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<th>Policy Subject:</th>
<th>Foster Youth Savings Program – FY 2019</th>
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Legal Information & Purpose

This policy directive provides guidance to the Local Department of Social Services (LDSS) as it relates to the establishment and maintenance of savings accounts for youth participating in the Foster Youth Savings Program (FYSP). The FYSP was first implemented in SFY 2018 with the support of funds from the Maryland Legislature. The overarching goal of the FYSP is to help youth save money for supporting a successful transition into adulthood while acquiring savings to reinforce life skills learned to support housing, education, financial literacy and career investments that lead to independence and self-sufficiency.

Policy

All foster youth ages 14-20 in an out-of-home placement and committed to the LDSS will receive a single, individual contribution to the FSYP on their behalf for SFY19. Youth who are ages 14-17 will receive $350 and youth who are ages 18-20 will receive $800. The older youth in foster care are receiving a higher amount of FYSP funds, as they are closer to exiting foster care and achieving successful adulthood. Qualified youth who are in care for any part of the fiscal year (July 1, 2018 - June 30, 2019) are entitled to this year’s contribution. The age of the youth shall be determined by their age as of July 1, 2018. (Example: A youth with a 3/5/2001 birthday would be 17 by 7/1/18 and therefore would receive $350 in FYSP funds.)

LDSS caseworker staff and caregivers are guided by the Ready By 21 Manual to assist Foster youth with key benchmarks that are important for youth to meet prior to exiting care. One of them is education and this benchmark includes: understanding the high school or GED curriculum; knowledge to assess post secondary education; and understanding the importance of education and its relationship to employment. In FY19, the FYSP will incentivize the achievement of these benchmarks by awarding a one-time $500 High School (HS) Graduation Incentive after successfully receiving a high school diploma, a certificate of completion, or a GED.

Funds that youth receive on behalf of the FYSP are not considered as resources to be used for the cost of their care but are explicitly designed to be conserved in trust for their future use after their exit from foster care.

Procedural Guidance

Opening Accounts:

Upon notification of FY 19 Flexible and Non-Allocated FYSP Funds, each LDSS Managerial program staff, in conjunction with the LDSS Finance Office must ensure that all eligible, committed youth ages 14-20 have acquired a Savings Account. A list of eligible youth for the FYSP can be filtered for each jurisdiction using the Monthly Out-of-Home Milestone report.

Each youth shall be provided a savings allotment appropriate for their age (14-17: $350 and 18-20: $800). This will be carried out using the following guidelines for:

1. New eligible youth (excluding those receiving SSI/SSDI)
2. Youth with established FYS accounts
3. Youth with SSI/SSDI Benefits

NOTE: A LDSS Managerial staff, or designee, is responsible for requesting any additional funding to ensure the program provides all eligible committed youth with a savings account. A memorandum for additional funding shall be addressed to both DHS - Office of Budget and Finance and the SSA Central Office, Older Youth Services, in the event the original funding allocation is exhausted due to new, entering out-of-home placements or more youth than expected who qualify for the HS Graduation Incentive.

1. Newly Eligible Youth (excluding youth who are SSI/SSDI beneficiaries)
Newly eligible, committed youth turning 14 in SFY 2019, or entering out of home placement (ages 14-20 by June 30, 2019), receive their single, individual contribution of FYSP funds, based on their age. These funds are to be deposited in an account within 60 days of commitment to the LDSS, or of meeting the age requirement, using the following guidance:

Caseworkers are responsible and shall process a MD CHESSIE Service Log to generate a State payment for deposit into the account of each eligible child.
  - Clearly document in the Service Log Justification “Foster Youth Savings Program - 2019”
  - Use fiscal category code 7112
  - Send notification to the child, and the child’s attorney, regarding the existence of the account

Finance Officers are responsible to ensure that custodial/Trust account assets are conserved in an interest bearing account in either a youth specific or commingled account.
  - Ensure service charges are paid by the Program
  - Record expense to category code 7112
  - Record trust activity in MD CHESSIE utilizing the youth Accounts module
    - Use the existing “conserved” accounts for children who receive or have received other private funds
    - Do not utilize existing “dedicated” accounts established for large lump sum retroactive Supplemental Security Income (SSI) benefits
    - Record receipts as Transaction Source “Other (Ancillary)” to ensure the FYSP funds are NOT utilized to reimburse cost of care
  - Every 6 months send each youth a statement of the account, in July as of June 30th and in January as of December 31st
  - Keep an accurate and up to date record of the number of youth served by the FYSP

