regarding all foster care and adoption assistance overpayments for which the counties keep records, regardless of the county's ability to collect.

Counties must submit their Excel list in electronic format to FCOverpayments@dss.ca.gov no later than April 18, 2007. Please submit a hard copy with final approval and sign off by your County Welfare Director and the County Auditor Controller to:

California Department of Social Services
Foster Care Audits and Rates Branch
744 P Street, M.S. 9-23
Sacramento, California 95814
Attn: Teresa Torreyson

Additionally, counties had previously requested clarification of due process. Due process applies only to the appeal rights of providers subject to an overpayment assessment pursuant to Manual of Policies and Procedures (MPP) Section 45-304 and Section 45-305. Informal hearing procedures can be found in MPP 45-306. Overpayment appeal rights for group home and foster family agency providers, where the overpayment is from a state audit of the group home program or foster family agency fiscal audit can be found in MPP Section 11-402.6.

All County Letter No. 07-15
Page Three

If you have any program questions about this ACL, please call Debra Williams, Manager in the Program and Financial Audits Bureau at (916) 651-9155, and if you have any fiscal questions please call Eddie Yamamoto, Manager in the Fiscal Policy Bureau at (916) 651-9986.

Sincerely,

Original Document Signed By:

MARY L. AULT
Deputy Director
Children and Family Services Division

c: CWDA