

TITLE 89: SOCIAL SERVICES
CHAPTER III: DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SUBCHAPTER c: FISCAL ADMINISTRATION

PART 353
CHILDREN'S ACCOUNTS

Section

- 353.1 Purpose
- 353.2 Definitions
- 353.3 Establishment of Accounts
- 353.4 Restricted Accounts
- 353.5 Disbursements from Accounts
- 353.6 Account Termination
- 353.7 Payment of Benefits to Parents or Relative (Repealed)
- 353.8 Funeral and Burial Expenses
- 353.9 Safe-Keeping and Investment of Funds

AUTHORITY: Implementing and authorized by the Children and Family Services Act [20 ILCS 505] and the Probate Act of 1975 [755 ILCS 5].

SOURCE: Adopted and codified at 5 Ill. Reg. 7780, effective August 1, 1981; amended at 10 Ill. Reg. 1911, effective January 31, 1986, amended 24 Ill. Reg., effective February 1, 2001.

Section 353.1 Purpose

The purpose of these rules is to explain how the Department administers the financial accounts of monies received by the Department for children for whom the Department has legal responsibility.

(Source: Amended at 24 Ill. Reg., effective February 1, 2001)

Section 353.2 Definitions

"Board and care payments" includes payments for room, board, clothing, and a personal allowance. Refer to 89 Ill. Adm. Code 359 (Authorized Child Care Payments) concerning establishment of payment rates.

"Child's account" means a no-cost, interest bearing account established by the Department of Children and Family Services from monies, public and private, received for a child for whom the Department has legal responsibility.

"Children for whom the Department is legally responsible" means children for whom the Department has temporary custody, custody or guardianship via court order, or children whose parents have signed an adoptive surrender or voluntary placement agreement with the Department.

CHILDREN'S ACCOUNTS

February 1, 2001 – P.T. 2001.06

"Conserved funds" means the total amount of Social Security, Supplemental Security Income, Veterans', or Railroad Retirement benefits remaining in the child's account at the time the Department ceases to be the representative payee for the benefits.

"Dedicated account" means a no-cost, interest bearing account, established with a lump sum payment of retroactive Supplemental Security Income payments for a child under 18 years of age received from the Social Security Administration that exceeds 6 months of benefits at the current rate.

"Guardianship Administrator" means that person designated by the Director of the Department of Children and Family Services to serve as guardian or custodian of children accepted by the Department pursuant to the Juvenile Court Act of 1987 [705 ILCS 405/2-27]; the Children and Family Services Act [20 ILCS 505]; the Abused and Neglected Child Reporting Act [325 ILCS 5]; and the Adoption Act [750 ILCS 50].

"Issuing agency" means the agency making benefit payments in a child's behalf to the Department of Children and Family Services.

"Restricted account" means a no-cost, interest bearing account consisting of funds being held by the Department of Children and Family Services for a child as the result of a court award, or an inheritance, insurance settlement, gifts, annuity payments, or an out-of-court settlement. These accounts may be deemed restricted by the Department's Guardianship Administrator, or designee.

"Sound investment principles" means a plan for managing and investing assets that is considered safe but also provides the opportunity for increased assets to accrue to a child's account, including but not limited to dedicated and restricted accounts.

(Source: Amended at 24 Ill. Reg., effective February 1, 2001)

Section 353.3 Establishment of Accounts

When a child for whom the Department has legal responsibility has been determined eligible for Social Security benefits, Supplemental Security Income, Veterans' Benefits, assistance allotments from the armed forces, court ordered payments, Railroad Retirement, Black Lung Benefits, parental voluntary payments or other miscellaneous payments, the Department shall set up and administer a child's account.

CHILDREN'S ACCOUNTS
February 1, 2001 – P.T. 2001.06

a) Receipts

The Department shall account for monies received on behalf of each child, and shall maintain records detailing the source and amount of funds received.

b) Disbursements

The Department shall make disbursements consistent with applicable laws and shall be responsible for keeping complete records of disbursements from each child's account for any purpose.

(Source: Amended at 24 Ill. Reg., effective February 1, 2001)

Section 353.4 Restricted Accounts

a) When a child receives an inheritance, insurance settlement, settlement as a result of a lawsuit, mineral rights payment or gift of less than \$10,000, the Department shall establish a restricted account for the child.

1) Monies from a restricted account shall be invested according to sound investment principles. Funds being held as the result of a court award or out-of-court settlement related to an accident or incident shall not be used for the child's board and care. These funds may, however, be used for medical or hospital care or other expenses related to the accident or incident.

