DSS ADMINISTRATIVE LETTER
CHILD WELFARE SERVICES CWS-AL-01-12

TO: **COUNTY DIRECTORS OF SOCIAL SERVICES**

ATTENTION: **CHILD WELFARE PROGRAM ADMINISTRATORS, MANAGERS, SUPERVISORS, AND SOCIAL WORKERS**

DATE: **JANUARY 12, 2012**

SUBJECT: **EDUCATION STABILITY AND CREDIT CHECKS FOR OLDER YOUTH IN CARE**

EFFECTIVE DATE: **IMMEDIATELY**

I. INTENT

The purpose of this letter is to provide counties with information and instruction regarding two provisions of the recently enacted federal legislation entitled the Child and Family Services Improvement and Innovation Act (P.L. 112-34) (http://www.govtrack.us/congress/billtext.xpd?bill=h112-2883) that was signed by the President into law on September 30, 2011. Among many things, this legislation amended the Case Plan Section of Title IV-E requirements as it relates to educational stability of children in foster care and introduced a new provision pertaining to the subject of identity theft for foster children. For basic information about the provisions of this law the Administration for Children and Families, Children's Bureau has issued Information Memorandum ACYF-CB-CM-11-06 (http://www.acf.hhs.gov/programs/cb/laws_policies/policy/im/2011/im1106.pdf).

II. BACKGROUND AND INSTRUCTIONS

Education Stability:

Related to education stability, the new legislation mandates that states must meet the education stability case plan requirement at each placement change and not just at the initial placement as was originally by the *Fostering Connections to Success and Increasing Adoptions Act of 2008* (section 475(1)(G) of the Social Security Act). The education case plan requirements were previously outlined in DSS Administrative Letter CWS-02-09 (http://info.dhhs.state.nc.us/olm/manuals/dss/csm-05/man/CWS_AL_02_09.htm#P22_211). To meet these requirements, the Child Education Status Component (DSS-5245) shall be completed. Currently, policy mandates that the DSS-5245 be completed for all children "grades K through 12 within seven days of a child's initial placement and subsequent placements and to be updated at least every 6 months or when circumstances change."

Credit Reports for Youth in Foster Care:

Significant concern exists that foster children are vulnerable to being victimized by identity theft because their personal information passes through many hands, increasing the chances that someone will open an account in their name or use their Social Security number. Since children typically have no credit records, it makes it easier for thieves to link their unused Social Security numbers to other names and birth dates. Most parents, caretakers and foster parents see no reason to suspect a problem, which means the theft can go undetected for years. In some instances the suspected theft may be someone of the youth's own family or a foster parent. Additionally, youth may voluntarily allow a family member or friend to obtain credit or services in their name with the assumption that the bills will be paid in a timely because they are not aware of the consequences of damaged credit. As a result, youth who age out of care may be greatly challenged by credit issues upon exiting the system. Additionally, they lack a support system to help them resolve their credit issues. These problems hinder the youth's ability to access resources and obtain basic services such as housing, transportation and employment, thus thwarting their successful transition to adulthood.

To this end, the above legislation adds a new IV-E requirement stating that "each child in foster care under the responsibility of the State who has attained 16 years of age receives without cost a copy of any consumer report (as defined in section 603(d) of the Fair Credit Reporting Act) each year until discharge from foster care, and must be assisted (including, when feasible from their court-appointed advocate) in interpreting the credit report and resolving any inaccuracies in the report." Counties are strongly encouraged to maintain this requirement for youth who sign Contractual Agreements for Residential Services. While the legislation mandates that the credit checks begin at age 16, there is nothing that precludes the county DSS from implementing this requirement for younger youth in care, particularly if there is suspicion that the youth is a victim of identity theft.

It is important to note that this is a two-step mandate for the county DSS:

1. provide the credit report; and
2. provide any needed assistance in resolving any inaccuracies with the report.

The intent is for the counties to work with the youth in reviewing the credit report, resolve any issues and help the youth understand the importance of conducting a credit check so that they will continue the practice upon their exit from care. Counties may collaborate and/or contract with community based providers to fulfill this requirement. A copy of the credit report must be placed in the youth's DSS case file as well as evidence of discussion with the youth about the report and efforts to resolve any inconsistencies. Planning for obtaining the credit report be should included in the youth's Transitional Plan as well as the Emancipation Plan (DSS-5315) form. The Division will update the DSS-5315 form to include information on credit checks. For more information on obtaining a free credit report visit the Federal Trade Commission consumer fact website at http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre34.shtm.

Counties are reminded that the information contained in this Administrative Letter stands as policy and will be reflected in the next update of the impacted policy manuals. Should you have any questions please contact the Child Welfare Policy Team at 919-733-4622.

Sincerely,

Kevin Kelley

Kevin Kelley, Section Chief
Child Welfare Services

CWS AL-01-12

cc: Sherry S. Bradsher
Jack Rogers
Child Welfare Services Team Leaders