

**Region V Services**



**MANAGEMENT**

**OF**

**PERSONAL**

**FUNDS**

2013

## **MANAGEMENT OF PERSONAL FUNDS**

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## **MANAGEMENT OF PERSONAL FUNDS**

### **INDIVIDUAL CENTERED PHILOSOPHY**

Managing personal funds places a great deal of responsibility on staff to ensure that those funds are handled appropriately. The following rules, procedures, and guidelines form a system of safeguards to protect funds from potential mismanagement. They do not eliminate the need for meeting another responsibility: that of providing training to all individuals served by Region V Services (RVS) to achieve maximum independence.

It is expected that all individuals supported will participate in their financial affairs to the maximum extent of their abilities. Individuals should be involved in developing independent skills in their financial matters including such things as signing and writing checks, managing petty cash, making deposits and withdrawals, having money on their person, and making choices. These expectations are naturally individualized, based on the skills of the people we support. Staff must always search for ways to teach another step toward independence, thereby providing a better quality of life. This may be as simple as having the staff person accompany an individual to the bank, making their mark on a check for their "signature", making a purchase independently, or balancing their checkbook.

### **RECORDS FOR EQUAL PROTECTION**

These procedures are designed to allow maximum involvement for the individual while offering protection against misuse of their funds. They are also designed to leave a documentation "trail" which will protect staff from accusations of wrongful management.

## **MANAGEMENT OF PERSONAL FUNDS**

The management of personal funds shall be in compliance with the following policies and procedures:

1. RVS will not exercise control over personal funds (or support as payee for these funds) unless the individual is not capable of managing his/her funds or income.
  - a. RVS shall not agree to support as payee for personal funds if parents or legal guardians of the individual are available and able and willing to support as payee, and the individual supported wishes for them to do so.
  - b. A fiduciary relationship shall exist between RVS and the individual when personal funds are managed by RVS. Administrative personnel and program personnel shall have the responsibility to ensure that an individual's interests are fully protected when personal funds are managed by RVS.
  - c. RVS will not become a payee for the convenience of its employees or as a substitute for habilitation.
2. The individual's IPP team must determine and document in the IPP the following regarding the temporary transfer of control of an individual's finances to the provider:
  - a. The extent in which the individual can participate in management of his/her financial resources;
  - b. The individual's informed choice;
  - c. The rationale for the transfer of control;
  - d. The support plan that leads to returning control of the finances to the individual; and
  - e. The frequency in which the IPP team will review the temporary transfer of control and support plan, but at least annually.
3. When RVS is payee, persons supported may only have restricted access to their funds, but they should be co-signers on their accounts, if capable.
4. Under no circumstances will a RVS staff person be personal payee for any individual receiving RVS services.
5. RVS may manage accounts/funds for individuals for whom the Region is not payee. This occurs at the request of the individual, family members or guardian.
6. All personal funds which are managed by RVS shall be managed through savings or checking accounts, which may include a debit card, for each individual. All funds managed by RVS shall be accounted for initially by deposit in either the individual's

checking or savings account, with the exception of cash gifts, which may be placed in the petty cash fund as long as the fund limit is not exceeded.

- a. When RVS is payee for funds, accounts should be set up as "Region V Services, Payee for (individual's name)".
  - b. Accounts for individuals for whom there is no payee may be set up in the individual's name.
  - c. The individual's name will be printed on the check. Staff names should never appear on the individual's printed checks.
7. If RVS exercises control of any personal funds or income, accurate records of the receipts and disposition of any personal funds or income shall be established and maintained. Records shall include:
- a. Copies of all deposits or withdrawals made in the individual's savings or checking account.
  - b. Copies of all checks (if they are returned), either written to pay for items on behalf of the individual, or checks written directly to the person, utilizing their personal funds.
  - c. Copies of all bills incurred by the individual which are paid with their funds, including transportation and room and board billings from RVS agencies.
  - d. Copies of all receipts for purchases which are made on the individual's behalf utilizing personal funds. (This does not include purchases made by the person without help. If staff accompanies the individual when purchases are made, receipts must be obtained for items costing more than \$20.00).
8. An individual ledger shall be kept for each person whose funds are managed, showing a record and the dates of all funds received and disbursed, and the current balance of the account.
- a. When deposits are recorded, information should include: the kind of deposit (i.e., SSI), the check date and check number of all checks deposited to the personal account, in addition to the date the deposit was made and the amount of the check.
  - b. When checks are recorded or a debit card is used, a brief notation, including vendor and items purchased should be made of the purpose of the expenditure, in addition to the date, number and amount of the transaction.
  - c. When checks are direct deposited, a notation on the check and deposit record "SSA, direct deposit" is sufficient documentation for the record.

