



MANAGING THE MONEY DIRECT FUNDING SIMPLIFIED

This guide explains the financial procedures for families receiving Direct Funding of \$6,000.00 or less for an individual during a twelve month period.

Individuals or families receiving Direct Funding of more than \$6,000.00 for an individual annually should refer to the guide called *Managing the Money - Direct Funding Standard*.

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 choose to 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 Simplified*. You can use your personal account, including joint accounts, if the account name contains the name of the person signing the *Direct Funding Agreement Simplified*.

If you want to open a separate bank account, look for banks or credit unions that waive fees for persons 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 Simplified*, CLBC will provide you with a *Direct Deposit Application* form (FIN 312) that must be completed so that the money can 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 plan to use to manage the money you receive from CLBC. Either have the bank or credit union 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. Be sure to mark the cheque as VOID. Make sure you tell CLBC if you already receive other BC government payments or funding electronically.

Send the completed, signed and/or stamped *Direct Deposit Application* form to your analyst as soon as possible. For the first month, CLBC will send money to you by cheque. For subsequent payments, the money will be deposited to your account. Deposits are made once each month, usually on or about the 15th calendar day.

Paying for Supports and Services

You should pay by cheque for purchases of services wherever possible. Cash should only be used in circumstances where the cost is low and you are paying for something that would typically be paid for by cash, for example, bus fare. If you make cash withdrawals, obtain and keep receipts showing how you spent the cash.

Occasionally, CLBC will review your financial records, invoices and receipts. Future funding may be stopped or you may have to pay money back if you have used cash to pay for things that you shouldn't have or you cannot show what you used cash payments to buy.

Keeping Financial Records

You must keep financial records, invoices and receipts for everything you spend money on. Keep records of all spending, even if invoices or receipts are not provided or cannot be obtained. You must also keep any bank statements, paid cheques, invoices and any other documents that show how the money has been used.

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. File invoices and receipts based on the date of the service was provided.

Reporting to CLBC

CLBC will need to confirm that money you get is being used to buy what has been agreed to. To help us with this, you are required to complete *Compliance Reports* for each six month period, or less, beginning at the start date and finishing at the end date of your *Direct Funding Agreement Simplified*. For example, an agreement with a term starting January 1st, 2009 and ending fifteen months later on March 31st, 2010 would require *Compliance Reports* for the three periods ending June 30th, 2009 (6 months), December 31st, 2009 (6 months), and March 31st, 2010 (3 months).

The *Compliance Report* gives your declaration to CLBC that the money has been spent as agreed to and required by your *Direct Funding Agreement Simplified*. It identifies the amount of money you have spent during the reporting period. If you do not submit the *Compliance Report*, future funding will be stopped.

Compliance Reports must be sent to CLBC no later than 30 days after the end date of the reporting period. For example, if the reporting period ends June 30 you must submit your report by July 30. To make sure that funding continues without any stops, 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 stopped until you have sent in all overdue 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 reference (agreement) number, the name of the individual supported by CLBC, the individual's 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 supports and services during the reporting period. Read and sign the report and return it to CLBC at the address at the bottom of the report.

Audit

Every year, 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 make sure that your purchases comply with your *Direct Funding Agreement Simplified*.

If an audit finds that you have not complied with your agreement or not kept adequate records, you may be considered ineligible to receive future Direct Funding. CLBC may also require you to pay back money that you have already received if you are unable to satisfactorily show how you spent it.

Funding Shortfalls

It is your responsibility to set up and manage the support services within the amount of money approved in your *Direct Funding Agreement Simplified*. 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.

Repaying Money to CLBC

When your agreement ends, CLBC may ask you pay back money if you did not need all of the money that you received. You may also be asked to return money to CLBC if you spend money on things that were not agreed to in your agreement.

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:

Community Living British Columbia
Accounting Services
Airport Square, 7th Floor
1200 West 73rd Avenue
Vancouver, BC V6P 6G5
Telephone: 604-664-0784 or toll free: 1-877-660-2522
Fax: 604-664-0766