

MANAGING THE MONEY: DIRECT FUNDING SIMPLIFIED GUIDE



**COMMUNITY LIVING
BRITISH COLUMBIA**

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MANAGING THE MONEY: DIRECT FUNDING SIMPLIFIED GUIDE

Introduction

This guide explains the responsibilities for *agents* managing Direct Funding of \$6,600.00 or less during a twelve-month period. It describes the financial procedures and explains how money received through Direct Funding, including Direct-funded Respite dollars, can be spent to support an individual.

The *agent* is the person who signs the *Direct Funding Simplified Agreement*, and who acts on behalf of an individual. An individual can also act as their own *agent*. Throughout this guide, 'you' refers to the *agent*.

Agents managing Direct Funding of more than \$6,600.00 for an individual annually should refer to the guide called *Managing the Money - Direct Funding Standard*.

Getting Started

To receive Direct Funding dollars to pay for services, *agents* will first need to work with Community Living BC (CLBC) to sign a *Direct Funding Simplified Agreement*.

The *Direct Funding Simplified Agreement* is a contract between CLBC and the *agent* who will manage the funding. This agreement identifies the individual who is being supported, the amount of funding the *agent* will receive from CLBC, the type of service that is being funded (e.g. adult respite) and the term of the agreement (start and end dates). The agreement also describes the responsibilities of both the *agent* and CLBC.

Knowing Your Responsibilities

Complying with CLBC Policies

As stated in your *Direct Funding Simplified Agreement*, Section 4.1 (c), you are responsible, as the *agent*, to comply with the [CLBC policies and procedures](#) that are relevant to your funding agreement. This includes any policies specific to the type of service you are receiving funding for, as well as CLBC policies such as the *Service Provision by Family Members* policy that apply to all services provided through CLBC funding.

It is particularly important that as an *agent* who is hiring support/respite workers, you review and understand your responsibilities as outlined in the [Criminal Record Check Policy – Service Delivery](#), as well as all other applicable policies. The *Criminal Record Check Policy – Service Delivery*, [related documents](#) and other CLBC policies are available on the CLBC website (www.communitylivingbc.ca) or ask your CLBC analyst for a copy of the documents.

Legal Responsibilities as an Employer

When you use funds to pay support workers, the workers are considered either “employees” or “contractors,” depending on the facts of the working relationship. This distinction is important in order to understand your legal responsibilities, as Canada Revenue Agency (CRA), Employment Standards Branch (BC), and WorkSafeBC all have rules that define when someone is an employee or a contractor.

As the *agent* for a *Direct Funding Simplified Agreement*, you are responsible for determining the definitions that apply to the support workers you pay. If, for example, you are paying someone to provide respite, *how* the respite is provided is a factor in determining whether the respite provider is an employee or a contractor (e.g. is the respite provided in the respite provider’s home or your home? do you pay hourly for the respite or by the day? etc.).

For information about what government agencies you need to contact to find out if your support workers will be considered employees or contractors, please refer to “*How to Find Out if your Support Workers are Employees or Contractors*” on the CLBC website (www.communitylivingbc.ca) or ask your CLBC analyst for a copy of this document.

If your support workers are employees, you are responsible for fulfilling all legal requirements associated with being an employer. To assist in determining what these responsibilities are you may need to seek professional advice and/or contact:

- *Canada Revenue Agency* - phone: 1-800-959-5525, web: www.cra-arc.gc.ca
- *WorkSafeBC (Employer Service Centre)* - phone: 1-888-922-2768, web: www.worksafebc.com/en/for-employers
- *BC Employment Standards Branch* - phone: 1-833-236-3700, web: www.labour.gov.bc.ca/esb
- *BC Employers’ Advisers Office* - phone: 1-800-925-2233, web: www2.gov.bc.ca/gov/content/employment-business/employers/employers-advisers-office
- *Vela Microboard Association* - phone: 604-539-2488, web: www.velacanada.org

Administering the Money

CLBC will start making payments to you after both you and CLBC sign the *Direct Funding Simplified Agreement*. This section will help you prepare to receive and manage funding received through a *Direct Funding Simplified Agreement*.

