



DIRECT FUNDING MANAGING THE MONEY (SIMPLIFIED)

This guide explains the financial procedures for families receiving direct funding up to \$5,000 per individual during a 12-month period.

Banking Arrangements

You do not need to open a separate bank account. CLBC funds can be deposited and expenses paid directly to/from your personal account. However, if you open a separate account so that CLBC funds and expenses are not mixed with your personal banking transactions, it will make it easier for you to explain how you spent the money received from CLBC if you are requested to do so.

The bank account used to manage the money must be in the name of the family member signing the *Direct Funding Agreement*. You can use your personal account, including joint accounts, if the account name contains the name of the person signing the *Direct Funding Agreement*.

If you want to open a separate bank account, look for financial institutions that waive fees for people with developmental disabilities. For example, VanCity Credit Union has indicated that it will provide free banking services for individuals supported by CLBC.

Receiving Funds from CLBC

When you sign a Direct Funding Agreement, CLBC will provide you with a Direct Deposit Application form (FIN 312) that must be completed if the money is to be transferred electronically to your bank account. Enter the name and location of the bank and the account details (transit and account number) for the bank account that you intend to use to manage the money you receive from CLBC. Either have the financial institution verify the details on the form and both stamp and sign it to that effect, or attach a copy of a personal cheque that is pre-printed with the account name and bank coding information.

Send the completed, signed and/or stamped Direct Deposit Application form promptly to your local CLBC Quality Service Office. For the first month, CLBC will send money to you by cheque. For subsequent payments, CLBC will remit money electronically to your account if possible; otherwise payments will continue by cheque.

Payments are made once each month, normally on or about the 15th calendar day. Expect to receive the money within a few days if the payment is electronic, or about a week later if payment is made by cheque mailed to you.

Payments

You should pay by cheque for purchases of services wherever possible. Cash should only be used in circumstances where the payment is of low value and the nature of the transaction is such that cash would typically be the common form of payment. As with all expenses, receipts are required for cash payments.

Occasionally, CLBC will review your financial records, invoices and receipts. Future funding may be withheld and/or refunds required where there are inappropriate or unsupported cash payments.

Financial Records

You must keep financial records, invoices and receipts supporting all expenditures. Keep records of all spending, even if invoices or receipts are not provided or cannot be obtained. In addition, keep any bank statements, paid cheques, invoices and any other documents that identify and demonstrate how the money has been used to purchase services.

Be organized. It is easier to remember what you used the money for if you write it down the same day that you spend it and file invoices and receipts according to the date of the service.

Compliance Reports

CLBC will need to confirm that money you receive is being used for its intended purpose. To help us with this, you are required to prepare Compliance Reports for each six month period, or portion thereof, beginning at the start date and finishing at the end date of your Direct Funding Agreement. For example, an agreement with a term beginning January 1, 2007 and ending fifteen months later on March 31, 2008 would require Compliance Reports for the three periods ending June 30, 2007, December 31, 2007 and March 31, 2008.

The Compliance Report provides your declaration that the money has been spent in accordance with requirements of the Direct Funding Agreement and identifies the amount of money you have spent during the reporting period. If you do not submit the Compliance Report, future funding will be withheld.

Compliance Reports must be submitted to CLBC no later than 30 days after the end date of the reporting period. To ensure that funding continues uninterrupted, you must submit Compliance Reports on time. You will be provided with reminders if you are behind in reporting. After three reminders, funding will be suspended until you have submitted all outstanding reports.

Completing the Compliance Report

Compliance Reports can be obtained from your local CLBC Quality Services Office or the CLBC website. On the report, identify the agreement number, the name of the individual supported by CLBC, date of birth, the six month period covered by the report (based upon the start date of the agreement) and the amount of money you have spent on eligible supports and services during the reporting period. Read, and as appropriate, sign the report and return it to CLBC at the address at the bottom of the report.

Audit

Periodically, CLBC will select a number of Direct Funding Agreements for audit. If you are selected for audit, CLBC will ask you to submit copies of all financial records, invoices and receipts for a particular period. CLBC will review these financial records to ensure that your purchases comply with your Direct Funding Agreement.

If an audit determines that you have not complied with your agreement or not kept adequate records, you may be considered ineligible to receive future direct funding. Furthermore, CLBC may require you to repay money that you have already received if you are unable to satisfactorily demonstrate how you spent it.

Funding Shortfalls

It is your responsibility to manage the delivery of support services within the amount of money approved in your Direct Funding Agreement. There is no provision for over-expenditures. If you spend more money than CLBC has agreed to provide, you will have to pay the excess amount from your personal funds.

If you have not received sufficient money to cover the costs of your immediate needs for services, you may use your own money to pay caregivers and reimburse yourself from future funds received from CLBC. Be particularly careful to ensure that you have all the records, invoices and receipts to show how the money was spent.

Questions

For questions concerning financial procedures that are not addressed by this information guide, contact your local Quality Service Office or CLBC Accounting Services at:

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Accounting Services
Airport Square, 7th Floor
1200 West 73rd Avenue
Vancouver, BC
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