

Program & Services POLICY AND PROCEDURE

POLICY TITLE	902 Client Funds
HEADER INFO - Adopted - Revised	<b>Adopted 11/1986</b>  <b>Revised 5/1992, 12/1994, 6/1995, 8/2002, 8/2014, 7/2015, 10/2020, 11/2020</b>
RULE REFERENCE	<b>5123: 2-2-07, 5123:2-3-11</b>
GLOBAL POLICY STATEMENT  (what and why)	CHOICES IN COMMUNITY LIVING, INC. (CICL) adheres to Ohio laws governing residential and Supported living facilities, including Ohio Revised Code (O.R.C.) 5123.62 and 5123.64 as well as, Ohio Administrative Codes (O.A.C.) 5123:2-9-20. These include, but are not limited to the following: <ul style="list-style-type: none"> <li>• The right to ownership and the use of personal possessions, so as to maintain individuality and personal dignity;</li> <li>• The right of the person to manage, to be taught to manage, or receive assistance in managing, and to access all records regarding his/her personal funds, based on the person's ability to do so, except when in conflict with guardianship or payee agreement.</li> <li>• Personal funds are the exclusive property of the person to use as he or she chooses to purchase items, goods and services of his or her preference after all other individual obligations have been met (i.e. room and board expense and/or patient liability; and</li> <li>• The person shall participate as fully as possible in decision-making about the use of his or her personal income through development of money and budgeting concepts and values that encourage financial responsibility.</li> </ul>
	<b>PERSONAL FUNDS</b> <ul style="list-style-type: none"> <li>• Personal funds consist of both earned and unearned income retained by the person after satisfying his or her obligations which may include but are not limited to rent, individual specific expenses, or services; satisfying state requirements, including patient liability and/or monthly premiums for services funded by home And community-based services waivers; and satisfying federal requirements, including adherence of income restrictions necessary to maintain Medicaid eligibility. Generally, earned income is payment received by a person for services performed as an employee or as a result of being engaged in self-employment.</li> <li>• Unearned income is all income that is not wages or net earnings from self-employment. All income which does not meet the definition of earned income is considered unearned income (i.e., SSI, SSA, VA, railroad retirement, trusts). Food stamps shall be included as unearned income but shall not be applied toward the minimum income retained. CHOICES IN COMMUNITY LIVING, INC. (CICL) shall not require a person to use personal funds to purchase or pay for items or services that are reimbursed by Medicaid or any other funding source of CHOICES IN COMMUNITY LIVING, INC. (CICL).</li> <li>• Persons shall receive assistance in the management of his or her personal funds, if needed, and with consideration of what is important to the person and what is important for the person. Assessment(s) should indicate the ability of the individual to manage his/her personal funds. The Individual Service Plan (ISP) shall indicate the</li> </ul>

	<p>criteria, parameters, and documentation necessary regarding assistance to be provided to the person. These areas of assistance may include, but are not limited to the following:</p> <ol style="list-style-type: none"><li>1 Accessing and Maintaining Benefits;</li><li>2 Budgeting;</li><li>3 Money Management;</li><li>4 Banking;</li><li>5 Paying bills;</li></ol> <ul style="list-style-type: none"><li>• CHOICES IN COMMUNITY LIVING, INC. (CICL) staff and immediate family members of the agency staff are prohibited from borrowing money, gambling, buying, selling, trading, or lending goods or money with, for, or to people receiving services. People receiving services shall not borrow money from CHOICES IN COMMUNITY LIVING, INC. (CICL) staff.</li><li>• Staff shall not use one person's money to give money to another person served.</li><li>• Staff shall not solicit gifts or tips from people receiving services or their families. If a person receiving services or their family offers a gift to an employee, the employee should refer to the CHOICES IN COMMUNITY LIVING, INC. (CICL) CEO to determine how to handle the gift.</li><li>• CHOICES IN COMMUNITY LIVING, INC. (CICL) shall ensure that all personal funds are kept onsite or in personal bank accounts and are accessible upon request, but no later than 3 calendar days.</li><li>• As an agency, CHOICES IN COMMUNITY LIVING, INC. (CICL) shall not be responsible for any loss of a person's financial resources as a result of the individual's actions. CHOICES IN COMMUNITY LIVING, INC. (CICL) shall make a reasonable effort to safeguard the financial resources of a person that are managed by program staff.</li><li>• As an agency, CHOICES IN COMMUNITY LIVING, INC. (CICL) shall be responsible for payment of late fees resulting from late payments of a person's bills due to program staff negligence.