

Replaces Individual Funds Policy

Delaware Health and Social Services
Division of Developmental Disabilities Services
Community Services/Adult Special Populations

Title: Management, Accountability & Safeguarding of Personal Funds **Approved By:** _____
Division Director

Written/Revised By: DDDS Policy & Records Committee **Date of Origin:** June 1991

Date of Current Review/Revision: October 01, 2011

I. PURPOSE

To establish guidelines for the accountability, management and safeguarding of individual's funds.

II. POLICY

Funds of individuals receiving services shall be safeguarded and individuals shall be supported in their efforts toward independence/self management.

III. APPLICATION

All individuals receiving residential services from DDDS (Division of Developmental Disabilities Services) or a contracted residential provider
Community Services and Adult Special Populations (ASP) staff
DDDS residential providers (this includes Shared Living)

IV. DEFINITIONS

- A. Community Bank Account: A checking or savings account established at a financial institution in the community.
- B. Co-mingling of Individual Funds: The blending of the funds of an individual receiving services from DDDS with the funds of any other person/agency.
- C. Financial Exploitation: The illegal or improper use of an individual's resources or financial rights by another person, whether for profit or other advantage.
- D. Financial Transaction: Any use or movement of an individual's personal money or financial resources. This may include but is not limited to the transfer or commitment of funds to, from, or between the following: investments, donations, bank accounts (including ATM transactions), insurance policies, financial contracts or agreements.
- E. Personal Needs (Spending) Monies: The monies deducted monthly from an individual's benefit(s) designated for personal expenses. Personal Needs Monies cannot be utilized to pay for items the provider is required by Medicaid to provide or agreed to provide under contract with the Division of Developmental Disabilities Services. Individuals receiving services shall be supported to make decisions regarding how to spend their personal money.

- F. Personal Spending Record (PSR): A form used to record all of an individual's deposits and withdrawals of earned and unearned income coming and going out of the house, to also include the sources of the deposits and the reasons for the withdrawals. ATM transactions, monetary gifts and gift cards shall also be recorded on the PSR.
- G. Residential Providers: A person or organization under contract and certified with the DDDS as having met applicable standards and/or licensing requirements. Residential providers include **agency providers** and **shared living providers**.
- H. Surety Bond: The surety bond protects the individual from losses that were due to the bonded person's neglect, failure to meet their obligation or financial exploitation.

V. STANDARDS:

General

- A. The agency provider's Program Coordinator or DDDS Case Manager, as applicable, shall coordinate the assessment of individual's money management abilities, identify specific actions that must be taken to safeguard him/her from theft and mismanagement, and document the outcome accordingly in the Residential Individual Plan of Protection (IPOP).
- B. Residential providers shall not serve as an individual's representative payee.
- C. Residential providers and DDDS employees shall not borrow from or lend to individuals receiving services. They are also prohibited from being a co-owner, co-signer or custodian of any bank account, for individuals receiving services unless approved and bonded per Standard H.
- D. An individual's money shall not be expended for goods and services that the DDDS residential provider is required to provide according to the Social Security Administration and Medicaid guidelines, the respective contract and budget and the Distribution Summary.
- E. Withdrawals from an individual's Patient Accounting and Client Trust Account (PACT account) shall be in accordance with the protocol maintained by the OBCBS (Office of Budget, Contracts and Business Services). Receipt of withdrawals from the PACT account shall be entered as a deposit on the PSR.
- F. Individuals receiving DDDS residential services shall establish community bank accounts within thirty (30) days of the residential placement. There shall be no overdraft protection so as to prevent the accumulation of large overdraft protection charges and as a means to limit potential theft.
- G. The account shall be titled to the individual receiving services and generate a regular statement, which includes cancelled checks or copies of such, if applicable. If the financial institution refuses to open an account in the individual's name only, the account shall be titled to the individual and provider agency or DDDS representative, with written approval from the DDDS Director of Community Services/ASP or designee. The provider agency or DDDS representative whose name appears on an individual's account shall be bonded (surety) in the value of at least

\$10,000. A list of the financial account names and numbers and the respective bonded person's name and address shall be sent to the OBCBC by July 1 of every year.

- H. The provider shall not commingle his/her funds with the funds of the individual receiving services.
- I. Agency providers shall submit copies of monthly pay stubs and bank statements, upon their receipt, to the designated staff at the DDDS Office of Budget, Contracts and Business Services (OBCBS). They shall also promptly report changes in living arrangements, employment and resources to OBCBS.
- J. Daily single or multiple expenditures totaling \$500 or more shall first receive the written approval of the Residential Agency Director. Approval or non-approval of the \$500 or larger expenditure(s) shall be documented in the individual's T-Log.
- K. All in-home income, ATM withdraws, gift cards and/or monetary gifts shall be accounted for, on an on-going basis, on the Personal Spending Record.
- L. Purchases made with gift cards shall be for the individual's preference unless otherwise specified by the giver of the card and not in conflict with Standard E.
- M. Purchases of \$5.00 or more that are made with in home money (i.e., money that is recorded on the PSR) shall be accounted for on the Personal Spending Record and justified with a corresponding receipt. Acceptable receipts include those received from the vendor or a signed receipt from the person acknowledging the receipt of cash and its purpose.
- N. Purchases of \$5.00 or more that are made with a debit card or check shall be accounted for by attaching the corresponding receipt to the respective bank statement. Acceptable receipts include those received from the vendor or a signed receipt from the person acknowledging the receipt of cash and its purpose.
- O. Personal Spending Records shall be maintained in the individual's COR or satellite record, at his/her home, for six (6) months. Purged PSRs shall be sent to the DDDS Health Information Management Department (HIM).
- P. Bank service fees that are incurred for residential provider convenience shall be prohibited.
- Q. The receipt and usage of a gift card(s) shall be documented on the PSR for the month received and each subsequent month until it is expended.
- R. The Personal Spending Record shall be completed (i.e., final computation, attachment of receipts and signature of provider and individual) by the 10th calendar day of the month, for the preceding month.
- S. Agency provider Program Coordinators shall reconcile personal spending records and bank statements monthly. Bank statements shall also be reviewed for those individuals who are determined to be independent with managing their finances. Eyes/hands on financial verification of each individual's cash resources shall be completed monthly. Large or questionable expenditures shall be verified by observing the item(s) in question. Unresolved account