- d. Automatic withdrawals will be recorded on the ledger.
9. Checking accounts and savings accounts will be reconciled within ten calendar days of statement receipt with the initials of the individual who reconciled the account and date listed on the front of statement.
10. All receipts should be stapled to the monthly bank statement or check images in the appropriate month that the transaction occurred at the time the account is reconciled.
11. Where two-party signatures are necessary on accounts, the staff signature shall not be on any account documents in a manner that would evidence ownership of the account on the part of the staff person.
12. Where two-party signatures are required for savings accounts, at least one staff signature shall be an individual at the management level, (Area Director or Coordinator).
13. Routine reviews of each individual's Cash Funds Record and/or Check and Deposit Record will be made by the Community Support Coordinator or other designated staff.
14. The following parties shall have access to the records concerning the management of personal funds:
  - a. The individual;
  - b. The parents (with permission of the person supported if adult), spouse, legal guardians, conservators, legal representatives, services coordination, and designated payee;
  - c. The State Division of Developmental Disabilities;
  - d. Any local, state or federal agency authorized by law to examine the use of personal funds;
  - e. Administrative staff; and
  - f. Account balances and records of transactions will be provided to each individual or legal representative at least quarterly, unless otherwise requested.
15. Personal funds are not to be used at any time or for any reason other than for the individual's benefit. A violation of this common-sense principle, when discovered, may result in immediate dismissal per the Personnel Policy Manual. See "Use of Personal Benefits" section for specifics.
16. At no time will the finances or personal property of an individual supported by RVS be used for the benefit of RVS or its employees. An employee may not borrow money or receive a loan from a person supported. An employee may not borrow, or otherwise use the personal property of an individual in services.
17. Checks and/or Debit Card should be used for all purchases over \$20.00. (see page 13 – Debit Card)
18. Checks should not be made out to staff or staff family members, without prior approval of IPP team and agency director.
19. Purchases from Avon, Pampered Chef, or other private dealers where jewelry, home décor, makeup and other products are sold are generally discouraged. **If the dealer is**

**also a Region V Services staff—purchases are prohibited.** Exceptions must be discussed and approved by your supervisor prior to purchase. A person cannot host a home party that financially benefits a RVS employee.

20. Purchases of single items, over \$100 in value, require prior notification of the IPP Team and approval of the individual, legal representative, and parent (if person is a minor). The IPP team can document that on occasion the purchase of multiple items totaling over \$100 can occur.
21. No checks should be made out to "CASH" for \$60.00 or more. Exceptions must be approved by appropriate supervisor or IPP team. The use of a Debit Card to receive petty cash is typically discouraged due to the fees charged at an ATM.
22. The use of "whiteout" on personal funds records is prohibited. To correct errors, draw a single line through the incorrect entry.
23. Bank cards which allow withdrawals from ATM's (automatic teller machines) using a PIN (personal identification number) are not allowed. For exceptions see the Debit Card Section.
24. All unresolved financial errors, including overdrafts and missing money, will require a completed Individual Report Form and supervisory review. Employees found negligent in these situations will be required to make restitution. Disciplinary action may be taken following as stated in the Personnel Policy Manual. RVS will take reasonable measures to restore the credit history of a person supported when the damage is the result of staff negligence or intentional acts that damage the person's credit history.
25. Any additional requirements necessary to protect personal funds may be implemented at the agency level.
26. All items purchased by the individual with their personal funds remain the property of the individual. At no time will the finances or personal property of an individual supported by RVS be used for the benefit of RVS or its employees. An employee may not borrow, or otherwise use the personal property of an individual in services.
27. RVS will notify individuals and their guardian/family members when there is a cost associated with receiving services including room and board, additional cable services, long distance phone charges, damages, and non-habilitative transportation. This notification will include date, location, type of charge, amount and frequency of payment. The notification will be provided prior to the implementation to services and when changes occur. Individuals will not be charged when other funding is available.
28. RVS will make every attempt to reimburse or replace items that are missing or damaged.
  - a. If the damage is caused by the individual, it is their own responsibility to replace the items unless the damage or loss was caused by staff neglect.
  - b. If the damage is caused by another individual receiving services, efforts will be made to have the individual compensate the other person.
  - c. When staff are responsible, RVS will make every effort to collect for the damages

from staff. In the event that the staff fails to reimburse the individual, RVS will make restitution.

29. RVS will not commingle individuals' funds in a common account, but will establish individual accounts as indicated in the manual.
30. Reimbursement for guests in room and board arrangements: RVS owns, rents and leases homes and provides staff as living arrangements for people the agency supports. Individuals pay room and board to cover expenses, including food, utilities, rent and maintenance of the home.

An individual may purchase soda, snacks, and groceries for their personal use from their personal funds. Staff and housemates will not use those items unless the individual purchaser offers of their own free will.

When an individual rents, leases, or owns their own home, RVS and/or its employees will provide their own food if eating in that person's home.



## SETTING UP PERSONAL BANK ACCOUNTS

When Region V Services is Payee

When Region V Services is payee for personal benefits, administrative staff is responsible for setting up a checking account (and savings account, if checking account will consistently have a balance over \$1,000.00, unless a higher balance is required to avoid a service charge). The account is set up as follows:

### 1. WHAT TO TAKE TO THE BANK

The Social Security number of the individual and a picture I.D. This includes any additional signers on the account, including Region V Services employees.

Proof that RVS is the representative payee for the benefits. This can be the initial letter indicating that Region V Services is payee, or any correspondence from Social Security which is addressed to "Region V Services for..."

Funds for deposit to open the account.

### 2. TITLE ON THE ACCOUNT

The Account must be titled in one of these two ways:

Region V Services	OR	<u>Name,</u>
for <u>Name</u>		Region V
		Services, payee

### 3. TYPE OF ACCOUNT / OWNERSHIP

The account must be set up as an individual account--not joint account. (NOTE: Some banks require that accounts with more than one signature be "Joint, with survivorship," so if this is the individual's bank, follow their instructions.) The bank must identify the individual as the sole owner of the account.

The individual's Social Security number is put on the account (not staff's).

### 4. ACCOUNT MAILING ADDRESS

The mailing address may be to the individual's home, which is preferred, or Region V Services' address.

## 5. SIGNATURE CARDS

On any account requiring a staff signature, additional staff may sign on accounts so that funds will be accessible, in the absence of one. On two-signature required accounts, there should always be at least three people who can sign to authorize transactions.

