

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, Sacramento, California 95814



April 21, 1999

ALL COUNTY LETTER NO. 99-26

TO: ALL COUNTY WELFARE DIRECTORS  
ALL CalWORKs PROGRAM SPECIALISTS

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: CLARIFICATION ON COMPUTING OVERPAYMENTS IN THE  
CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS  
(CalWORKs) PROGRAM

REFERENCE: ALL COUNTY LETTER 97-76

The purpose of this letter is to clarify the California Department of Social Services' policy regarding the computation of an overpayment when an assistance unit has a period of ineligibility mixed with months of eligibility. This clarification is provided in response to inquiries from the counties and to ensure the correct application of recipient disregards in overpayment computations.

As indicated in All County Letter 97-76, when recomputing months of aid to determine if overpayments exist and a two-month or more period of ineligibility occurs between months of eligibility, the county is to use prospective budgeting for the first two months following an ineligible period. However, since the recipient's status did not change, i.e., the assistance unit was not actually discontinued and no break in aid occurred, they are considered recipients and therefore, remain entitled to the recipient disregards.

If you have any questions regarding this letter, please contact the following staff:

Overpayments	Cheryl R. Arics	(916) 653-4992
Budgeting	Cora Myers	(916) 654-2236
Income	Julie Lopes	(916) 654-1786

Sincerely,  
**Original document signed by**  
**Bruce Wagstaff on April 21, 1999**  
 BRUCE WAGSTAFF  
 Deputy Director  
 Welfare to Work Division

c: CWDA  
CSAC