

**BLUE WATER DEVELOPMENTAL HOUSING, INC.
POLICIES AND PROCEDURES: INDIVIDUALS SUPPORTED INFORMATION**

SUBMITTED BY: Kathleen Swantek	DATE SUBMITTED: 07/80	SECTION: Accounting	
BOARD APPROVED ON: 07/80	DATE REVISED: 05/16/18, 08/12/19, 10/19/2023	SUBJECT: Individual Supported Funds	
ANNUAL REVIEW BY EXECUTIVE DIRECTOR: 05/16/18, 08/12/19, 05/20/2020, 05/20/2022, 10/19/2023		POLICY #: IA-002	PAGE #: 1 of 4

I. APPLICATION

The provision stated herein shall apply to all individuals supported by Blue Water Developmental Housing, Inc. (BWDH).

II. POLICY

It shall be the policy of the organization to account for the funds of all individuals supported, in a responsible manner according to regulations and guidelines established by the Michigan Department of Licensing and Regulatory Affairs, and the Michigan Department of Health and Human Services (MDHHS).

Resident funds and any documentation regarding such is made available to the individual supported upon their request unless indicated otherwise in their individual plan of service.

The individual gives informed consent for the expenditure of funds annually in December to be effective in January by reviewing and completing the:

- AFC-Resident Care Agreement (and at lease renewal for Landmark properties residents)
- Resident Funds Record Part I.

III. DEFINITIONS

Resident Funds – any monies received by the organization for the purpose of providing room and board and/or personal care. Any monies, securities, bonds, or stock that are received by a licensee from, or on behalf of, a resident. Monies include the following:

- I. Payment for adult foster care service
- II. Personal allowance
- III. Monies held as a trust obligation
- IV. Monies in accounts with financial institutions (i.e. authorized checking accounts and any form of prepaid card)

Adult Foster Care Licensing Rule 400.14102 (u)

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IV. NOTIFICATION/PROCEDURE

For cash/check received

WHO	DOES WHAT
Executive Secretary	1. Receives and documents all incoming checks/cash in organizations in-coming check log.
WHO	DOES WHAT
Finance Director	2. Deposits check received for individuals supported through Supplemental Security Income (SSI), Social Security Benefits (SSB), and/or Social Security Administration (SSA) into appropriate account.
Accounts Receivable Clerk	3. Codes the funds to a) Room and board b) Personal allowance, and documenting the check number, date, amount, and source from which the check was received. c) Transfers the personal allowance amount received into the individual's representative payee checking account each month

If BWDH is the individual's representative payee through SSA

Finance Director	1. Responsible to set up direct deposit of SSI &/or SSB into the individual's representative payee checking account directly.
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|---------------------------|--|
| Accounts Receivable Clerk | <ol style="list-style-type: none"> 4. Verifies the direct deposit is received each month. 5. Cuts a check out of the individual's checking account to pay BWDH the room and board portion and the personal allowance amount stays in the individual's account. |
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For cash/check received and individual's representative payee through SSA

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| Accounts Payable/ Accounts Receivable Clerks | <ol style="list-style-type: none"> 4. Maintains in the financial software a separate account for each individual's personal allowance monies, documenting all deposits in and expenditures out. |
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IV. NOTIFICATION/PROCEDURE (continued)

- | WHO | DOES WHAT |
|--------------------|--|
| Program Supervisor | <ol style="list-style-type: none"> 6. Safeguards and maintains a True Link card for each individual, if authorized. Withdrawing funds as needed for in-home funds. Insuring a minimum of \$20.00 and a maximum of \$200.00 in each in-home resident cash account. 7. Immediately notifies the Administrative Service Division Director and Residential Division Director if an individual's in home cash exceeds \$200, in any one day. 8. Proactively investigates individual's needs and sends requests to spend funds over the in-home cash amount to executive director via purchase order. |

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Program Supervisor

If a client is low on funds, always contact the Residential Division Director and/or the Finance Director to discuss the resident's available funds and needs.

Employees are never to loan residents money or receive loans from residents.

9. Insures that True Link cards are in their possession. The program supervisor is expected to know where the True Link cards are at all times.

The program supervisor may authorize another employee to use the True Link card to make payments for charges to the person served account and when this occurs the employee will sign the card out using their signature and entering the date and time the card was received and the date and time the card was returned using the Card Sign Out Form.

This information will be kept on file for at least one year from the date the card was used by an employee other than the supervisor.

10. The program supervisor may authorize another employee to assist residents with their cash during outings. It is the responsibility of the supervisor to ensure that the authorized employee returns with cash and receipts equal to the cash that they left the home with. For example, if an

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employee leaves the home with \$60 dollars of resident funds and assists the resident with a purchase for \$30, the authorized employee should return with a \$30 receipt and \$30 in cash.

7. Responsible to maintain and record all transactions on Michigan Department of Health and Human Services (MDHHS) Resident Funds Part II forms (A minimum of 4 – checking account balance, cash account balance, payment for Adult Foster Care (AFC) services, and food stamps (EBT)). Receipts should be available for each purchase and should include:

1. Amount of purchase
2. Date of purchase
3. Item purchased
4. Initials of purchaser
5. Vendor

11. Prepares Resident Fund and Petty Cash Auditing Form at least at every month end. Researches and resolves all issues before completing MDHHS Resident Funds Part II forms. Keeps a copy of this form with Resident Funds Records.

12. Forwards correct MDHHS Resident Funds Part II forms to BWDH administration by the third working day of each month with a copy of Resident Fund and Petty Cash Auditing Form.

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13. Communicates with Accounts Receivable Clerk to correct errors and clarify any questions.

9. Distributes copies of MDHHS Resident Funds Part II forms to appropriate contract agency and to guardian/ payee as requested.

Accounts Receivable Clerk

10. Shares accounting records with group home supervisors by the end of each month. Verifies MDHHS Resident Funds Part II checking account balance to individuals detailed trial balance report to ensure all transactions have been accounted for. Attaching any ATM withdrawals or deposit slips as proof of transactions. Reviews cash account balance and payment for AFC services account balance for accuracy.

IV. NOTIFICATION/PROCEDURE (continued)

WHO

DOES WHAT

Finance Director

11. Reconciles individual's representative payee checking account statement each month.

Executive Director

12. Signs off on individual's representative payee checking account statement monthly.

V. EXHIBITS

- A. Adult Foster Care Agreement BCAL-3266 (Rev. 1-16)
- B. AFC Resident Funds Part I BCAL-2318 (Rev. 1-16)

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- C. AFC Resident Funds Part II OCAL-2319 (Rev. 11-05)
- D. Resident Fund and Petty Cash Auditing Form
- E. Card Sign Out Form