A. All checking accounts must be set up in one of two ways:

1. Staff person(s) as the only signature
2. Staff persons and individual co-sign (two signatures required)

B. All savings accounts must be set up as follows:

1. Account must be set up so that all transactions require the signature of a management level staff person. An additional staff person, or person supported must also have their signature on the account.

A copy of the signature card must be on file in the main office. Since there is personal information on each signature card, having signature cards in the financial manual is not allowed.

Staff should sign signature card and checks with name and title.

When appropriate and after the IPP team has agreed, a signature stamp may be used. The dignity of the individual should be one of the priorities in the decision making process in regards to the use of a stamp.

## 6. ORDERING THE CHECKS

Staff will be responsible for maintaining a supply of personal checks for individual accounts. An order blank is attached to the last pad of checks. This should be mailed early enough to insure a continued supply of checks.

The address printed on the checks may be the agency office address or the individual's home address. The printing on the checks can be either:

Region V Services for <u>Name</u> Agency office address	OR	<u>Name</u> Individual's home address
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The example on the left would most likely be used if the individual does not sign their own checks. The example on the right would be recommended if the individual signs their own checks (along with the second required signature.) If two signatures are required, order checks with two printed lines for the signature.

Checks may be ordered via the internet, newspaper ads, or other means may occur with management approval.

Use of personalized checks are an individual's choice. This may occur if the individual has sufficient funds to cover the cost. If there is a question about financial resources, please consult with your supervisor.

#### 7. NOTIFICATION OF RESOURCE LIMITS

For individuals receiving government benefits, resource limits may affect their eligibility for these benefits. Resources include the total amount of money that an individual has. It is the responsibility of staff who manage personal accounts to know what the resource limit is. This can be obtained from the DDD Service Coordinator. At no time should total resources exceed the limit. Financial situations (assets, liabilities, future planning) should be reviewed at the annual IPP meeting, along with information on who manages the accounts.

Contact DDD Service Coordinator immediately if:

- Fund balance is about to be depleted
- Resource limits are in danger of being exceeded.

A team meeting may need to be arranged to authorize appropriate purchases to maintain the continuation of benefits.

#### 8. NOTIFICATION OF ACCOUNT BALANCE

Account balance and records of transactions are provided to the individual or their fiscal representative as requested.

9. When an individual's account has a Debit Card attached, it must be set up as a Debit transaction only. It is not permissible to use the Debit Card as a Credit transaction.

## PERSONAL FINANCIAL NOTEBOOKS

1. A written explanation in the front of the individual's financial notebook is recommended indicating the degree of independence that person has in their financial affairs. Points to mention include:
  - a. Does the person make purchases on his/her own, or with staff assistance?
  - b. How are deposits made? By staff? Direct deposit? Individual?
  - c. What are the petty cash arrangements?
  - d. Who are the authorized signatures on the account? (specify separately for checking and savings)
  - e. What monthly bills are paid from this account?
  - f. Source of funds (SSI, SSA, VA, employment, etc.)
  - g. Any electronic withdrawals/deposits?

This is helpful to anyone reviewing your financial notebooks or filling in for you.

2. The notebook should be organized as follows:

File the plastic cash envelope and the CASH FUNDS RECORD forms (if needed, in front of the tabs).


TAB 1	Check/Debit and Deposit Record
TAB 2	The receipts envelope
TAB 3	Checking account statements
TAB 4	Savings account statements (if any)
TAB 5	Correspondence
TAB 6	Rules and regulations, procedures, instructions, examples, etc.
TAB 7	Personal possessions inventory (residential services). Mark furniture and other large items with enough information to show ownership.

3. If an individual's bank returns the cancelled checks, then the following applies: A separate box, available from the bank, should be used to store canceled checks. Label the box with the individual name. The canceled check file box should contain the canceled checks in numerical order. Corresponding receipts are stapled to the bank statements. Deposit slips, and other account documents, such as debit/credit memos, should also be stapled to the bank statement.

## WRITING OUT PERSONAL CHECKS

1. Be sure that the individual has enough money in their checking account. Accounts must always maintain a positive balance. Additionally, the ledger page should **NEVER** reflect a negative balance. Any overdraft or service charges due to staff error will be paid by the person responsible. All unresolved financial errors, including overdrafts and missing money, will require a completed Incident Report and supervisory review. Employees found negligent in these situations will be required to make restitution. Disciplinary action may be taken following as stated in the Personnel Policy Manual.
2. Date the check with the current date. Do not post-date or back-date checks.
3. Enter the correct name of the vendor, or let the vendor imprint their own name.
4. Write the amount of the check legibly, using numerals (i.e. 19.27) and spelling out the dollar amount, indicating the cents amount as a fraction of 100 (i.e. nineteen and 27/100).
5. In the event the vendor uses the check as part of an electronic transaction, then the following would apply:
  - a) Fill out the check as listed above.
  - b) After the check is "run" through, file the check and attach the receipt to the appropriate bank statement.

### Exhibit 1.

SUMMER S. OVER 123 SOUTH STREET LINCOLN NE 68500	August 1 2009	184 43-3 1040
PAY TO THE ORDER OF <u>Local Agency</u> \$ <u>310.00</u>		
<u>Three Hundred Ten and No/100</u> ..... DOLLARS		
 <b>HAVELOCK BANK</b>		
MEMO <u>August R &amp; B</u>		
:104900970: 489 078 0184		

6. If an error has been made on a check, write "VOID" across the check and file it in numerical sequence with the canceled checks. Do not tear it up, or dispose of it in any other way. Enter the number and "VOID" in the Check and Deposit Record.
7. After writing the check, or debit transaction when appropriate, record the check number, date (include the year), description and the amount in the check & deposit record.
8. Balance the check & deposit record after each entry to prevent any overdrafts.
9. All checks and checkbook registers, including balances must be written in ink.