Bank Accounts

CLBC funds can be deposited into and purchases paid directly from your personal bank account, or you can choose to use a separate bank account for all your Direct Funding transactions, so they are kept separate from your personal banking transactions. A separate bank account may make it easier for you to manage Direct Funding and keep track of how the money was spent.

The bank account used to manage the money must be in the name of the *agent* who signed the *Direct Funding Simplified Agreement*. If you use your personal account, including joint accounts, the account name must contain your name as the *agent* for the *Direct Funding Simplified Agreement*.

To help reduce administration costs you should ask your financial institution about your account options, as some banks and credit unions offer free services and/or may waive their typical fees for individuals with developmental disabilities.

Receiving Funds from CLBC

Once your agreement is signed, you will receive your payment by cheque. To have money electronically deposited to your bank account, you will need to submit your bank account information to CLBC.

CLBC will provide you with a [Direct Deposit Application](#) form (*FIN 312*) that should be completed so that money can be transferred electronically to the account. Before you complete the *Direct Deposit Application*, be sure to tell CLBC if you already receive payments or electronic transfers from the BC government so staff can make sure the setup of electronic transfers relating to your Direct Funding agreement goes smoothly.

On the *Direct Deposit Application*, enter the name and location of the bank and the account details (transit and account number) for the bank account 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 by stamping and/or signing it or attach a copy of a personal pre-printed cheque that includes the account holder's name and the bank coding information. Be sure to mark the cheque as VOID.

Return the completed *Direct Deposit Application* form to your CLBC analyst as soon as possible.

Payments will be made by CLBC to you once each month, typically on or about the 15th calendar day.

Paying for Supports and Services

Wherever possible, you should pay for services you purchase by cheque or e-transfer. Cash may *only* be used in circumstances where the cost is low, and you are paying for something that would typically be paid for by cash (e.g. bus fare for a support worker). If you make cash withdrawals, obtain and keep receipts showing how you spent the money.

Occasionally, CLBC will review your financial records such as invoices, receipts, paid cheques and e-transfer documentation. Funding may be suspended and/or CLBC may require repayment if inappropriate expenditures or unsupported cash payments or withdrawals have been made (for more information, see section titled "[Allowable Expenses](#)").

Keeping Financial Records

You must keep these financial records (invoices, receipts, paid cheques, e-transfer records and any other supporting documents) for everything you spend Direct Funding from CLBC on for at least **three years**. You will be required to submit copies of these financial records to CLBC if you are selected for audit (for more information, see section titled "[Audit by CLBC](#)").

It is important you obtain *receipts* and/or *invoices* from support workers when you pay them. *Receipts* must be provided by and/or signed by the person you paid to provide the service. A support worker may provide you with an *invoice* for the service they have provided. An *invoice* provides details of your purchases but does not confirm that you have paid for them. If you receive an *invoice*, you also need to show that you have paid the *invoice*. You can ask the support worker to provide you with a *receipt* or keep a copy of your paid cheque or e-transfer documentation with the invoice as proof that you have paid it.

For payments to support workers, a *receipt*, or an *invoice* with proof of payment, must be obtained that shows:

- The name and contact information of the support worker providing service (i.e. phone number and address)
- A description of the services
- The dates that the service was provided
- The hourly or daily rate charged by the support worker(s)
- The number of hours or days provided by the support worker(s)
- The total amount paid for the services
- Any applicable taxes
- A statement that the services have been paid for

For other purchases you make, the supporting documentation must be itemized and include the details of the nature of your purchases.

You may find it helpful to use the [Receipt Template](#) provided at the end of this document.

It is easier to remember what you used the money for if you write it down on the same day that you spend it. To assist you in keeping track of your financial documents, file invoices and receipts supporting each payment in an organized manner - filing by date is normally easiest.

Audit by CLBC

Every year, CLBC selects 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 including invoices, receipts, paid cheques and e-transfer documentation for a particular reporting period. CLBC will review these financial records to make sure that your purchases comply with your *Direct Funding Simplified Agreement*.