discrepancies and other unexplained and unverifiable accounting of an individual's funds shall be reported immediately to the applicable DDDS PM #46 Coordinator or PM #46 Coordinator Assistant, **if there is reason to suspect financial exploitation.**

- T. Copies of banks statements for at least the most recent six (6) months shall be available at the home, for individuals who have a guardian of property.
- U. Residential providers shall be responsible to fully reimburse individuals receiving services for any missing, stolen, and/or unaccounted funds.
- V. The total of cash and checks maintained in an in-home account shall not exceed \$100.00 per individual.
- W. Contracted day and residential agencies and DDDS Community Services/Adult Special Populations shall develop and maintain procedures that establish guidelines for the accountability, management and safeguarding of individual's fund. The procedures shall minimally include the standards set forth in this policy.
- X. The aforementioned shall be available to the DDDS Office of Quality Management and DDDS Director of Policy Development upon request.

Applies To Shared Living Only:

- Y. The DDDS Case Manager/Social Worker shall reconcile personal spending records and bank statements monthly for each individual to whom they are assigned. Banks statements shall also be reviewed for those individuals who are determined to be independent with managing their finances. Eyes/hands on financial verification of each individual's cash resources shall be completed at least quarterly. Large or questionable expenditures shall be verified by observing the item(s) in question. Unresolved account discrepancies and other unexplained and unverifiable accounting of an individual's funds shall be reported immediately to the applicable DDDS PM #46 Coordinator or PM #46 Coordinator Assistant, **if there is reason to suspect financial exploitation.**
- Z. Shared living providers shall submit copies of pay stubs and bank statements to the individual's DDDS Case Manager, by the 10th calendar day of the month, for the preceding month.
- AA. The DDDS Case Manager shall contact the Office of Resource Development and Management (ORDM) if a shared living provider's ability to safely and accurately account/manage an individual's money is not acceptable and efforts to improve such have not been successful.
- BB. It shall not be necessary to for shared living provider to sign the PSR for each transaction as he/she is the only person responsible for the funds.
- CC. Daily single or multiple expenditures totaling \$500 or more shall first receive the written approval of the DDDS Case Manager/Social Worker and his/her supervisor. Approval or non-approval of the \$500 or larger expenditure(s) shall be documented in the individual's T-Log.

DD. DDDS Case Manager/Social Worker's shall submit copies of monthly pay stubs and bank statements, upon their receipt, to the designated staff at the DDDS Office of Budget, Contracts and Business Services (OBCBS). They shall also promptly report changes in living arrangements, employment and resources

VII. REFERENCES

A. DHSS Policy Memorandum #46: Most current Revision

VIII. EXHIBITS

- A. Allowable Expenditures
- B. Prohibited Expenditures (using personal needs money)
- C. Personal Spending Record

Allowable Expenditures

Individuals' monthly personal spending monies may be used for the items below in the non-inclusive list. Any questions re: allowable expenditures should be presented to the individual's assigned DDDS Case Manager.

Adaptive devices not covered by health insurance and personally owned by the individual
Charitable donations (of the individual's choice and within their financial means)
Clothing
Communication services (for personal use) such as internet, cable, cell phone plans, ect.
Entertainment and recreation expenses
Cosmetics, toiletries and hair care products
Doctor/Dental expense not covered by health insurance
Prescription medicine not covered by health insurance
Dry cleaning
Gifts
Hair care by a licensed beautician
Hobby or arts and crafts material
Jewelry
Reading materials
Over-the-counter medication or supplies
Personal spending money
Personally owned items
Public transportation (unless the residential provider is contractually obligated to provide such)
Recreational items personally owned by the individual
Snacks which are medically indicated
Stationary, stamps, greeting cards
Telephone calls (long distance)
Transportation (only the individual's fair share) on lengthy trips or vacations that are not contractually included
Vacations (or their fair share of expenses if traveling with others, e.g.; lodging)
Watches

Prohibited Expenditures

Supervision

Laundry (unless dry cleaning)

Hair Care done at home

Routine transportation by provider

Home cleaning or repair as a result of normal use

Foods or snacks served in the home unless medically indicated

Personal Spending Record
Page 2 of 2

Individual: _____

Month/Year: _____

| Gift Card Vendor: _____ | | Original Amount of the Gift Card: _____ | | |
|-------------------------|------------------------------|---|---------------------------|-----------|
| Date | Description of the purchased | Cost of the purchased | Balance Remaining on Card | Signature |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

I certify that this information is accurate to the best of my knowledge.

Signature Provider

Date

Signature of Individual

Date

Case Manager/Program Coordinator Signature

Date

Bank statement was reconciled on _____ **by** _____.

Action taken, if any, after reconciliation with bank statement: _____
