



## INDIANA DEPARTMENT OF CHILD SERVICES CHILD WELFARE POLICY

**Chapter 15:** Eligibility      **Effective Date:** January 1, 2020

**Section 8:** Financial Resources      **Version:** 3

### STATEMENTS OF PURPOSE

The Department of Child Services (DCS) will identify financial resources available to the assistance group during the removal month when determining eligibility for Title IV-E Foster Care (Title IV-E) funding. See policy [15.5 Assistance Group](#) for additional information.

The financial resources considered are the resources owned by and available to the assistance group members during the removal month. In evaluating the assistance group's resources, there are several key considerations:

1. Identification of [exempt and countable resources](#);
2. [Availability of the resource](#); and
3. [Equity value of the resource](#).

The combined countable resources of the child's assistance group in the removal month must not exceed \$10,000. If the combined resources exceed \$10,000, the child is ineligible for Title IV-E.

**Note:** Income received during the removal month should not be considered part of the assistance group's resources, but rather as earned or unearned income. See policy [15.7 Income Requirements](#) for additional guidance.

### Code References

1. [42 USC 672\(a\), \(h\), and \(i\): Removal and foster care placement requirements](#)
2. [45 CFR 1356.21\(l\): Living with a specified relative](#)
3. [45 CFR 233.10: General provisions regarding coverage and eligibility](#)
4. [45 CFR 233.20: Need and amount of assistance](#)
5. [465 IAC 2-7-5: Title IV-E; foster care eligibility](#)

### PROCEDURE

The DCS Central Eligibility Unit (CEU) will:

1. Review the eligibility information in the case management system; and
2. Make a determination of whether the assistance group's financial resources are under the resource limit.

### PRACTICE GUIDANCE

#### **Supporting Documentation for Determining Resources**

Examples of acceptable supporting documentation of the assistance group's resources include, but are not limited to, copies of the following:

1. Removal petition documenting persons living in the removal home at the time of removal and their relationship to the child;
2. [Preliminary Inquiry](#) – available in [CHINS Benchbook Forms](#)
3. Public assistance records;
4. Bank/investment account statements;
5. Insurance policies;
6. Deeds and titles;
7. Loan documents;
8. Statement from a reliable person cognizant of the facts; and
9. [Title IV-E and Title IV-A/EA Information \(SF 55435\)](#).

When identifying the value of a car, the wholesale or “trade-in” value should be selected from one (1) of the following sources that are available via the internet:

1. [Kelly Blue Book](#); and/or
2. [National Auto Dealers Association \(NADA\) Guide](#).

## FORMS AND TOOLS

1. [Title IV-E and Title IV-A/EA Information \(SF 55435\)](#)
2. [Preliminary Inquiry](#) – available in [CHINS Benchbook Forms](#)

## RELATED INFORMATION

### Countable Resources

Examples of countable resources include, but are not limited to:

1. Cash on hand or cash savings;
2. Current balance of a savings account in a bank, savings and loan, credit union, or other financial institution;
3. Checking accounts excluding any monthly income deposited in the removal month;
4. Stocks, bonds, mutual fund shares, revocable retirement plans, and trust funds;
5. Equity value of items offered for sale (this does not include the primary residence of the assistance group);
6. Equity value of motor vehicles;
7. Equity value of farm or business equipment;
8. Cash surrender value of life insurance policies; and
9. Property settlements which are part of a legal action in the dissolution of a marriage.

### Exempt Resources

Examples of exempt resources (i.e., not counted in the calculation of resources) include, but are not limited to:

1. Primary residence in which the child and his or her family reside;
2. Household items and personal effects (e.g., furniture, television, food, clothing, and jewelry);
3. Proceeds or interest earned from proceeds of casualty insurance received as the result of damage, loss, or theft of exempt property if it is demonstrated the proceeds are being used to replace the property;
4. Funds in an irrevocable retirement plan;
5. Funds in an irrevocable burial trust;
6. Property involved in litigation; and

7. Property jointly owned with someone outside the assistance group (with the exception of bank accounts).

#### **Availability of the Resource**

Resources must be available to the assistance group in order to be counted. If the resources are not available to the assistance group in the removal month, they are exempt. Available resources include the property that an individual owns in part or in full and has the unrestricted right, authority, or legal ability to liquidate or dispose of his or her share of the property.

#### **Equity Value of the Resource**

Equity value is used to determine the value of a resource. The equity value is the fair market value of the item, less any lien or amount owed on the item.

#### **Child Residing with a Parent in a Licensed Residential Family-Based Treatment Facility for Substance Abuse**

A child placed with a parent residing in a licensed residential family-based treatment facility for substance abuse may be eligible for Title IV-E regardless of whether the Aid to Families with Dependent Children (AFDC) criteria are met.