You may be considered ineligible to receive future direct funding if:

- Your purchases are not allowable

- You have not complied with your agreement, and/or
- You have not kept adequate financial records.

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.

It is important that you retain all financial records for at least **three years**, because CLBC may select them for audit within that time.

Repaying Money to CLBC

CLBC may ask you to repay money in the following circumstances:

- You did not spend or account for all of the money you have received when the term of the agreement ends
- You spent the money on purchases that were not agreed to in your funding agreement

Money that you have not spent at the end of your agreement will not be carried forward for you to spend in a future agreement except in exceptional situations. If you feel that you are encountering an exceptional situation that may require funds to be carried forward to the next agreement, you need to talk with your CLBC analyst as far ahead of the contract renewal date as possible to request consideration for an exception.

After CLBC Accounting Services receives your final *Compliance Report* they may send you an invoice for any money that was not spent. To pay the invoice, issue a cheque payable to “Community Living BC” and reference the CLBC invoice number on the bottom of the cheque. You can mail the cheque to CLBC at the address indicated on the invoice or drop it off at your local CLBC office.

Funding Shortfalls

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

Purchasing Supports and Services

This section of the guide will help you understand what service or expenses you can purchase with Direct Funding.

Allowable Expenses

CLBC provides funding to pay for the supports and services identified in your *Direct Funding Simplified Agreement*. This can include:

- payments made to the support worker for services provided
- any associated employer costs, e.g. WorkSafe BC premiums, Employment Insurance, etc. when applicable

You may use a small portion of the money you receive to pay expenses incurred by your support workers as part of their direct involvement in support activities, for example:

- bus fare
- entrance fees
- mileage costs for driving the individual to and from an activity

These costs should be kept reasonable and itemised on receipts or invoices.

Money provided through Direct Funding cannot be used to pay for:

- the individual's expenses while involved in activities with a support worker - the individual is responsible for paying their own bus fare, entrances fees, meals, etc.
- enrolment or membership fees for the individual (for example, DF funds cannot be used to pay for the cost of art classes or a gym membership, but can be used to pay a support worker to support the individual to attend the class or go to the gym)
- medical or non-medical therapies
- personal items or equipment for the individual

You may not pay yourself or the individual's spouse, parents or children (immediate family member) to provide services (unless exceptional approval has been given as outlined in the [Service Provision by Family Members](#) policy).

If you have any questions about how your funding can be spent, talk to the CLBC analyst who assisted with your agreement or call your local CLBC office and ask to speak to an analyst.

Direct-Funded Respite

Many families with *Direct Funding Simplified Agreements* receive funding for Direct-funded Respite. "Respite" is support that can provide families with a break from the continuous demands of caregiving. If you receive respite funding, you can use those funds to purchase services that best suit your individual circumstances. Respite services may be delivered in the respite provider's home, the family home, or within the community. For example, the individual may spend the weekend at the respite provider's home or may attend summer camp for a week.

All of the information in the section titled "[Allowable Expenses](#)" applies to all Direct Funding, including Direct-funded Respite.

Reporting Back to CLBC

As an agency that receives provincial government funding, CLBC is required to confirm that the money you receive is being used for purchases that are in line with the types of support services identified in your agreement and allowable under policy (for more information, see section titled "[Allowable Expenses](#)"). To help with this, you are required to complete *Compliance Reports* and submit them to CLBC. With a *Direct Funding Simplified Agreement*, you have the option to submit *Compliance Reports* through an online reporting system or to send them by fax or mail.

Compliance Reports

The *Compliance Report* gives your declaration to CLBC that the money you received has been spent as intended. It also identifies the amount of money you have spent during the reporting period. If you do not submit your *Compliance Reports* on time, payments to you may be stopped and you may be asked to repay the money that you have already received from CLBC.

