



Administrative Policies and Procedures: 3.3

Subject:	Overpayments Made To Foster Parents
Authority:	TCA 9-4-604; 37-5-105 (3); 37-5-106; 37-5-112, <i>Department of Finance and Administration Policy 25</i>
Standards:	COA: PA-FIN 1; DCS Practice Standard: 2-500
Application:	To All Department of Children's Services Finance Employees
Policy Statement:	
<p>If overpayments have been made by the Department of Children's Services (DCS) to foster parents, Tennessee Code Annotated (TCA) 9-4-604 obligates DCS to recover foster care overpayments. DCS shall deduct from amounts that are or become due and payable to foster parents under any contract between the foster parents and the State of Tennessee. Overpayments shall be repaid to the department by direct reimbursement from foster parents or deduction from the monthly adoption assistance payments to the foster parents.</p>	
Purpose:	
To ensure a process for reimbursement of foster care overpayments to DCS.	
Procedures:	
A. Notification of overpayments	<ol style="list-style-type: none"> 1. Foster parents are responsible for reporting any overpayments received immediately to their assigned Family Service Worker or Foster Parent Support; or foster parents are to be notified by their Family Service Worker or Foster Parent Support as soon as the Family Service Worker or Foster Parent Support is aware of an overpayment. The Family Service Worker or Foster Parent Support will provide the foster parents with the specific details causing the overpayment. 2. Foster parents are to be notified by letter from the Central Office Finance and Program Support Division staff when overpayments to foster parents are identified and reported. 3. Identified and reported foster care overpayments are recorded by Central Office Finance and Program Support Division staff as accounts receivables in the department's financial records and any associated federal funds are to be adjusted.
B. Repayments	<ol style="list-style-type: none"> 1. Foster parents are expected to repay departmental overpayments either by: <ol style="list-style-type: none"> a) Refunding the total amount of the overpayment, or

	<p>b) Reducing their bi-monthly foster care payment by 25% or more depending on the amount of the overpayment until the overpayment is paid in full.</p> <ol style="list-style-type: none">2. The written notice must advise the foster parents that their foster care payments will be reduced by 25% or more depending on the amount of the overpayments.3. Repayment checks or money orders must be made payable to the <u>Department of Children's Services</u>.4. The foster parents may mail the repayment check or money order to the Central Office Finance and Program Support Division along with a copy of the overpayment notice or an explanation attached to the repayment check or money order.5. If the foster parents submit the repayment check to regional staff, the check must be restrictively endorsed and deposited according to the Department of Finance and Administration Policy 25 for deposits. A copy of the State of Tennessee deposit slip must be sent to the Central Office Finance and Program Support Division no later than once per week.
--	--

Forms:	<i>None</i>
---------------	-------------

Collateral documents:	<u>Department of Finance and Administration Policy 25</u>
------------------------------	---