</li><li>• CHOICES IN COMMUNITY LIVING, INC. (CICL) shall pay the person for direct loss of money or property sustained resulting from theft, negligence, failure to implement the Individual Plan as written, or forgery committed by a CHOICES IN COMMUNITY LIVING, INC. (CICL) employee acting alone or in collusion with others.</li><li>• CHOICES IN COMMUNITY LIVING, INC. (CICL) shall not co-mingle a person's funds with funds of the agency. A bank account(s) should be established for each person's personal funds. Nor shall CHOICES IN COMMUNITY LIVING, INC. (CICL) use a person's funds to supplement or replace the personal funds of another person receiving services from the agency, except in situations where a practical arrangement (e.g., people take turns purchasing household supplies) is agreed upon and documented in writing.</li></ul> <p><b>CHECKING AND SAVINGS ACCOUNTS</b></p> <ul style="list-style-type: none"><li>• A person served may need assistance with handling his or her money, which can range from minor assistance to complete assistance. If an Individual Service Plan (ISP) specifies that program staff is to assist the person in the management of personal funds, the following shall be addressed in the ISP:<ol style="list-style-type: none"><li>1. The name of the person or entity responsible for assisting the person with managing personal funds;</li></ol></li></ul>
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	<ol style="list-style-type: none"><li>2. The dollar amount anticipated to be available to the person upon request for personal spending; and</li><li>3. The specific type of supports to be provided (e.g. bill-paying, shopping, budgeting, or increase the person's independence in managing his or her personal funds).</li></ol> <ul style="list-style-type: none"><li>• When a person has been assessed to need assistance managing his or her personal funds, the ISP shall, when applicable, address:<ol style="list-style-type: none"><li>1. The maximum dollar amount that the person may independently manage at any one time;</li><li>2. The maximum dollar amount that the provider may spend on behalf of the person for any one expenditure without guardian, payee, and/or team approval; and</li><li>3. The name of the person or entity responsible for providing payee services.</li></ol></li><li>• As identified in the client's ISP monthly expenses are prepaid by Choices In Community Living for each client in a residential setting, for whom Choices is payee, and for those clients for whom Choices is not the payee but have made an agreement between the payee and Choices to follow the same process as other residents. Choices invoices clients at the end of each month for those expenses incurred for that month. The invoices will usually be sent to the home manager for each client. If Choices is not the payee, Choices will send the invoice to the Payee as well as the home manager.</li><li>• MONTHLY RENT AND UTILITIES: Rents are paid by check from Choices' CCH operating account. Receipts are requested from landlords, however, are not always received. Utility bills are also paid by check from Choices' CCH operating account. The expenses are tracked on a per home basis in monthly expense spreadsheets.</li><li>• CREDIT CARD: Choices supplies each home manager with a credit card in their name, the program name, and the agency's name. These are to be used for client expenses such as groceries, clothing, laundry and cleaning items, hab. Supplies (includes: toiletries, recreation such as movies/entertainment, haircuts, etc.), and larger items that would not be covered by cash on hand in the home. The receipts are to be broken out and allocated among each client in the home as appropriate. These allocations are reconciled monthly, collected by the home office and entered into the per home monthly expense spreadsheets. Clients are invoiced for credit card receipt purchases on a monthly basis.</li><li>• INVOICES: Invoicing is completed when all documentation has been received by the Fiscal Department. Clients are invoiced bases on items recorded in the per home monthly expenses sheets. They are dated for the end of the previous month and usually will be available and sent to home managers prior to the second Wednesday of the month following the month of expenses. This coincides with the monthly administrator (home manager) meetings so that the invoices can be paid.</li><li>• EXPENSE REIMBURSEMENTS: In the event someone other than Choices makes purchases on behalf of clients, the receipts for reimbursement must be submitted no later than the month following the purchase to remain within a monthly budget.</li><li>• If CHOICES IN COMMUNITY LIVING, INC. (CICL) assists with bank services a ledger shall be maintained and reconciliations completed unless otherwise stated in the ISP. The ISP should specify: personal spending limits and frequency, the amount that can be spent without team approval, and whether or not a debit or credit card is to</li></ul>