10. Checks must be made for the amount of the purchase or payment, and never for an additional amount to be returned in cash.
11. Personal checking accounts should not have balances of more than \$1,000 after the current room and board payment has been made (unless a higher balance is required to avoid a service charge).

**CHECKBOOKS DEBIT TRANSACTIONS**

It is not necessary to maintain both the checkbook ledger and the check & deposit record. Only the Check & Deposit Record is required. However, staff must be sure to check the balance in the Check & Deposit Record prior to writing checks, shopping, etc. If the checkbook ledger is used it may be maintained in one of the following methods:

1. The Single Line Method: Each space is used to record a check or a deposit. See Exhibit 2.
2. The Double Line Method: The gray tinted area is used to record the purpose of the check or the type of the deposit. See Exhibit 3.

Exhibit 2: Single Line Method

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT										
NUMBER	DATE	DESCRIPTION OF TRANSACTION	PAYMENT/DEBIT (-)		√ T	FEE (if any) (-)	DEPOSIT/CREDIT (+)		BALANCE	
									207	18
		Deposit					416	00	623	18
184		Local Agency	310	00					313	18
185		State Bank	25	00					288	18
186		Dew Drop Inn	3	08					285	10
DEBIT		Hairstylz	6	50					278	60
		Deposit					768	60	1,047	20
		Deposit					414	69	1,461	89
187		Local Agency	310	00					1,151	89
ACH		Afflac	100	00					1,051	89
188		State Bank	25	00					1,026	89
189		Region V Services	2	40					1,024	49
190		Dew Drop Inn	3	86					1,020	63

Exhibit 3: Double Line Method

RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT										
NUMBER	DATE	DESCRIPTION OF TRANSACTION	PAYMENT/DEBIT (-)		√ T	FEE (if any) (-)	DEPOSIT/CREDIT (+)		BALANCE	
									207	18
		Deposit					416	00	416	00
		Paycheck, SSI & Welfare							623	18
184		Local Agency	310	00					310	00
		August R & B							313	18
185		State Bank	25	00					25	00
		Petty cash fund							288	18
186		Dew Drop Inn	3	08					3	08
		Lunch							285	10
DEBIT		Hairstylz	6	50					6	50
		Haircut							278	60
		Deposit					768	60	768	60
		2 months SSI due							1,047	20

**DEPOSITS**


1. Funds received should be deposited in the individual's account within five banking days.

NOTE: RVS requires that all SSA, SSI, AABD, and VA checks be direct deposited. Exceptions to this must be approved by the Area Director.

All personal funds received by the agency need to be logged as received and dispersed.

2. Funds received must be deposited in total. Never cash a check, deposit part of it and take the remainder in cash.
3. Deposit tickets must be itemized, and show the source of the check, and the amount. See Exhibit 4.

**EXHIBIT 4: Deposit Ticket**

<b>DEPOSIT TICKET</b>																																							
<p>SUMMER S. OVER 123 SOUTH STREET LINCOLN NE 68500</p> <p>DATE <u>August 1</u> 2009</p> <p><small>DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL</small></p> <p><small>SIGN HERE FOR CASH RECEIVED I (IF REQUIRED)</small></p> <p><b>HAVELOCK BANK</b> LINCOLN NEBRASKA 68507</p> <p>:104900970: 489 078</p> <p><small>Checks and other items are received for deposit subject to the provisions of the uniform commercial code and any applicable collection agreement.</small></p>	<p>pay AABD</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">CASH</td> <td style="width: 20%;">Currency</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td></td> <td>Coin</td> <td></td> <td></td> </tr> <tr> <td align="center" colspan="4"><small>LIST CHECKS SINGLY</small></td> </tr> <tr> <td>26591</td> <td></td> <td align="right">24</td> <td align="right">50</td> </tr> <tr> <td>172948977</td> <td></td> <td align="right">107</td> <td align="right">20</td> </tr> <tr> <td align="center" colspan="2"><small>TOTAL FROM OTHER SIDE</small></td> <td></td> <td></td> </tr> <tr> <td align="center" colspan="2"><b>TOTAL</b></td> <td align="right"><b>131</b></td> <td align="right"><b>70</b></td> </tr> <tr> <td align="center" colspan="2"><small>LESS CASH RECEIVED</small></td> <td></td> <td></td> </tr> <tr> <td align="center" colspan="2"><b>NET DEPOSIT</b></td> <td align="right"><b>131</b></td> <td align="right"><b>70</b></td> </tr> </table>	CASH	Currency				Coin			<small>LIST CHECKS SINGLY</small>				26591		24	50	172948977		107	20	<small>TOTAL FROM OTHER SIDE</small>				<b>TOTAL</b>		<b>131</b>	<b>70</b>	<small>LESS CASH RECEIVED</small>				<b>NET DEPOSIT</b>		<b>131</b>	<b>70</b>	 <p><b>76-97/1049</b></p> <p><small>Use other side for additional listing.</small></p> <p><small>Be certain each item is properly endorsed.</small></p>
CASH	Currency																																						
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<b>NET DEPOSIT</b>		<b>131</b>	<b>70</b>																																				

4. Deposits must be itemized in the Check and Deposit Record (i.e., if three checks made up the deposit, each one must be recorded). Show where the check was from (i.e., SSI, SSA, Veterans, paycheck, etc.), the check date, the check number, and enter the amount. Staff making the entry must initial in the column provided.
5. Deposit receipts should be filed with the canceled checks when applicable.
6. All deposit entries in the Check and Deposit Record are to be recorded in ink.
7. All cash received (including gifts), must be deposited in either the savings, checking, or cash funds account and recorded appropriately. An exception to this is cash gifts, which may be placed in the petty cash fund as long as the fund limit is not exceeded and is approved by the IPP team.

