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I. APPLICABILITY AND PURPOSE

This directive is applicable to DDSN Regional Centers and all county Disabilities and Special Needs Boards (DSN Boards) operating Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs/IID). Unless specifically stated otherwise, future use of the term "ICF/IID" applies collectively to DDSN Regional Centers and DSN Board operated ICF/IID. DSN Boards may also be referred to as "Providers" in this directive.

The policies and procedures in this directive are designed to:

(1) protect the financial interests and personal funds of people receiving residential services in a DDSN ICF/IID, and

(2) assist them in money management by promoting normalization in the use of money to the extent of each person's ability.

Facility Administrators at DDSN Regional Centers and Executive Directors at the DSN Boards are responsible for the personal funds entrusted to their organizations. They must ensure that financial records are appropriately maintained and the money is safeguarded and properly spent.

They must also ensure that procedures are established in accordance with the stated objectives in this directive.

II. FINANCIAL RIGHTS

During the admission process into a DDSN ICF/IID, people shall be advised of their financial rights. They (or other responsible party acting on their behalf) should read and sign a Statement of Financial Rights (Attachment A) before entrusting their personal funds to DDSN. The only exceptions to this requirement are when:

(1) A person's Program Team recommends alternative financial arrangements, or

(2) Another party has already been appointed representative payee for the person.

Except when assessment of financial skills clearly demonstrates a person's cognitive ability to manage his or her own financial affairs, the funds shall be managed under the direction of DDSN. Upon recommendation by their Program Team, people may manage their own personal financial affairs or designate another party to do so. If a third party payor agency (i.e., Social Security, Veterans Administration, etc.) determines that benefits should be paid through a guardian, conservator or other representative payee, that person or entity shall be solely responsible for holding, safeguarding and accounting for those funds. DDSN is not responsible for any personal funds not held in the Regional Bank or under the management of DDSN.

Also during the admissions process, people shall be advised by their Qualified Intellectual Disability Professional (QIDP) what services will be provided and what services/goods may be charged to the person (Attachment B). All people entering DDSN ICFs/IID must be informed of their financial rights and of what costs will be covered by DDSN funds. This advisement shall be evidenced by signed copies of the Statement of Financial Rights (Attachment A) and the Guideline for Purchases (Attachment B). Both of these forms must be retained in each person's permanent record.

All rights and responsibilities shall transfer from a person to his or her parent, guardian, next of kin, sponsoring agency or personal representative if <u>one or both</u> of the following situations occur:

a. The person is found to be mentally incapable of understanding his or her rights (must be documented by the Program Team); and/or

b. The person has been adjudicated incompetent in accordance with state law.

If either or both of these situations occur, a written acknowledgement detailing the transfer of financial rights should be placed in the person's permanent record. Both the Statement of Financial Rights (Attachment A) and the Guidelines for Purchases (Attachment B) should be explained to the acting responsible party and the appropriate signatures obtained. These documents must be retained in the person's permanent record.

III. FINANCIAL MANAGEMENT

After admission to a DDSN ICF/IID, all people shall have a Financial Plan developed with them by their Program Team. Whenever possible, parents, guardians or other responsible parties should take part in this process. The Financial Plan should state the level of staff assistance to be required, as well as general saving and expenditure goals. ICFs/IID staff members are responsible for adhering to each person's established Financial Plan.

Training should be provided to assist people in becoming more independent and responsible in managing their personal funds. Upon Program Team recommendation and approval, a person believed capable of managing his or her own funds may be excluded from participation in the Regional Bank. If the person chooses not to use the Regional Bank, he/she may choose to maintain an account at a local bank. The means of handling the account and sound money management practices should be specifically outlined in the person's Financial Plan. QIDPs are required to notify Regional Claims and Collections Officers what the person's account balance is at least quarterly so the funds may be recorded in his/her total assets inventory. (This paragraph shall not apply to any person found capable by the Program Team of independently managing his/her own funds.)