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	<p>be used. If, due to the circumstances of the person's supports, CHOICES IN COMMUNITY LIVING, INC. (CICL) is not going to keep financial ledgers, that will be explicitly stated in the ISP. If it is noted that debit or credit cards are to be used, it will also be stated in the ISP that CHOICES IN COMMUNITY LIVING, INC. (CICL) does not accept liability for any purchase use, or misuse of the card.</p> <ul style="list-style-type: none"><li>• Transaction records of personal funds that are managed by program staff, as outlined in the Individual Service Plan (ISP), shall be current at all times. All transactions shall be recorded on the Transaction Record form. The Transaction Record shall be completed at the time the service is provided to the person with all transactions entered to the date of the last financial transaction. The Transaction Record is to be kept current and bank statements are to be obtained per the bank's schedule of sending them. The Transaction Record and bank statements shall be filed in the corresponding personal financial binder.</li><li>• The Transaction Record shall contain the following:<ol style="list-style-type: none"><li>1. Person's name</li><li>2. Person's account number</li><li>3. Person's bank</li><li>4. Type of account;</li><li>5. Amount and date all funds are received i.e. deposits;</li><li>6. Sources of all funds that are received;</li></ol></li><li>• All deposits recorded shall specifically identify the source.<ol style="list-style-type: none"><li>1. Amount and date of all withdrawals;</li><li>2. The purpose of all withdrawals;</li><li>3. Signature and initials of the staff assisting the person with managing the account i.e., initialing each line on the Transaction Record and signing at the Bottom; and</li><li>4. A current account balance.</li></ol></li></ul> <p><b>RECONCILIATION</b></p> <ul style="list-style-type: none"><li>• The checking and/or savings account maintained by program staff shall be reconciled to the most recent bank statement.</li><li>• The person, to the extent possible, should be involved in the reconciliation with program staff, therefore making the individual more aware and informed of his or her current financial situation.</li><li>• The reconciliation of checking and/or savings accounts shall be completed within seven (7) days of receiving the current bank statement or the current bank statement being issued by the bank if no paper bank statement is mailed by the staff person responsible for the account by using the reconciliation form.</li><li>• The reconciliation shall contain the following:<ol style="list-style-type: none"><li>1. Date of reconciliation</li><li>2. Signature of the person conducting the reconciliation; and</li><li>3. Detailed description of any discrepancies by type, amount, and what action has been taken or needs to be taken to resolve the discrepancy.</li></ol></li><li>• The CHOICES IN COMMUNITY LIVING, INC. (CICL) CFO or a staff person other than the staff person who maintains the account transaction record is responsible for verifying the reconciliation on the Reconciliation form. Verification of reconciliations shall occur no less frequently than once every thirty (30) days of receiving the bank statement.</li></ul>
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	<ul style="list-style-type: none"><li>• The staff person responsible for the account shall complete the Verification of Funds monthly and turn into the CHOICES IN COMMUNITY LIVING, INC. (CICL) CFO by the 25<sup>th</sup> of each month.</li><li>• In the event of a discrepancy, the discrepancy shall be resolved within thirty (30) days.</li></ul> <p><b>CASH IN HOUSE AND PERSONAL POSSESSIONS</b></p> <ul style="list-style-type: none"><li>• CHOICES IN COMMUNITY LIVING, INC. (CICL) cannot keep large amounts of money for persons served. Those served shall be encouraged to put money in the bank. However, CHOICES IN COMMUNITY LIVING, INC. (CICL) recognizes that some people may need assistance with handling money that consists of personal money being held by program staff for a future monthly expense, as identified in the ISP. Choices supplies each home manager with cash to use for clients. When cash is used, a receipt signed by the client receiving the funds is required. The receipts are input on a cash ledger spreadsheet with each amount being allocated to the appropriate client. These ledgers are to be turned in weekly for reimbursement from the home office to replenish funds in the home. Clients are invoiced (under hab. Supplies) for cash receipts on a monthly basis. No client shall be invoiced without proper receipt documentation.</li><li>• CHOICES IN COMMUNITY LIVING, INC. (CICL) cannot keep personal possessions on behalf of people that are worth a significant amount of money. Individuals served shall be encouraged to store personal possessions in a lock box in his or her room, apartment, or the bank. CHOICES IN COMMUNITY LIVING, INC. (CICL) recognizes that some people may need assistance with managing his or her personal possessions; therefore, the combination of personal possessions and cash in house shall not exceed the value of funds permitted by the ISP per individual and will be kept in a locked storage area. The client will sign a receipt when receiving cash.