## DEBIT CARD

Debit Cards are now more than ever becoming a routine financial transaction. Many vendors refuse to take Checks and will only allow individuals to use cash or a Debit Card. Teams need to assess the need for using a Debit Card as part of managing the individuals' funds.

1. When setting up the Debit Card, it should only be used for Debit transactions. The Bank must code the card to not allow Credit transactions. Only Debit transactions are allowed.
2. The use of a Debit card will require the individual to set up a Personal Identification Number (PIN) to allow them to access the funds. The individual or Agency staff will assist in doing this. Once the PIN number has been acquired, the number is kept in the individual's personal financial book. Pin numbers should not be written on the Debit card.
3. When using the Debit Card staff or the person must know the PIN number to make the transaction. When the card is used/swiped the PIN is entered after the appropriate response. Receiving "cash back" is not allowed when completing the transaction.
4. When an individual is being assisted by staff in the use of the Debit Card, **EVERY RECEIPT** must be kept. And, upon return to the residence the receipt is placed in the financial book and the appropriate information is entered into the ledger.
5. Debit Cards may be used to make purchases on-line. The same rules apply to the amount of the purchase. Any transaction over \$100.00 require team notification. A printed receipt from the transaction must be kept like all other receipts.
6. Staff are responsible for overdrafts for failure to follow team and program instructions/guidelines.



## **ONLINE BANKING**

Electronic Banking or Online Banking is the ability to manage an individual's accounts over the internet via a computer. Electronic banking when appropriate, is a function of management staff. Exceptions may be made as to who has access to this information at the discretion of the IPP Team. All confidential access codes to gain access to Electronic Banking are to remain at the agency office in a secure location unless other arrangements are made by the IPP team and approved by the director.

For the purpose of this section, there are two specific functions to online banking. They are:

1. The ability to access a person's supported account to review information, i.e.: balances, to determine if a check has "cleared" the bank, etc. This can be a function of both CSP's and management staff.
2. The ability to access a person's account to transfer funds or make electronic payments. This function is a function of management only.

The use of Electronic Banking needs to be discussed by the IPP team and there needs to be an appropriate reason for the use of this service. If the team feels that it is necessary and has supporting rationale, then it is submitted to the agency director for approval.

When the use of Online Banking has been approved, the following must occur:

1. Only the Director or Coordinator, or designated staff, has the information to access the account. If the team decides that the individual supported, as part of a training program, is capable of learning to manage their own funds they may have access to the account via internet. The support of a Coordinator or Area Director or designated staff is required.
2. All transactions that occur via Electronic Banking need to have supporting documentation recorded in the financial book in the appropriate section.
3. Any transaction requiring the transfer of funds from saving to checking or checking to savings can only be done by the Area Director or Coordinator.

### **SAVINGS ACCOUNTS**

1. All savings accounts must have a minimum of two management-level staff persons as signers on the account.
2. The same rules for documenting deposits and making withdrawals for checking accounts also apply to savings accounts.
3. Savings accounts should be used for individuals who have in excess of \$600 in their checking account after the current month's rent is paid, unless a higher balance is required to avoid a service charge.
4. Savings accounts must also be reconciled, and interest additions accounted for, within ten calendar days of statement receipt.
5. All withdrawals from savings accounts must be signed by or designated by a management-level staff person and be deposited into checking accounts for disbursement.

### **BANK STATEMENTS**

1. There are many varieties of bank statements. Exhibit 5 on the next page is one example.
2. File all account statements in the financial notebook.

### **RECONCILIATION OF ACCOUNTS**

1. All accounts must be reconciled monthly (or when statements are available, such as quarterly for many savings accounts). This should be accomplished within ten (10) calendar days after the statement is received by the individual responsible for reconciliation.
2. Reconcile accounts using the form provided on the reverse of the statement. See Exhibit 5.
3. Note on the front of the statement "Reconciled", with the date and your initials.
4. Note on both the Check and Deposit Record and the checkbook (if used) that the reconciliation has taken place by underlining the balance to the point of reconciliation and initialing.
5. After reconciling, file the statements and canceled checks and deposit receipts in the appropriate places.

EXHIBIT 5



**FIRST NATIONAL BANK**

LINCOLN NE 68502  
(402) 471-1231

000 00001 01 Page: 1  
Account: 783 962 11-03-2009

Summer S. Over  
Region V Services Rep Payee 38-0  
1430 South Street 0  
Lincoln NE 68502 2

=====  
First National Bank TELEPHONE: 402-400-4000  
PO Box 12345  
Lincoln NE 68500  
=====