2. Youth with established FYSP accounts (excluding youth who are SSI/SSDI beneficiaries)
Caseworkers are responsible and shall process a MD CHESSIE Service Log to generate a SFY2019 savings allotment payment for deposit into the existing account of each eligible youth.
Follow the same guidance as outlined in #1 above, with one exception: The youth already has an established account and is receiving statements every 6 months. In addition, and if applicable, the caseworker shall:

- Upload verification document of the High School diploma or certificate of completion
- Clearly document in the Service Log Justification “FYSP HS Graduation Incentive”
- Use fiscal category code 7112

Finance Officers are responsible to ensure the same guidance outlined above is followed. In addition, and if applicable, the finance officer shall:

- Record the HS Graduation Incentive as an expense, in same account as annual contribution, to category 7112

3. **Youth Receiving Social Security Income (SSI)/Social Security Disability Income (SSDI)**

In order to protect the youth's SSI/SSDI (means-tested) assets from eligibility concerns due to the accumulation of assets over $2000, refer to SSA Policy 19-6 “Protecting the Resources of Children in State Custody,” Section 5 for guidance on opening a Federal SSA approved Special Needs Trust (SNT) account for the FYSP funds. If an SNT account is already opened on behalf of the youth, use the following guidelines to deposit their FYSP funds into their account:

Caseworkers are responsible and shall process a MD CHESSIE Service Log to generate a SFY2019 savings allotment payment for deposit into the existing SNT account of each eligible youth and follow the same as outlined in #1 above, with one exception: The youth already has an established account and is receiving statements every 6 months. In addition, and if applicable, the caseworker shall:

- Upload verification document of the High School diploma or certificate of completion
- Clearly document in the Service Log Justification “FYSP HS Graduation Incentive”
- Use fiscal category code 7112

Finance Officers are responsible to

- Write a check to the child’s specific SNT, labeling the monies as Foster Youth Savings Program contributions
- In addition, and if applicable, the finance officer shall: Record the H.S. incentive expense, in same account as the annual contribution, to category 7112

**Transitional Planning, Case Closure & Closing Accounts (see Note regarding youth who are SSI/SSDI beneficiaries)**

The MD CHESSIE Accounts module is for the receipt of youth funds, the disbursement of funds for ancillary/Service Log purchases, and the final disbursement of funds.

When a committed youth age 14-21 is discharged from foster care for any reason (reunification, adoption, guardianship, transition to independence), their FYSP monies are to be closed out and
disbursed to them or, in the case of minor children, to their legal guardian. The caseworker and fiscal staff should use the following guidelines.

**Disbursement of FYSP Funds**

- Final disbursement of FYSP funds (category 7112) is made through the Accounts module, not the Service Log, with the input of the payee information (if the youth is over 18, the payee would be the youth; if under 18 the payee would be the youth’s guardian).
- The youth does not need to sign for the final check.
- There are standard fiscal procedures for non-receipt, stolen, lost and returned checks.
- There is no need to complete a W9 or establish the youth as a vendor in AFS.
- Be mindful, that the above actions need to occur prior to the case being closed in CHESSIE.
- In the event the youth cannot be located, a letter should be sent to their last known address with notification that if no response is received within 30 days, the FYSP funds will be sent to the State of Maryland Unclaimed Property. (This would also apply if the youth passes away and has no next of kin identified.)

**NOTE:** For youth who are SSI/SSDI beneficiaries, refer to SSA Policy 19-6 “Protecting the Resources of Children in State Custody,” Section 6 for guidance on assistance to the identified foster youth regarding SNT Disbursements.

**Alignment with Practice Model and Desired Outcomes**

The FYSP supports the goal of the Practice Model for timely and lasting permanency, specifically for our older youth population. It values collaboration with the youth and empowers them to plan for their future.

DHS is committed to ensuring all older youth in foster care have the skills and resources available to safely practice and demonstrate their progress in becoming independent and self-sufficient adults.

The Foster Youth Savings Program aligns with the Youth Matter and Ready By 21 Framework which provide benchmarks that highlights skills in education, employment, health/mental health, housing, financial literacy/resources and ongoing support.

**Documentation**

- Caseworker Document in CHESSIE Service Log - FYSP deposits general/HS Graduation Incentive
- Finance Officer - Document in CHESSIE Child Account
- Account Opening and Six-month Accounting documentation to Youth and Youth’s attorney
- Special Needs Trust Account Establishment and Finance Forms (see SSA Policy 19-6)
Related Information

This policy is to be used in conjunction with the following:

- Ready by 21 Manual
- Maryland Youth Transition Plan (SSA# 19-4)
- Protecting the Resources of Children in State Custody (SSA CW#19-6)