

Assets of Children in Placement

(Revised 03/29/18)

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Unearned income

Some children in placement receive death benefits or disability benefits from the Social Security Administration or Veterans Administration. Others may have received an inheritance, insurance settlement, or funds from other sources.

Unearned income available to the child must be reported to the HSS and used to cover placement costs. Any amount in excess of placement costs is placed into a reserve account (see Social Security Reserve Accounts) that is managed by the HHS Fiscal section. (See also Social Security Benefits.)

Earned income

The earnings of a dependent minor may affect his eligibility to foster care payments. The earnings of teens participating in ILS [see Independent Living Skills (ILS) (General Information)] may be treated differently than if the child is not participating in ILS. **Earned income must be reported to the HSS.**

Accumulated income is considered property and may affect a child's eligibility to foster care payments.

Bank accounts

State regulations support a foster youth's right to own a savings account. HHS policy encourages the teaching of age appropriate money management skills to dependent youth. When a foster youth has income, he should have his own bank account.

Some financial institutions are more willing than others to issue an account to youth as sole owner/signer. Adults working with dependents can facilitate youth opening an account by calling individual branches to locate a facility that will allow the youth to have his own account and by going with them to the bank.

A HHS employee or SCP may **not** co-sign for a dependent child to open an account. CASAs, ILS contractors and group home staff are discouraged from this practice. Parents and non-caregiver relatives may co-sign.

See Independent Living Skills (ILS) (General Information) for additional ILS criteria.

Limitations

The amount of income or savings a child has may affect his Foster Care Eligibility Redetermination.

Reporting requirements

It is the SW's responsibility to inform the HSS of a child's earnings and property. This should be done with the initial eligibility application, at every renewal, and whenever there is a change in circumstances (see Foster Care Payments - Federal and State AFDC-FC). Documentation to be sent to the HSS includes copies of banks accounts, car registrations, trust paperwork, etc.

Alignment with SET

This policy aligns with SET [Value 3](#) and the guiding principle to have a continual focus on children's well-being while they are in our care.