2) The balance of a restricted account shall be paid to the child at age 18, or to another person or entity who is legally entitled to act as the guardian of the estate for the child when the child is discharged from the Department's legal responsibility before the age of 18. When a child 18 years of age or over is incapable of managing such funds, the Department shall petition the court of jurisdiction to have a guardian appointed to manage the child's estate.

3) When a child is under the age of 18 and an inheritance, insurance settlement, mineral rights payment or gift that exceeds \$10,000 is awarded in the child's name, the Department shall petition the court of jurisdiction to have a guardian appointed to manage the child's estate.

CHILDREN'S ACCOUNTS
February 1, 2001 – P.T. 2001.06

- b) Dedicated Account
 - 1) The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 requires that retroactive benefit payments of more than 6 times the current federal benefit rate must be deposited into a special "dedicated" account. This dedicated account must be segregated from other funds and shall be invested according to sound investment principles.
 - 2) Use of funds deposited in the dedicated accounts is limited to allowable expenses as approved by the Social Security Administration. Routine care and maintenance is not an allowable expense.

(Source: Amended at 24 Ill. Reg., effective February 1, 2001)

Section 353.5 Disbursements from Accounts

- a) Board and Care

The Department shall make payments on a monthly basis from State appropriations for substitute care (room and board and administrative costs), specific services provided directly to the individual child, and medical care not reimbursed through Medicaid. These payments shall be made at the Department's established rate for the type of care the child receives. These payments are reimbursed on a monthly basis from the child's account in the following order: room and board, medical care not reimbursed through Medicaid, and payments relating to specific services provided directly to the child.

- b) Expenditures for Other Items

Any balance remaining, after reimbursing for the child's substitute care, services, and the child's unreimbursed medical needs, shall accumulate. The balance may be expended for other items, such as casework services, that are not specifically identified in subsection (a).

Purchase of these items is contingent upon:

- 1) the effects of the items on the psychological, social, educational, and physical development of the child; and
- 2) the appropriateness of the item for the child's age and social skills.

CHILDREN'S ACCOUNTS
February 1, 2001 – P.T. 2001.06

- c) Reimbursements to the General Revenue Fund/Children's Service Fund
- 1) On a monthly basis, the Department shall calculate the amounts paid by the Department for the child's substitute care, services, unreimbursed medical care and other expenditures for that month. The child's account shall then reimburse the State's account in the following order:
 - a) the amount paid by the Department for substitute care for that month; and
 - b) the amount paid by the Department for services and unreimbursed medical care for that month.
 - 2) If the balance in the child's account is not sufficient to fully reimburse the payments in subsection (c)(1)(A) and (B), the available amount will be used in the same order, with the most recent services being reimbursed first. If the service is more than 6 months old, it is not reimbursable.

(Source: Amended at 24 Ill. Reg., effective February 1, 2001)

Section 353.6 Account Termination

- a) The Department shall close a child's account within 90 days after receipt of information related to:
 - 1) Change in guardianship/legal status;
 - 2) Change in payee;
 - 3) Child for whom the Department retains legal responsibility returns home;
 - 4) Child no longer eligible for any benefits; or
 - 5) Child reaches the age at which he/she is entitled to the receipt of monies.
- b) The Department shall make a final accounting of monies. Any disbursement shall be made in accordance with [Section 353.5](#) (Disbursements from Accounts).
- c) Upon termination of a child's account:
 - 1) When the Department has conserved funds received from an issuing agency, it shall return any balance, exceeding the amount remitted to the State's funds, to the issuing agency, unless the Department is instructed otherwise by the issuing agency.

CHILDREN'S ACCOUNTS
February 1, 2001 – P.T. 2001.06

- 2) When the Department has conserved funds from any source other than an issuing agency, it shall return any balance, exceeding the amount remitted to the State's funds, to the parent or guardian who assumes legal responsibility for the child and/or the child's finances, or to the child directly if he or she is emancipated and capable of managing his or her own finances.

(Source: Amended at 24 Ill. Reg., effective February 1, 2001)

Section 353.7 Payment of Benefits to Parents or Relative (Repealed)

(Source: Repealed at 24 Ill. Reg., effective February 1, 2001)

Section 353.8 Funeral and Burial Expenses

Upon the death of a child, the funeral and burial expenses shall be paid from the child's account.

(Source: Amended at 24 Ill. Reg., effective February 1, 2001)

Section 353.9 Safe-Keeping and Investment of Funds

Monies received from issuing agencies will be deposited in no-cost, interest bearing savings accounts in appropriate financial institutions. Interest earned on the account shall be credited by the Department to that child.

(Source: Amended at 24 Ill. Reg., effective February 1, 2001)