Nonrecurring Adoption Expense (NAE)

Number: 45-042
Date: 12/1/2007

PURPOSE

The purpose of this procedure is to provide guidelines to follow when sending payment to adoptive parents as reimbursement for adoption expenses.

APPROVED

This policy was approved by Mike Ryan, Director of CFS, on 1/29/2010. *Signature on file*.

OVERVIEW

Prior to January 1, 1987, adoptive parents were permitted to deduct nonrecurring expenses related to the adoption of a special needs child through Federal income tax deduction. The Tax Reform Act of 1986 eliminated that deduction and mandated that states provide direct reimbursement effective January 1, 1987. Legislation to establish this system in California was passed effective January 1, 1990.

POLICY

ELIGIBILITY FACTORS FOR REIMBURSEMENT

Adoptive parents of an Adoption Assistance Program (AAP) eligible child may receive reimbursement of reasonable nonrecurring expenses incurred as a result of the adoption. In order to be eligible for reimbursement, adoptive parents must sign an agreement with Orange County Social Services Agency prior to finalization of the adoption. The maximum reimbursement amount for Nonrecurring Adoption Expense (NAE) is $400.00 per child. The reimbursement shall be available regardless of the adoptive parent's income and shall be separate from any AAP payment.

DEFINITION OF NAE

NAE means reasonable and necessary adoption fees, court costs, attorney fees and other expenses which are directly related to the legal adoption of a child with special needs, which are not incurred in violation of State or Federal law, and which have not been reimbursed from any other sources or funds. Other expenses which are directly related to the legal adoption of a child with special needs are costs of the adoption incurred by or on behalf of the parents and for which parents carry ultimate liability for payment. Such costs may include the adoption study, including health and psychological examinations, transportation and the reasonable costs of lodging and food for the child and/or the adoptive parents when necessary to complete the adoption process.

REFERENCES HYPERLINKS

Adoption Program Regulations 35352, 35352.1, 35352.2, 35352.3

REQUIRED FORMS HYPERLINKS

Form Name	Form Number
Check Request Form D CalWIN Processing	F063-02-226
Nonrecurring Adoption Expenses	F063-18-243
Non-System Determined Issuance	F063-18-243RFC012506

PROCEDURE

REQUIRED ACTION

The following actions must be completed when the Senior Social Worker (SSW) sends an NAE form number F068-18-243 reimbursement request to the AAP Intake Eligibility Technician (ET).

Responsibility	Step	Required Action
AAP Intake ET	1.	Reviews documents for completeness.

OCSA

1. Checks CalWIN for an active AAP case.
   - If there is an active AAP case continue to step 3.
   - If there is not an active AAP case, the Data Entry Technician (DET) will have to complete Application Registration in CalWIN. Once the Application Registration is complete continue to step 3.

1. Issues NAE payments through NSDI.

1. Completes Non-System Determined Issuance form number RFC012506.
   Note: Use the following to issue NAE payments.
   - Payment Type: Non-Recurring Special Need
   - Issuance Reason: Nonrecurring Adoption Expense

1. Completes Check Request Form D CalWIN Processing form number F063-02-226.

1. Completes case comments in CalWIN.

1. Makes a copy of the NAE paperwork to retain in the AAP case file.

OCSSA