Compliance Reports must be submitted for each six-month period, or less, beginning at the start date and finishing at the end date of your *Direct Funding Simplified Agreement*. For example, an agreement with a term starting January 1st, 2018 and ending fifteen months later on March 31st, 2019 requires *Compliance Reports* for the following three periods:

- January 1, 2018 to June 30th, 2018 (6 months),
- July 1, 2018 to December 31st, 2018 (6 months),
- January 1, 2019 to March 31st, 2019 (3 months).

Compliance Reports must be submitted to CLBC no later than 30 days after the end date of the reporting period. In the example above, the first report must be received by July 30 (30 days after June 30th).

If an agreement does not start on the first of the month, the *first* reporting period is adjusted accordingly. For example, an agreement that starts on September 15, 2019 and ends on August 31, 2021 would have the following reporting periods:

- September 15, 2019 to February 29, 2020,
- March 1, 2020 to August 31, 2020,
- September 1, 2020 to February 28, 2021,
- March 1, 2021 to August 31, 2021.

To make sure funding continues without any interruptions, 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. Your *Direct Funding Simplified Agreement* may not be renewed until any overdue *Compliance Reports* have been received by CLBC.

Submitting a Compliance Report Online

The online *Compliance Report* is an electronic financial reporting form submitted through a web portal called the *Direct Funding Financial Reporting System*. It can be found at <https://if.communitylivingbc.ca>.

The web-based form consists of four steps in which you enter and review information about the money you received and how you spent it. Once you submit the form, a final screen provides you with a confirmation number and the details of all the information that you submitted.

Steps to Submit a Compliance Report Online (with Screenshots)

Step #	Step Name	Action
1.	Start	Enter the Agreement Number, PARIS ID, and last name of person submitting the report (typically the <i>agent</i>)
2.	Report Details	Specify the reporting period dates and the total amount of expenses
3.	Review	Review the details of your report and agree to the terms and conditions
4.	Complete	Submission is complete, a confirmation number is provided, and you can print the report for your records

Step 1 – Start

Enter the website address (<https://if.communitylivingbc.ca>) into a web browser and you will see the following screen. The progress bar highlights where you are along the process.

The screenshot displays the 'Direct Funding Financial Reporting System' interface. At the top, there is a progress bar with four steps: 1 (Start), 2 (Report Details), 3 (Review), and 4 (Complete). Step 1 is highlighted with a red arrow and a 'Progress Bar' label. Below the progress bar, a blue banner reads 'Before you start' and lists the required details for completion: Agreement number, PARIS ID, Invoices and receipts, and Bank statement(s) if reporting is monthly. A 'Help Icon' is visible in the top right corner. The main section is titled 'Getting Started' and contains three input fields: 'Agreement Number', 'PARIS ID', and 'Last Name of Reporter'. A 'NEXT STEP >' button is located at the bottom of the form. The footer includes the copyright notice 'Copyright © 2019 Community Living British Columbia' and links for 'Privacy Policy' and 'Terms of Use'.

Enter the “Agreement Number” and the “PARIS ID” for the individual for whom you are submitting the *Compliance Report*. This information is found in your *Direct Funding Simplified Agreement*.

Also enter the last name of the person preparing the *Compliance Report*. Typically, this would be the *agent* for the *Direct Funding Simplified Agreement*. Click the “Next Step” button.

If at any point before submitting this report you need to change the information you have entered, you can navigate back to previous pages by clicking on the “Previous Step” button located at the top left of your screen or by clicking on one of the prior steps on the Progress Bar located at the top of your screen.

Step 2 - Report Details

The screenshot shows the 'Direct Funding Financial Reporting System' interface. At the top left is the logo for 'COMMUNITY LIVING BRITISH COLUMBIA'. The main title is 'Direct Funding Financial Reporting System'. Below this is a progress bar with four steps: 1 (Start), 2 (Report Details), 3 (Review), and 4 (Complete). Step 2 is currently active. A blue button labeled '< PREVIOUS STEP' is on the left. A yellow 'HELP' button is on the right. The main heading is 'Reporting Details' with the agreement number 'A00104'. Under 'Reporting Period', there are input fields for 'Start Date' (01 Jan 2019) and 'End Date' (DD MMM YYYY). Below that is a 'Total Amount Spent' field with a dollar sign and the placeholder text 'Please enter the Total Amount Spent'. At the bottom, there is a grey 'NEXT STEP >' button and a blue 'Cancel' link. A red arrow points from a yellow callout box to the 'NEXT STEP >' button. The callout box contains the text: 'Button becomes active when fields are completed.'