=====  
SIMPLY FREE CHECKING ACCOUNT  
=====

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT .....			10/03/09	331.31
N1*1U* REGION V SERVICES \N1*BE*SUMMER S. OVER *22*123456789\		417.85	10/03/09	748.98
CHECK # 195	4.20		10/05/09	747.78
CHECK # 196	310.00		10/05/09	434.78
CHECK # 197	41.75		10/14/09	393.03
DEBIT	96.10		10/17/09	296.93
N1*1U* REGION V SERVICES \N1*BE*SUMMER S. OVER *22*123456789\		200.00	10/19/09	496.93
ACH	104.45		10/21/09	395.48
CHECK # 198	78.87		10/20/09	316.61
DEBIT	25.00		10/20/09	291.61
TOTAL CREDITS	(1) 617.85		MINIMUM BALANCE	308.06
TOTAL DEBITS(2)	660.37		AVG AVAILABLE BALANCE	
			AVG BALANCE	

=====  
YOUR CHECKS SEQUENCED  
=====

DATE	CHECK #	AMOUNT	DATE	CHECK #	AMOUNT
10/05	195	4.20	10/05	196	310.00
10/14	197	41.75	10/20	198	78.87

--- ITEMIZATION OF NSF PAID AND RETURNED ITEM FEES ---

	THIS PERIOD	YEAR TO DATE
NSF PAID ITEM FEE:	.00	.00
NSF RETURNED ITEM FEE:	.00	.00
OVERDRAFT FEES:	.00	.00



### **CHECK AND DEPOSIT RECORD**

1. Staff responsible for assisting in managing personal funds must keep this record current. Record all checks written, deposits made, other debits and credits (such as bank charges, printed check charges, stop payment orders, automatic deposits and withdrawals, interest, etc.) and any corrections. See Exhibit 7.
2. Balance must equal reconciled checking account balance.
3. All entries should be made in ink.
4. Initial the entries in the appropriate column.
5. Be sure to include the year at the top of each page.
6. If a mistake is made, make a single line through the mistake and re-write the correct information. **NEVER USE WHITE-OUT.**

### **CASH FUNDS RECORD**

1. A maximum of \$60.00 per person can be kept in cash funds at any one time. This amount can be higher if individual circumstances provide an appropriate rationale for doing so. This would need to be documented in the individual's IPP with supporting rationale.
2. Staff responsible must make entries on this form each time cash is given to the individual. See Exhibit 6.
3. All entries should be made in ink. The entry must describe the items purchased and the vendor.
4. Initial the entries in the appropriate column.
5. When possible, also have the individual initial that the cash was received, somewhere in the "Description" column.
6. If a mistake is made, make a single line through the mistake and rewrite the correct information. **NEVER USE WHITE-OUT.**

**EXHIBIT 6: Cash Funds Record**

Name Summer S. Over

	DESCRIPTION	DATE	INIT.	WITHDRAWALS	DEPOSITS	BALANCE	√
1	Balance brought forward from previous page	11/1/09	DJ	:	:	21:94	
2	Pop money for work for 3 days	11/3	RB	1:50	:	20:44	
3	Dairy Queen for ice cream	11/5	PR	1:00	:	19:44	
4	Deposit from line #3	11/5	PR	:	:15	19:59	
5	Out to lunch at work	11/6	RB	5:00	:	14:56	
6	Deposit change from line #5	11/6	DJ	:	:60	15:10	
7	Deposit cash from checking #345	11/6	DJ	:	20:00	35:10	√
8	ARC trip to KC baseball game	11/7	RB	20:00	:	15:10	
9	Deposit cash from parents	11/9	PR	:	10:00	25:10	
10	Pop money for work for 5 days	11/10	RB	2:50	:	22:60	
11	Movie at Plaza with friend	11/14	PR	7:00	:	15:60	
12	Deposit change from line #11	11/14	PR	:	1:20	16:80	
13	Wal-Mart for shirt, see receipt	11/16	RB	9:00	:	7:80	

**EXHIBIT 7: Check and Deposit Record**

**CHECK and DEPOSIT RECORD**

Name Summer S. Over Bank Name & Account # Money Minds 4716400

Year 2009

	CHECK NO.	DESCRIPTION	DATE	INIT	AMOUNT OF CHECK	AMOUNT OF DEPOSIT	BALANCE	√
1	1973	Petty Cash for 3/9 thru 3/16	3/7/09	SH	25:00	:	184:77	SH √
2	1947	Dollar General food/supp/per	3/7	SH	53:98	:	130:79	SH √
3	1975	Gerry's Market food/work page	3/7	SH	59:92	:	70:87	SH √
4		Error pg 3 Line 31 27.00 Long	3/8	MN	27:00	MN 3/8/09	43:87	√
5	1976	Galaxy Bowl (League)	3/10	PB	10:00	:	33:87	√
6	1977	Sun Mart (Groceries)	3/13	PB	9:04	:	24:83	√
7	D	Armstrong #1234567	3/14	SH	:	282:21	307:04	√
8	1978	Petty Cash for 3/17 thru 3/23	3/14	SH	32:00	:	275:04	√
9	1979	Galaxy Bowl (League)	3/17	PB	10:00	:	265:04	√
10	1980	Harry Badger (Pest Control)	3/19	PB	32:00	:	233:04	√
11	1981	Sun Mart (Groceries)	3/19	PB	51:19	:	181:85	√
12	1982	Breeze Line (Phone Bill)	3/20	PB	45:79	:	136:06	√
13	D	Armstrong #1234567	3/21	PB	:	328:90	464:96	√
14	1983	Petty Cash for 3/24 thru 3/30	3/21	SH	25:00	:	439:96	√
15	1984	Wal-Mart food/personal/house	3/23	SH	92:22	:	347:74	√
16	1985	IGA (Food)	3/23	SH	37:49	:	310:25	√
17	1986	Galaxy Bowl (League)	3/24	PB	10:00	:	300:25	√
18	D	Transfer from savings	3/25	PB	:	450:00	750:25	√
19	1987	Soc. Sec. Admin. (Payback)	3/25	PB	325:00	:	425:25	√
20	1988	VOID	3/28	PB	---:--	---:--	425:25	√
21	1989	Immibile County Hosp. (Bill)	3/28	PB	127:68	:	297:57	√
22	1990	Blue Valley (Bill)	3/28	PB	62:14	:	235:43	√

