

Welfare Payments and Maintenance for Foster Parents

The issue has arisen regarding whether Maintenance payments paid to foster parents to cover the costs of caring for the child are income.

Following is information taken from the Human Resources Policy manual which clearly shows that it is NOT to be considered income for income assistance purposes.

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Description	Income Status	Treatment	Income Code
Foster Care (where a breakdown of payment components is not provided, recipients are to be referred to the Ministry of Children and Family Development (MCFD) for clarification)			
Foster family care rate and one-time-only payments made by <i>MCFD</i> to foster parents that are intended to cover all the costs incurred in caring for a <i>child</i> , including basic costs such as the child's food, household needs, transportation, recreation, health and personal care, gifts, activities, allowance, babysitting, education, clothing, and so on	Unearned	Fully exempt (exemption applies for each child within the foster home setting; rates paid vary according to the age of the child) Except for recipients of <i>hardship assistance</i>	38
Foster care service payments intended to recognize or compensate the foster parents' work, expertise, or experience	Earned	See Employment Income Except for recipients of hardship assistance	08