

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



September 26, 1983

ALL-COUNTY LETTER NO. 83-100

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: TREATMENT OF FOSTER CARE PAYMENTS TO AFDC RECIPIENTS WHO ARE
FOSTER CARE PROVIDERS

REFERENCE:

This letter is to clarify Aid to Families with Dependent Children (AFDC) program policy regarding the subject cited above. Previously, the care and supervision component of the foster care payment, if specifically identified, was considered compensation to the foster parent for provision of foster care services. Such compensation met the definition of earned income. Therefore, counties were directed to treat as earned income the care and supervision component of the foster payment.

AB 2695, effective October 1, 1982, now provides for standardized rates with no breakout of care and supervision. Therefore, an AFDC-Foster Care payment received on behalf of a foster child by an AFDC recipient who is a foster care provider is exempt as income (EAS 44-101.2, 44-133.82 and 44-301). This exemption also applies to the specialized care increment included in the AFDC-FC payment for a child requiring specialized care.

You may direct any questions concerning this to the AFDC Policy Implementation Bureau at (916) 322-5330.


KYLE S. MCKINSEY
Deputy Director

cc: CVTA