</li><li>• Exception: If a person needs to make a major purchase that requires the person to have a significant amount of cash on hand the following steps shall be followed:<ol style="list-style-type: none"><li>1. Schedule the day the purchase will occur;</li><li>2. Obtain prior approval from the CHOICES IN COMMUNITY LIVING, INC. (CICL) CFO;</li><li>3. Go to the bank to access the cash as close as possible to the scheduled day;</li><li>4. If the purchase is cancelled, the cash shall be re-deposited into the appropriate account.</li><li>5. In unique circumstances, the CHOICES IN COMMUNITY LIVING, INC. (CICL) CFO may authorize a further exception.</li></ol></li><li>• Accurate transaction records of personal funds that are managed by program staff shall be current at all times and be made available to the person, the person's guardian, team, or the Ohio Department of Developmental Disabilities upon request. These records will contain the following:<ol style="list-style-type: none"><li>1. Person's name;</li><li>2. Amount and date all funds are received;</li><li>3. Sources of all funds that are received;</li><li>4. Amount and date of withdrawal;</li><li>5. The purpose of withdrawal;</li><li>6. Signature of person crediting the account;</li><li>7. Signature of person receiving the debited amount; and</li></ol></li></ul>
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	<p>8. Current account balance.</p> <ul style="list-style-type: none"><li>• Personal funds received by CHOICES IN COMMUNITY LIVING, INC. (CICL) on behalf of the person shall be made available for the person to use within five (5) working days of CHOICES IN COMMUNITY LIVING, INC. (CICL) receipt of the funds. This includes earned income where CHOICES IN COMMUNITY LIVING, INC. (CICL) handles the person's paycheck. A Check Log shall be used when staff receives a "live" check from the person.</li><li>• The person, to the extent possible, should be involved in the reconciliation with program staff, therefore, making the person more aware and informed of his or her current financial situation.</li><li>• The petty cash in house account maintained by program staff shall be reconciled using the Financial Reconciliation Form.<ol style="list-style-type: none"><li>1. The reconciliation of cash in house accounts shall be completed on a monthly basis;</li><li>2. The current amount of cash reflected on the transaction record will be equal to the amount of cash present for use by the person; and</li><li>3. The reconciliation will contain the following:<ol style="list-style-type: none"><li>a. Date of reconciliation</li><li>b. Signature of person conducting the reconciliation; and</li><li>c. Detailed description of any discrepancies by type, amount, and what action has been taken or needs to be taken to resolve the discrepancy.</li></ol></li></ol></li><li>• In the event of a discrepancy, the discrepancy shall be resolved within thirty (30) days.</li><li>• The reconciliation shall be completed by the agency's CFO or another staff member other than the staff person who maintains the transaction record.</li><li>• Verification of reconciliations shall occur no less often than every thirty (30) days. The CHOICES IN COMMUNITY LIVING, INC. (CICL) CFO shall be responsible for the verification of reconciliation during the last week of the month.</li><li>• CHOICES IN COMMUNITY LIVING, INC. (CICL) will be responsible for reimbursing the individual if the transaction record and actual funds of the person are not in agreement.</li></ul> <p><b>AUTOMATED TELLER MACHINES (ATM's)</b></p> <ul style="list-style-type: none"><li>• ATM's are raising concerns of how to properly validate this type of transaction activity. Individual's bank accounts can be accessed with debit and/or credit cards for cash advances. It is possible that a person served could have his/her ATM card stolen and the perpetrator may not only try to steal cash from the person's account but may even try to apply for a separate card assuming the identity of the person.</li><li>• Individual's ATM cards need to be properly accounted for and protected. The person's personal identification number (PIN) access code needs to be properly secured. Possible controls that can be established should include, but are not limited to, the following when CHOICES IN COMMUNITY LIVING, INC. (CICL) staff is assisting an individual:<ol style="list-style-type: none"><li>1. Lock the ATM card in a safe or locking filing cabinet when not in use;</li><li>2. Secure the personal identification number (PIN) so that a very limited number of staff that works directly with the individual has access to it. Relief staff should not have access to the PIN;</li></ol></li></ul>
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3. Establish a system to ensure that purchases made with ATM funds are supported by receipts. If a person withdraws money and spends it before returning home, a receipt should be obtained to show the expenditure;
  4. Perform a monthly reconciliation of the account to which the ATM card is attached by someone other than the staff member that takes care of the person; and
  5. ATM transactions should be documented using the same criteria as discussed in the previous section regarding non-ATM transactions.