IV. REGIONAL BANK (THIS SECTION APPLICABLE TO DDSN REGIONAL CENTERS ONLY)

Each DDSN Regional Center is required to operate a Regional Bank. With the exception of "dedicated accounts," all sources of personal funds shall be deposited into a single checking account at an approved local bank. Regional Bank funds in excess of current estimated needs should be transferred to the State Treasurer's Office for optimal investment. Ownership of and accounting for the transferred funds shall remain with the Regional Bank from which they came.

Interest accrued on accounts within the Regional Bank shall be in an amount proportionate to cash balances and posted on a quarterly basis utilizing a method in compliance with current federal regulations.

Bank records and ledgers shall be maintained in accordance with established accounting practices and procedures. Regional Finance Offices are required to forward a copy of their Regional Bank reconciliation and balance sheet to the DDSN Central Office Finance Division-General Ledger Control Area by the end of the month following a bank statement cutoff. Additionally, copies of all account statements should be provided to QIDPs for their review at least monthly.

People with funds in the Regional Bank may request to review their personal financial records at any time. This right extends to parents, guardians or other responsible parties as well.

V. ACCESS TO FUNDS

With the exception of weekends and holidays, people with funds in the Regional Bank shall have access to their funds daily during established operating business hours.

Procedures should be in place to make funds available for scheduled activities on weekends and holidays. Minimal amounts of personal funds may be kept in a secure location at residences in accordance with DDSN Directive 200-01-DD: Personal Funds Maintained at the Residential Level. Upon proper request and approval for disbursement of personal funds, Regional Banks should disburse the funds as soon as possible within five (5) business days.

VI. WITHDRAWAL OF FUNDS

With documented QIDP recommendation, designated ICF/IID staff may obtain funds from the Regional Bank and purchase items for people according to their Financial Plans. Funds may be withdrawn from the Regional Bank using a fully completed and signed Personal Funds Draft (PFD) (Attachment C). Withdrawals of $50 or less may be paid in cash. All other withdrawals should be made by check unless withdrawals of cash over $50 have been authorized for a person by the Regional/Provider Finance Director. Payment may be made to the person, parent/guardian or staff member on their behalf, as documented on the approved PFD. All withdrawals of $200 or more per person must have the signature approval of the Program Administrator or Residential Director. All withdrawals of $500 or more per person require the signature approval of the Facility Administrator/Executive Director.

Funds withdrawn for group trips or outings should be listed on a Group Withdrawal Draft (GWD) (Attachment D). If any one person's withdrawal request is for more than $200, a separate Personal Funds Draft (PFD) should be completed and the necessary signatures obtained to ensure proper approval.

Within two (2) business days after a withdrawal from the Regional Bank has been made, appropriately signed Personal Funds Draft/Group Withdrawal Drafts should be returned to the Regional Bank along with copies of all purchase receipts, Shopping Worksheet(s) (Attachment E), and any unspent funds to be re-deposited. The copies of all Personal Funds Draft/Group Withdrawal Drafts should be kept at the Regional Bank as a record of disbursement of funds for audit purposes. The residence copies should only be returned to residence staff after the Regional Bank Liaison has received all required documentation and signed off on the transaction.

A Personal Funds Draft/Group Withdrawal Draft presented to the Regional Bank for withdrawals of funds for a trip on behalf of a person or group must have copies of an approved trip packet attached. Within two (2) business days after the trip has been completed, copies of all trip expenditures should be sent to the Regional Bank along with the appropriately signed Personal Funds Draft/Group Withdrawal Draft copy.

In regard to situations when third party payments or other revenues are deposited into a person's account, the account should be drafted for Care and Maintenance charges due DDSN, if any, according to DDDSN Directive 200-09-DD: Fees for Residential Services Provided by DDSN. These funds may be withdrawn by group or single withdrawals.

VII. PURCHASES

Items may be purchased for a person from a commercial source with adequate documentation of approvals. All items should be listed individually and approved by the QIDP. The purchase request should not receive Regional Bank approval until the Regional Bank Liaison has verified that the necessary funds are available and the total amount of the purchase has been encumbered. State procurement practices should be followed whenever purchasing items using personal funds even though the state procurement system will not be used.

