

Direct Funding: Adult Respite Financial Procedures for Families

This document is published by CLBC to advise families in receipt of direct funding for adult respite about the financial procedures that they are required to follow.

How do I open a bank account?

You must open up a separate bank account to receive the adult respite funding.

Open the account in your name in trust for the supported individual. For example, “Paul Smith in trust for Jane Smith” where Jane is the supported individual and Paul is the family member. Because these funds are held in trust, the financial institution will normally request a copy of the agreement that you signed with CLBC.

Request that the bank send you statements made up to the end of each calendar month; this will make it easier for you to complete the financial reports that CLBC requires. Ensure that the bank will send you copies of paid cheques with your statements as these are required by CLBC for audit purposes.

You may want to look for a financial institution that offers free checking account services. Some credit unions offer that option. Banks or credit unions may waive their typical fees for persons with developmental disabilities if you ask for a special account package.

How is the funding transferred into my bank account?

For the first month, CLBC will send you the funds as a cheque to deposit in the new bank account. After that, the money will be transferred electronically into your account. To do that, we need to know your account information.

When you sign the direct funding agreement, CLBC will give you a Direct Deposit Application form (FIN 312) that needs to be completed so that funds can be transferred automatically to your adult respite bank account. Enter the name and location of the bank and the institution, transit and account numbers for the account established to manage respite funding.

Either have the financial institution verify the details on the form and both stamp and sign the form to that effect; or attach a copy of a personal cheque that is pre-printed with the account name and bank coding information. Because personal cheques normally take some time to print, we recommend that you ask the bank to verify the information on the direct deposit application form at the same time as opening the account.

To avoid delays in receiving the respite funds, the direct deposit application form must be correctly completed, verified by the bank (or have a personal cheque attached) and promptly returned to your CLBC office.

When will I receive the funding?

You will receive your payment once each month, normally on or about the 15th calendar day.

May I withdraw cash from the account to pay for support services?

Payments from your adult respite bank account must be by cheque 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, for example bus fares.

CLBC will audit families' records from time to time and future funding can be withdrawn and/or refunds required where there are inappropriate or unsupported cash withdrawals.

What records are required to prove how the money was spent?

Families should maintain and keep records of expenditures including bank statements, paid cheques, invoices and receipts.

You must ensure that you get invoices or receipts for all expenses which you pay for using the respite funding.

It is easier to remember what you used the money for if you write it down the same day that you spend the money. We recommend that you keep a record of expenses on a daily basis whenever respite funds are used and that you file invoices and receipts that support the payments according to the date of the service.

How do I report to CLBC how I spent the money?

CLBC is responsible for checking that your respite funds are being used effectively. To help us with this, you must complete the attached financial report each six months and send it to CLBC one month after the end of each six months period:

- The first report covers the period for six months from the start of the agreement.
- The second and final report covers the period from the end of first report to the end of the agreement.
- Where an agreement is for six months or less, one report is prepared to cover the period from the start to the end of the agreement.
- Example: A one year agreement starting on October 1st, 2006 - the first report would cover the period from October 1st, 2006 to March 31st, 2007 and be due on April 30th, 2007.

To ensure funding is continued, it is important that you send your report in on time.

How do I prepare a financial report?

Use your bank statement to help you prepare the financial report. Take each item from the bank statement and record it in the appropriate column of the financial report according to the type of expense.

- For receipts, record the monthly amounts received in your bank account from CLBC on page 2 of the form.
- For payments, take each payment from your bank account and record the expense on page 2 in the column(s) that best reflect what the money was spent on. Typically, this will be attendant care but you might have other types of expenses. If you record an

expense under the column titled “Other”, describe the type of expense in the next column titled “Describe”.

- In the reconciliation section on page 1, take the opening balance from your bank statement (i.e. the money in the bank at the start of the period) and add the total receipts from page 2, subtract the total payments from page 2, and then check that the amount you have calculated is the same as the closing balance on the bank statement (i.e. the amount of money left in the bank at the end of the period). If these amounts are not the same you will need to check your report to find the error. Do not include items in the report that have not been recorded on the bank statement.

Where do I send the financial report?

Mail or fax your completed report to:
Community Living British Columbia
Adult Respite Accounting
Airport Square, 7th Floor
1200 West 73rd Avenue
Vancouver, BC V6P 6G5
Fax: 604-664-0766
Telephone: 604-664-0784

What do I do with the receipts and bank statements?

Keep a copy of the financial report together with the original bank statements, paid cheques, receipts and invoices. Each year CLBC will select a number of agreements for random audit. If you have not kept proper records, you will not be eligible to receive future adult respite direct funding and CLBC may require you to refund the money that you have already received.

What if I don't have enough adult respite direct funding money in the account?

It is your responsibility to manage the delivery of support services within the amount of approved funding. There is no provision for over-expenditures. If you spend more money than we have agreed to fund, you will have to pay the excess amount from your personal funds.

If you wish, when you don't have sufficient adult respite funds to cover the costs of necessary respite, you may use your own money to pay caregivers and reimburse yourself from the adult respite funds as and when the money is received from CLBC. If you do this, be particularly careful to ensure that you have all the documents to show how the money was spent.

How do I get answers to other questions?

For issues and questions concerning financial procedures that are not addressed by this information document, contact your local regional office or CLBC Adult Respite Accounting on 604-664-0784.