- Some possible, but not all, inclusive indicators (red flags) that an individual's funds may be subject to theft or fraud is:
    1. Unexplained ATM withdrawals;
    2. A pattern of ATM withdrawals at the maximum amount allowed;
    3. Individual's mailing address has been changed;
    4. Issuance of replacement cards with a new PIN; and
    5. ATM withdrawals showing on the statement from where a person doesn't have access to use their card.

**GIFT CARDS**

- Gift cards, which are redeemable for goods and/or services and carry a value equivalent to cash, can be easily misused if appropriate tracking mechanisms are not in place. Since gift cards do not typically identify the person they are intended for; these cards can be used by anyone in possession of the card or even the card number. We typically discourage use of gift cards. Recommended strategies for ensuring appropriate use of gift cards can include, but is not limited to:
  1. Keep gift cards and the activation receipts from the purchase of the cards in a secure location as you would cash.
  2. Treat gift card balances as cash and log usage on a financial transaction record. If the individual you are supporting is giving a gift card, make a notation of the amount of gift card, the name of the recipient and the date it was given.
  3. Make a record of gift card purchases including the gift card number and maintain a receipt of the purchase(s) made with the gift card. Many retailers can track where and when gift cards are used. If stolen, you can contact the company and in some cases, the retailer will replace the card if you have the receipt.
  4. If possible, register the gift card on the company's website as a way to protect the gift card in case of theft or loss.
  5. When assisting with a purchase of a gift card, examine the package (especially those sold on publicly displayed racks). If the card's PIN number is visible, put the card back and choose a different one. PIN numbers can be copied from gift cards and thieves can periodically check to see if the card has been purchased and/or activated and use the PIN number online to make purchases.
- Program staff need to document on a separate transaction record if the ISP states that the agency are assisting the person to handle the gift cards and should be reconciled monthly. If the person holds their own gift card than no transaction record is required.

**REWARD CARDS**

- The practice of employees using their own personal reward cards when purchasing groceries and other items for people resulting in discounted gas, food or other items to benefit the employee is strongly discouraged. It is important that people have the

	<p>opportunity to choose where they want to shop and make these choices independently.</p> <p><b>OTHER CREDIT FORMS</b></p> <ul style="list-style-type: none"><li>• CHOICES IN COMMUNITY LIVING, INC. (CICL) staff shall not make credit card purchases, cash advances, and payday loans on behalf of people. If a person requires such credit the CHOICES IN COMMUNITY LIVING, INC. (CICL) CEO and/or designee shall contact the person's SSA for consultation and to seek guidance.</li></ul> <p><b>CHOICES IN COMMUNITY LIVING, INC. (CICL) AS PAYEE</b></p> <ul style="list-style-type: none"><li>• When CHOICES IN COMMUNITY LIVING, INC. (CICL) also acts as a payee for the person they are providing services to, CHOICES IN COMMUNITY LIVING, INC. (CICL) staff have the ability to make decisions regarding how a person uses Social Security benefits to secure food, clothing and shelter. A payee does not have the ability to make decisions about the use of personal funds or wages. If CHOICES IN COMMUNITY LIVING, INC. (CICL) is the payee, the ISP should clearly indicate an amount that the payee can spend on behalf of the person without specific team approval. If it does not, the team should be consulted on large expenditures.</li></ul> <p><b>LUMP SUM PAYMENTS AND ASSET LIMITS</b></p> <ul style="list-style-type: none"><li>• The person's team will be notified when the person receives lump sum payments (i.e, social security back payments, tax refunds) or inheritance. The Interdisciplinary Team (IDST) should discuss the amount and how it should be spent.