As soon as possible, but not to exceed two (2) business days following the purchase of items, staff should complete all of the following steps:

1. Submit to the Regional Bank Liaison all completed Shopping Worksheets (Attachment E) along with copies of all purchase receipts and any unspent funds in excess of one ($1) dollar per person. All unspent funds of one ($1) dollar or less may be given to the owner or deposited into the cash held at the residence.

2. Report and display all items purchased to the Residence Supervisor.

3. Mark all items with a value of $50 or more, including clothing, with the owner's name and then record the items on the owner's property record. A current inventory listing of all personal items shall be maintained in the residence as required by DDSN Directive 600-10-DD: Individual Clothing and Personal Property-Regional Centers and DDSN Directive 604-01-DD: Individual Clothing and Personal Property. All personal property should be safeguarded and inspected by the Residence Supervisor at least quarterly to ensure the items are accounted for and that such items have not been accidently recorded as DDSN property.

VIII. REGIONAL BANK PURCHASING CARDS (THIS SECTION APPLICABLE TO DDSN REGIONAL CENTERS ONLY)

<u>REGIONAL BANK LIAISON RESPONSIBILITIES</u>

Each Region shall have at least one Regional Bank Liaison who has been approved by the Regional Finance Director. Prospective staff should complete a Regional Bank Liaison Application (Attachment F) and submit it to their Regional Finance Director. If there is more than one Regional Bank Liaison at a Region, the Regional Finance Director should assign a Liaison to each new purchasing card application upon receipt.

Please Note: Under no circumstances should a Regional Bank Liaison also be a cardholder.

Regional Bank Liaisons are responsible for all of the following duties:

1. Purchasing Card Security

   Purchasing cards must be locked up when not in use. In addition, all cards should be tracked via a log or other record keeping tool so the physical location of each card may be verified at all times.

2. Purchasing Card Application Review

   All purchasing card applications should be carefully reviewed for appropriate information and proper signatures before processing.

3. Accurate Record Keeping

   Current permanent files should be maintained for all purchasing cards to include approved applications, other pertinent documents or forms and purchasing documentation. All documents should be processed in a timely manner. Note: After a purchasing card has been issued, the shopper's name and account number should be confidentially recorded by the Regional Bank Liaison.

4. Theft/Loss Reporting

   Lost or stolen purchasing cards should be reported immediately.

5. Billing Resolution

   Billing discrepancies should be resolved as soon as possible.

PURCHASING CARD APPLICATIONS

Purchasing cards are issued in the names of individual shoppers. Therefore, each shopper is required to complete a Regional Bank Purchasing Card Application (Attachment G) and obtain the appropriate approval signature before forwarding to the Regional Bank Liaison for processing.

PURCHASING CARD UPDATES

The Purchasing Card Change Request form (Attachment H) should be used to request a name change or an account closure for existing cardholders. The completed form should be reviewed, approved and processed by the Regional Bank Liaison.

PURCHASING CARD CREDIT LIMITS

Purchasing cards should be issued with a per transaction limit of $500, a per day limit of $1,500, and a per month limit of $5,000. These limits may be changed, if necessary, by completing a Purchasing Card Credit Limit Change Request (Attachment I). This form may be used to temporarily increase credit limits for accelerated shopping times such as Christmas. Requests must have the required signatures before forwarding to the Regional Bank Liaison for processing.

PURCHASE REQUISITIONS

Shoppers should list all items to be purchased with the card on a Purchasing Card Request for Purchase (Attachment J) and obtain the required signature(s). The requestor and Residential Manager or QMRP must sign all requests. Purchases above $200 require the approval of the Program Administrator or Residential Program Director. Purchases above $500 must be approved by the Facility Administrator /Executive Director. Regional Bank Liaisons must verify the availability of funds before releasing a purchasing card for use. Separate forms are required for each person's shopping requests. Regional Bank Liaisons should not release a purchasing card to a shopper until the Purchasing Card Request for Purchase form has been properly completed and all approval signatures obtained.