## **RECEIPTS**

1. Receipts are required on all purchases over \$20.00.
2. Receipts include handwritten sales slips, cash register tapes, cash receipts forms, statements, invoices, and various other forms of documentation. Staff purchases must have a separate receipt.
3. Receipts should include: the store name, date of purchase, total amount paid, and the check number. Staff should include any information not already on the receipt.
4. When making a purchase, there must be individual receipts (do not have, for example, clothing purchases for two or three individuals co-mingled on one sales ticket).
5. If items are returned, a detailed description of the transaction must be included in the record.
6. File receipts temporarily in the receipts envelope. When the bank statement arrives, staple the appropriate receipt to the back of the bank statement. (If the receipt is larger than the bank statement, fold it neatly so that it is no larger than the statement.)

## **FILING**

1. Keep the notebooks current, generally having no more than 1 year of records in them. Transfer the old files to the permanent storage at the agency's office annually (January 1 to December 31). Records may be destroyed after six years.
2. File all bank statements in chronological order, with the supporting receipt stapled to the back.

## **HOME MODIFICATION RECORDS**

If the individual receiving supports is the lessee (name appears on the lease) they may choose to pay for modifications with personal funds. Records must be kept documenting these expenditures, and modifications must follow the lessee when he/she moves, as allowed by law.

## **USE OF PERSONAL BENEFITS**

Personal benefits received by RVS as representative payee (SSA, SSI, AABD, RR, VA monies) for individuals will be used solely for the individual beneficiary for room, board, personal needs, or other items deemed in his/her best interest.

It is acceptable to use personal benefits for:

- Day-to-day maintenance (food, shelter, clothing)
- Spending money for the beneficiary
- Personal grooming supplies and services
- Medical, dental, or rehabilitation services or supplies not covered by another source
- Furniture, appliances, etc., which are ordinarily provided in the room and board situation if the individual's IPP reflects that he/she may be living independently in the foreseeable future
- Personal items not ordinarily provided in the residence (i.e. rocker, stereo, etc.)
- Personal items ordinarily provided but not to the liking of the individual (i.e., decorative bedspread, waterbed, objects d'art, etc.)
- Gifts for the beneficiary (personal)
- Transportation for home visits, vacations
- Hobby or recreation supplies, equipment, fees (including vacations, books, magazines, records, etc.)
- School expenses
- Shared expenses that will benefit the individual (cable TV, newspaper, etc.), as long as the purchase is of a nature that it can be divided equally if the individual moves, or it is a service that is used by all contributing.
- Repairs/replacement for damages caused by the individual with IPP approval

It is NOT acceptable to use personal benefits for:

- Items for personal use which are ordinarily provided in the individual's residence (except special or additional items preferred by the individual)
- Furniture, appliances, TV's, etc. needed in the common area of the residence, if those items are RVS's responsibility.
- Services to the household which the individual cannot benefit from or enjoy
- Remodeling or repair to the group residence, unless the individual is duly charged for repair of damage he/she caused, and then only if paid out of his/her spending money or in some way so as to be a learning experience.
- Paying bank charges or replacing money which results from staff negligence or error.
- Charitable contributions, churches, etc.
- Paying for reinforcers/training materials without prior approval of the individual, legal representative and parents (if applicable).
- Raffle tickets, pickle cards, bingo etc.
- Prepared food delivered to a group home
- Personal funds and property will not be used as rewards or punishment.
- An individual will not be assessed for damages when there is a lack of staff supervision or failure to provide programmatic intervention.
- Personal funds will not be used for the purchase of inventory or services for RVS.



- At no time will the finances or personal property of an individual supported by RVS be used for the benefit of RVS or its employees. An employee may not borrow money or receive a loan from a person supported. An employee may not borrow, or otherwise use the personal property of an individual in services.

NOTE: For other personal funds (paychecks, gifts, etc.) the same rules apply, with the exception of charities, raffle tickets, gambling, etc.

## **INDIVIDUAL TRAINING ACCOUNTS/DEBIT ACCOUNT**

When an individual has a representative payee for their benefits, the Social Security office has determined that they are incapable of handling their own funds, thus the person is not allowed unrestricted access to these funds.

Should the IPP team determine that an individual is ready to begin learning to manage their own funds, it is allowable to set up a "training account." The account must have a corresponding training program for teaching financial skills to the individual.

The guidelines for such an account are as follows:

- The account is set up like any other private account - in the person's name only. Balance will be determined by the IPP team and generally will not exceed \$100.00.
- The individual pays for any overdrafts he/she causes. Staff are responsible for overdrafts when caused by their negligence or failure to provide appropriate teaching as outlined in the IPP.
- The first priority for use of personal funds is room, board, and any bills owed. A training account should not be set up unless the individual has funds to meet all obligations first.
- Person managing an individual's regular account needs to add the individual training account balance when calculating SSI/AABD resource limits or reporting resources on redeterminations.
- The team should regularly re-evaluate the appropriateness of continuing the training account. NOTE: Certain requirements for the management of these funds (for example, receipts), could be modified at the team's discretion.
- Refer to the Debit Card section for additional information. See page 13.

