

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



September 10, 1987

ALL COUNTY LETTER NO. 87-123

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: QUESTIONS AND ANSWERS ON THE TREATMENT OF EDUCATIONAL
LOANS AND GRANTS IN AFDC, RDP, RCA & ECA

REFERENCE: MPP 44-111.43, Educational Loans & Grants (Income)
MPP 42-213.2c(2), Loans & Grants (Property)

The purpose of this letter is to provide clarifying information which may assist you in interpreting and applying the referenced regulations with regard to the treatment of educational loans and grants. The letter responds to the many questions received from counties and educational institutions on this subject.

In the attachment to this letter, we have chosen a question and answer format to address the substantive issues that have been brought to our attention. The questions and answers are divided among the following subject areas on the attachment: Exempt Educational Loans and Grants, Partially Exempt Educational Loans and Grants, and Miscellaneous. Where appropriate, we included narrative summaries of key regulatory provisions to establish the basis for treatment of the issues.

If you have questions regarding this letter or additional questions regarding the treatment of educational loans and grants, please call Jim Mullany at (916) 324-2661 or ATSS 454-2661.


ROBERT A. HOREL
Deputy Director

Attachment

cc: CWDA