ACCEPTABLE CHARGES

Purchases must conform to the DDSN Guidelines for Purchases (Attachment B). Generally, personal grooming articles, recreational equipment, clothing and personal comfort items may be charged on the purchasing card, as well as movie tickets, candy, clothing, radios and plants.

SHOPPING

Each person's purchases should be handled as a separate transaction. If shopping for a group of 10, a shopper will need to complete 10 separate transactions. There are only two exceptions to this policy:

(1) Consumer restaurant meals; and

(2) Consumer movie tickets.

In these situations, one (1) purchasing card transaction may cover all participants. Sales receipts and a completed Purchasing Card Record for Group Entertainment Purchases (Attachment K) should be used to document the dollar amounts to debit each participating person's personal funds.

Upon completion of a shopping trip, the shopper should immediately return the purchasing card to the Regional Bank Liaison.

PURCHASE DOCUMENTATION

Within two (2) business days (three (3) at Saleeby Center), shoppers should ensure that QIDPs (or their designees) receive all the items purchased, sign off on purchase receipts and record all items having a value of $50 or more (clothing included) into each person's property record. Within the same timeframe, the shopper should also submit to the Regional Bank Liaison all Shopping Worksheets (Attachment E) along with copies of all purchase receipts. Regional Bank

Liaisons should maintain records of all purchasing card expenditures and match all purchases to billings before payments are processed.

IX. AUTHORIZED SIGNATURES

Regional Finance Offices shall retain a Regional Bank Signature Card (Attachment M) for each person with funds in the Regional Bank. Regional Bank Signature Cards should be used to verify all withdrawals.

Regional Finance Offices shall retain a Regional Bank Authorized Signatures Record (Attachment L) for each ICF/MR residence. This form lists all staff and their accompanying signatures that are authorized to approve Personal Funds Drafts or Group Withdrawal Drafts up to the $200 maximum. This form should also be used to record the names and signatures of staff authorized to pick up personal funds from the Regional Bank on behalf of a person. **Please note:** withdrawals/expenditures of $200.00 and $500 more will require Administrator/Executive level signature authority.

QIDPs are responsible for:

(1) Obtaining authorized signature forms associated with the Regional Bank and

(2) Notifying the Regional Bank promptly of any changes.

X. DEATH

Should a person pass away while living in a DDSN ICF/IID, all funds conserved or managed by Providers or Regional Finance Offices shall be frozen and no disbursements made without the legal authority of the Probate Court except for reasonable funeral expenses.

NOTIFICATION OF DEATH

Within ten (10) calendar days of the date of death, Provider/Regional Finance Offices should send a written notification of death to the probate judge in the county in which the death occurred. (Typically, the county of legal residence is the county where the person was receiving residential services.) If prohibited by a presiding judge from filing a notification of death, the parents, next of kin or guardian should notify the court.

A copy of the notification of death should be sent to the parent(s)/guardian(s)/next of kin, the financial representative (if known) and the decedent's QIDP. If the decedent owned property in other counties or states, the probate judges in those counties should also be notified.

Notifications of death should contain all of the following information:

(1) Complete financial accounting and listing of the decedent's assets and known liabilities (available from Regional Claims and Collections Officers);

(2) Name and address of the parent(s)/guardian(s)/next of kin;

(3) Name and address of the personal representative, if known; and

(4) Request for legal authorization to disburse from the decedent's personal funds.

For reimbursement of costs from any remaining balance in a decedent's estate, the provider shall follow the procedures set forth in DDSN Directive 505-02-DD: Death or Impending Death of Persons Receiving Services from DDSN.

XI. TRANSFER WITHIN REGIONAL BANK

Upon a person's transfer to another residence that is associated with the same Regional Bank, the Regional Finance Office shall record the new residence on the person's account within five (5) business days. The QIDP should secure new authorized signature forms within five (5) business days.

