

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814
(916) 445-7046



November 13, 1980

ALL-COUNTY LETTER NO. 80-69

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY AUDITORS
ALL COUNTY FISCAL OFFICERS
ALL COUNTY ADMINISTRATIVE SERVICES OFFICERS

SUBJECT: SHARING RATIOS FOR REPAYMENTS FOR FISCAL YEAR 1980/81 AND IMPACT
ON CLAIMING COSTS FOR AFDC COLLECTIONS

In previous years the repayment sharing ratios for AFDC-FG/U and AFDC-BHI were formulated on a five-year moving average of the combined expenditures for the two programs; therefore, one sharing ratio was applicable to both programs. Because of the requirement for separate federal and nonfederal AFDC-BHI claims (summary documents, payrolls, contra rolls), effective July 1, 1980, it was necessary to determine separate sharing ratios for FY 1980/81. Each ratio is based on a five-year moving average of expenditures relevant to the particular program (AFDC-FG/U, AFDC-BHI federal, AFDC-BHI non-federal) for calendar years 1975 through 1979. The sharing ratios are as follows:

<u>Program</u>	<u>Federal</u>	<u>State</u>	<u>County</u>
AFDC-FG/U	49%	39%	12%
AFDC-BHI Federal	50%	25%	25%
AFDC-BHI Nonfederal	--	48%	52%

The change in the repayment sharing ratios will have an impact on claiming costs for AFDC collections as reported on the Form DFA 800 by those counties who have claimable costs. The county share of funds recovered by a county from persons who have been overpaid AFDC funds because of willful failure to report may be increased up to a maximum of 25 percent of the total funds recovered by the county. Form DFA 800 will be revised to provide for claiming up to an additional 13 percent of AFDC-FG/U collections (not to exceed the actual cost of collections) plus the 12 percent which the county will receive through the regular repayment mechanism. Because the county repayment sharing ratio is 25 percent for federal BHI and 52 percent for nonfederal BHI through the regular repayment mechanism effective July 1, 1980, BHI repayments will not be reported on the Form DFA 800.

The revised DFA 800 to be used effective with the quarter ending September 30, 1980 will be sent to the counties at a later date under separate cover.

Recoveries reported for OAS, AB and ATD will continue to be shared on the basis of the five-year moving average prior to SSI/SSP conversion: 48 percent federal, 37 percent state and 15 percent county.

If you have any questions concerning these claiming instructions, please contact the County Fiscal Administration Bureau, Department of Social Services at (916) 445-7046.

Sincerely,



CLAUDE E. FINN
Deputy Director
Administration

cc: CWDA