## **TRANSFERRING/CHANGING PAYEE AND CLOSING OF ACCOUNTS**

When necessary, checking and/or savings accounts may need to be closed. The reasons for this may include fraud, identity theft, leaving services and death.

1. The bank needs to be notified of the account closing as soon as it is determined that it is appropriate. The bank may need to leave the account open, for a short period of time, to let any unpaid checks clear the bank and to insure the last benefits have been received. In the event of fraud or other criminal activity the bank may close the account immediately.
2. The individual and all signers on the account may need to sign corresponding documents to close the account.
3. Any funds that may be left over need to be deposited into a new account as soon as possible. This may include checking, savings, any cash, and training funds.
4. All funds need to be accounted for as with any other financial transaction.
5. In case of an individual's death, a check is written to the appropriate legal representative to disburse the appropriate funds.
  - a. When an individual receives SSA, they (designated staff) will be required to repay the amount received in the month in which that individual dies. Additionally, any additional funds received after the month in which the individual dies will need to be repaid.
  - b. When an individual receives SSI they (designated staff) do not have to pay back the amount of funds received in the month that the individual dies. Additionally, any additional funds received after the month in which the individual dies will need to be repaid.
6. All remaining checks need to be shredded.

## **EXPENDITURE REPORT**

1. If a non-specific amount of funds is needed to purchase items for an individual by anyone other than the staff person who manages the account, the staff may issue a check with an "Expenditure Report." The check is written  
  
PAY to the Order of: "BLANK for Individual" ("Mary Jones for John Smith.")
2. The person receiving the check cashes it and keeps track of each item purchased as shown in the example below.
3. When all purchases are made, the Expenditure Report is returned to the staff person along with itemized receipts for each purchase.
4. The balance of the funds will be deposited in the Cash Funds for the individual or returned to the checking account, and the Expenditure Report will indicate this to

the staff person. (If the staff usually issues a regular spending money check, this amount can be deducted from the next check issued.)

5. The Expenditure Report and the receipts will be stapled to the back of the bank statement when the account is reconciled for the month.
6. Checks for specific purposes (bus passes, for example) can be issued in the exact amount and do not require an Expenditure Report.

**EXHIBIT 8: Expenditure Report**

<b>EXPENDITURE REPORT</b>		CK. NO. 246	CASH ADVANCE 250:00
<b>DATE</b>		<b>BRIEF DESCRIPTION</b>	
10/08/09	Target	New Clothes 103:65	
10/08/09	Radio Shack	Radio 52:20	
10/09/09	Shopko	Winter Coat 41:75	
10/11/09	Wal-Mart	Clothes 36:52	
<b>ATTACH RECEIPTS TO OTHER SIDE</b>		<b>BALANCE TO BE DEPOSITED IN CLIENT CASH FUND 15:88</b>	

## MISCELLANEOUS

### **FILING INCOME TAXES**

Typically an individual who receives benefits from the government as their only source of income does not need to file an Income Tax Return.

Individuals who receive outside sources of income from: an employer, investment income, unemployment compensation, tips, income from being self-employed, inheritance, or other sources of income, will need to determine if they must file an Income Tax Return. It is the responsibility of the Representative Payee to determine if an individual must file a Tax Return. Even if an individual does not have enough income to qualify to file a Tax Return, they may still need to file, to receive a refund if federal, state or local taxes were withheld or a rebate is due.

If it is determined that an individual needs to file a return, then the team needs to decide who will actually file the return.

It is encouraged to use a local CPA or free/volunteer community preparer. The cost of this service needs to be evaluated on a cost benefit approach.

### **LOANS AND LINES OF CREDIT**

As more people supported begin to purchase vehicles, homes or other large items, the use of a "Loan" may be needed. The individual, with the assistance of the team, needs to determine if and when this is necessary. As always, some things to think about when considering a loan are:

1. Does the individual truly desire the purchase? *For example, if the individual wants to purchase a home is it based on research and knowledge of what is involved in the purchase and maintenance of a home, or has someone else they know just purchased a home and they now think that they should own one as well? Making major purchases requires research and discovery and a true desire for the purchase.*
2. Does the individual have the resources to repay the loan?
3. How may the purchase affect their benefits?
4. Does the individual have the resources to maintain the purchase after it is made?
5. Any other consideration relevant to the loan.

If and when it is determined that a loan is appropriate for the individual, then the team moves forward to assist the individual in applying for the appropriate credit. Since there are a variety of financing options/programs available, having the individual meet with a personal banker is recommended, as they are experts in this area. They will be able to assist the individual in the process of securing the appropriate financing. From this point the team may/will assist to move the process forward.

### **WORDS OF WISDOM**

1. When you're handling other people's money, you not only have to be honest, you have to be able to prove you are.
2. When dealing with personal finances, you are guilty until proven innocent.
3. Not only do the personal funds document the individual's income and expenditures, but they also mirror to a great extent that person's life style. Very few entries of a repetitive nature testify to the quality of life that person has or does not have. It doesn't take a Systems Review team to determine this -- someone looking at a ledger sheet gets a good picture in a hurry.
4. Financial audits of personal fund accounts may occur at anytime, without prior scheduling, from a variety of sources. Staff are well advised to keep all records current and accurate.

### **EXCEPTIONS TO POLICIES/PROCEDURES**

1. If exceptions to financial policies/procedures are needed, staff must seek written prior approval through the individual's team and the Area Director.
2. If policy/procedure violations occur without prior approval, an Incident Report must be written to explain what occurred and why.
3. A copy of the written approval for exceptions and Incident Reports regarding finances must be filed in the individual's financial book and unit file.