XII. DISCHARGE OR TRANSFER TO ANOTHER REGIONAL BANK

Upon discharge or transfer of a person to another residence associated with another Regional Bank, a Personal Funds Draft (PFD) shall be prepared and processed for up to 90% of the person's available funds (after remaining encumbrances or other currently due obligations). The funds should be forwarded to the staff member in charge of the person's expenses in the new residence. The QIDP and Claims and Collections Officer or Regional Finance Director are collectively responsible for determining the amount to be forwarded. The funds should be forwarded within ten (10) business days of discharge or transfer.

If DDSN is representative payee for a person's benefits, the Regional Claims and Collection Officer should notify the appropriate payor agency of the change within five (5) business days of transfer or discharge. If a person's funds are to be transferred to another Regional Bank, the Claims and Collections Officer for the new region should make a request that the new region be made representative payee within five (5) business days of the transfer. If a person's funds are to be handled by a provider or person not associated with any Regional Bank, that provider or person should be notified to request a new representative payee within five (5) business days. Requests for termination of or new representative payee status should be made in accordance with the paying agency's established procedures.

Within 30 calendar days, all obligations to be paid from the Regional Bank for a person who has transferred should be paid and all remaining funds forwarded to the responsible staff at the new residence. Unless the person is still receiving benefits at the Regional Bank, the account at the former Regional Bank should be discharged. If the person is still receiving benefits from the Regional Bank, the account should remain open and in current status until all benefits are sent directly to the new payee. As benefits are received in the Regional Bank, they should be forwarded to the new payee unless expressly instructed to do otherwise by the benefit paying agency. As soon as all benefit payments have been transferred, any remaining balances should be forwarded and the account discharged. One exception to this rule is when the family requests that burial funds remain at the Regional Bank. In this case, burial funds may remain in the Regional Bank and accrue interest.

XIII. QUARTERLY REVIEW

Regional Claims and Collections Officers shall conduct a quarterly review of all financial ledgers associated with the Regional Bank to ensure that financial guidelines are properly followed. Also during that review, they should be alert to any possible eligibility problems for Medicaid recipients. QIDPs should review account transactions on a monthly basis and document doing so by initialing statement copies. These copies should be retained.

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(Originator)

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State Director
(Approved)

RELATED POLICIES:

200-01-DD:	Personal Funds Maintained at the Residential Level
200-09-DD:	Fees for Residential Services Provided by SCDDSN
200-12-DD:	Management of Funds for People Participating in Community Residential Programs
505-02-DD:	Death or Impending Death of Persons Receiving Services from DDSN
600-10-DD:	Individual Clothing and Personal Property - Regional Centers
604-01-DD:	Individual Clothing and Personal Property

To access the following attachments, please see the agency website page "Attachments to Directives" under this directive number.

Attachment A.	Statement of Financial Rights
Attachment B.	Guidelines For Purchases (Personal vs. Department Funds)
Attachment C.	Personal Funds Draft
Attachment D.	Group Withdrawal Draft
Attachment E.	Shopping Worksheet
Attachment F.	Regional Bank Liaison Application (**APPLICABLE TO DDSN REGIONAL CENTERS ONLY**)
Attachment G.	Regional Bank Purchasing Card Application (**APPLICABLE TO DDSN REGIONAL CENTERS ONLY**)
Attachment H.	Purchasing Card Change Request (**APPLICABLE TO DDSN REGIONAL CENTERS ONLY**)
Attachment I.	Purchasing Card Credit Limit Change Request (**APPLICABLE TO DDSN REGIONAL CENTERS ONLY**)
Attachment J.	Purchasing Card Request For Purchase (**APPLICABLE TO DDSN REGIONAL CENTERS ONLY**)
Attachment K.	Purchasing Card Record For Group Entertainment Purchases (restaurant/movie tickets) (**APPLICABLE TO DDSN REGIONAL CENTERS ONLY**)
Attachment L.	Regional Bank Authorized Signatures Record
Attachment M.	Regional Bank Signature Card