



North Carolina Department of Health and Human Services  
Division of Social Services

325 North Salisbury Street • Raleigh, North Carolina 27699-2439  
Courier # 56-20-25-MS# 2439

Beverly Eaves Perdue, Governor  
Lanier M. Cansler, Secretary

Sherry S. Bradsher, Director  
(919) 733-3055

August 14, 2009

**DEAR COUNTY DIRECTORS OF SOCIAL SERVICES**

**ATTENTION: COUNTY DIRECTORS, CHILD WELFARE PROGRAM MANAGERS,  
SUPERVISORS AND CHILD WELFARE WORKERS**

**SUBJECT: USE OF A FOSTER CHILD'S RESOURCES**

This letter is intended to provide additional guidance and clarification on how to properly utilize a foster child's Social Security benefits while in care. Attached is a Question and Answer document developed by the Division of Social Services to assist counties in determining whether their practices and procedures are fully in compliance with the Social Security Administration's requirements for representative payees of a child's SSI or other social security benefits. Some of this information has been previously communicated to counties by DSS Administrative Letter [FSCWS-17-07](#), issued by the Division following the North Carolina Court of Appeals decision, *In re J.G.*, 186 N.C. App. 496, 652 S.E.2d 266 (2007).

Although the North Carolina Supreme Court declined discretionary review of *In re J.G.*, the North Carolina Court of Appeals determined in an entirely separate matter, that, to the extent *In re J.G.* conflicted with *Brevard v. Brevard*, 74 N.C. App. 484, 328 S.E. 2d 789 (1985), the Court of Appeals is required to follow *Brevard*, and does not have the authority to direct payment of Social Security benefits to someone other than the payee.

Please note especially the information in the Q & A document about SSI and IV-E eligibility, as this is an area about which there has been much confusion in the past. The key element of these requirements is that if the county claims any IV-E maintenance costs for a child that receives SSI, then the SSI check amount must be reduced by the amount of the foster care board payment. For a child in a costly placement, this will likely result in the termination of the SSI benefit completely. Also note the resource limits for both SSI and Medicaid, since if the child accumulates resources in excess of these limits, the child's benefits will be terminated.

It is also important to realize that the use of a child's Social Security resources by social services agencies is being scrutinized both within the state of North Carolina and across the nation. This makes it more important than ever to insure that we are in complete compliance with all requirements and that the needs of all children in our care are being fully met. If you have any questions about any of the information contained in the Question and Answer document, please contact Thomas Smith at (919) 334-1089 or at [thomas.smith@ncmail.net](mailto:thomas.smith@ncmail.net).

Sincerely,

A handwritten signature in cursive script that reads "Charisse S. Johnson".

Charisse S. Johnson, Chief  
Child Welfare Services

Attachment: [Social Security Q & A](#)

cc: Sherry S. Bradsher  
Jack Rogers  
Sarah Barham  
Child Welfare Services Team Leaders  
Children's Services Program Representatives  
Regulatory and Licensing Services Consultants

**CWS-27-09**