</li><li>• If the person's funds exceed the amount allowed for by SSI, Medicaid, or other benefits and if a large expenditure is required the person's team shall be notified and consulted as to solution</li></ul> <p><b>RECEIPTS</b></p> <ul style="list-style-type: none"><li>• A receipt for any expenditure shall accompany all individual funds expended by program staff on behalf of a person. At a minimum, the receipt should contain the following:<ol style="list-style-type: none"><li>1. Description of the item purchased</li><li>2. Date of the purchase</li><li>3. Amount of the purchase</li><li>4. Staff initials making the purchase</li><li>5. Name of client for who purchase was made</li></ol></li><li>• If a third party receipt is not available, other proof of purchase should be provided (i.e., a handwritten note or receipt containing the elements noted above, signed by the person and program staff)</li><li>• When a person expends money on his or her own behalf or when personal funds are expended for the person by the parent or guardian, a receipt is required for a single expenditure of fifty (\$50) dollars or more unless otherwise stated in the ISP. When a receipt is unavailable, program staff should try to obtain other proof of purchase, for example: verification or letter from vendor noting what was purchased and the amount of purchase, loan agreements, contract's, or timely entry to person's inventory record of items(s) purchased. Unless the ISP states a minimum amount that can be spent by the person a receipt is required for all purchases.</li></ul> <p><b>DISCHARGE/TRANSFER</b></p> <ul style="list-style-type: none"><li>• At the time of discharge or transfer, CHOICES IN COMMUNITY LIVING, INC (CICL) shall release any balance <i>of personal funds to the person, after deducting for actual or estimated liabilities owed by the person</i>, within five (5) calendar days.</li></ul>
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	<ul style="list-style-type: none"> <li>• Within fourteen (14) days of the transfer or discharge, CHOICES IN COMMUNITY LIVING, INC (CICL) shall prepare a final itemized statement of the individual’s personal funds account and release the remaining amount to the person with the itemized statement.</li> </ul> <p><b>MISAPPROPRIATION and EXPLOITATION</b></p> <ul style="list-style-type: none"> <li>• The above mentioned system for monitoring personal funds are meant to prevent misappropriation and/or exploitation. In the event that misappropriation or exploitation are discovered, alleged, or suspected, they shall be reported in accordance with the Ohio Administrative Code (OAC 5123:17-02).</li> </ul> <p><b>RENTERS INSURANCE</b></p> <ul style="list-style-type: none"> <li>• CHOICES IN COMMUNITY LIVING, INC. (CICL) encourages individuals served to insure valuable personal items. As an agency, CHOICES IN COMMUNITY LIVING, INC. (CICL) shall not be responsible for any loss of an individual’s personal possessions that is through no fault of CHOICES IN COMMUNITY LIVING, INC. (CICL).</li> <li>• All people residing at CHOICES IN COMMUNITY LIVING, INC. (CICL) are encouraged to purchase renter’s insurance.</li> </ul> <p><b>STAFF TRAINING</b></p> <ul style="list-style-type: none"> <li>• It is the policy of CHOICES IN COMMUNITY LIVING, INC. (CICL) to ensure that each employee responsible for managing individual funds is trained regarding this internal policy and the requirements of OAC 5123:2-2-07 (Personal Funds) and OAR 5123:2-9-20 (Money Management).</li> </ul> <p><b><u>AGENCY LIABILITY INSURANCE</u></b></p> <p>CHOICES IN COMMUNITY LIVING, INC (CICL) shall comply with the laws of the State of Ohio relating to insurance coverage and shall carry and keep in force, Workers Compensation and Employers liability insurance.</p> <p>Property, general liability, professional and automobile insurance at limits of five hundred thousand (\$500,000) per claim and one million (\$1,000,000) in the annual aggregate to cover any loss, liability, or damage alleged to have been committed by us, our agents, servants, or employees.</p> <p>All policies shall name the county boards of developmental disabilities in which the services are provided as additionally insured.</p>
<p>FORMS Titles of forms</p>	
<p>TRAINING Titles of training</p>	