For the Reporting Period, enter:

- The Start Date
- The End Date
- The Total Amount Spent for this reporting period.

Click the “Next Step” button to continue.

Step 3 – Review

Direct Funding Financial Reporting System

1 Start 2 Report Details 3 Review 4 Complete

← PREVIOUS STEP

Review

Agreement: A00102
Reporting Period: 1 Jul 2018 to 31 Dec 2018

HELP

Pursuant to the Agreement referenced above, I certify that:

1. I have paid \$123.45 for eligible supports during the period covered by this report.
2. I have maintained financial records, invoices and receipts sufficient to demonstrate how the money received has been spent.
3. The Individual was eligible to receive CLBC support throughout the period covered by this report.
4. The money received has not been paid to the spouse, parents or children of the Individual unless an exception was approved under the Service Provision by Family Member Policy.
5. I am aware that failure to report in a complete, accurate and timely manner as prescribed by CLBC could result in the termination of the Agreement or the interruption of funding, and.
6. I am aware that I may be selected for audit and will submit financial records, invoices and receipts to CLBC if requested.

Note:
Keep original financial records, invoices and receipts for audit purposes.

I have read and agree to the above terms and conditions.

SUBMIT Cancel

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The review page summarizes the following details of your report:

- The information you have entered and that will be submitted as your *Compliance Report* for this reporting period; and,
- The terms and conditions applicable to the report.

Once you have reviewed the details of your *Compliance Report*, check the box confirming your agreement to the terms and conditions and click the “Submit” button. Click on the “Cancel” button to start again, or the “Previous Step” button to return to the previous page.

A pop-up box (below) is shown to confirm you are ready to submit. If you want to make changes, you can click the “Cancel” button and it will return you to the “Review” page for you to make changes. **Once you press “Confirm”, you will have submitted the report and you cannot modify the report.**

Complete

Click to submit your financial report

HELP

Submit Report Confirmation

You are about to submit your financial report for the reporting period 1 Jul 2018 to 16 Nov 2018. Once submitted, you will not be able to modify it.

Please confirm: you would like to submit now.

Confirm Cancel

Pursuant to the Agreement referenced above, I certify that:

1. I have paid \$123.45 for eligible supports during the period covered by this report.
2. I have maintained financial records, invoices and receipts sufficient to demonstrate how the money received has been spent.
3. The individual was eligible to receive CLBC support throughout the period covered by this report.
4. The money received has not been paid to the spouse, parents or children of the Individual unless an exception was approved under the Service Provision by Family Member Policy.
5. I am aware that failure to report in a complete, accurate and timely manner as prescribed by CLBC could result in the termination of the Agreement or the interruption of funding, and.
6. I am aware that I may be selected for audit and will submit financial records, invoices and receipts to CLBC if requested.

Note:
Keep original financial records, invoices and receipts for audit purposes.

The total of all expenses incurred for the reporting period.

Step 4 – Complete

The screenshot shows the 'Direct Funding Financial Reporting System' interface. At the top left is the 'COMMUNITY LIVING BRITISH COLUMBIA' logo. The title 'Direct Funding Financial Reporting System' is centered at the top. Below the title is a progress bar with four steps: 1 (Start), 2 (Report Details), 3 (Review), and 4 (Complete). A 'PREVIOUS STEP' button is on the left. The main content area features a large 'Complete!' heading, followed by 'Agreement: A00102' and 'Reporting Period: 1 Jul 2018 to 31 Dec 2018'. A 'HELP' button is on the right. A message states: 'Thank you for submitting your report for the reporting period covering 1 Jul 2018 to 31 Dec 2018. Your confirmation number is: 1000007'. A red arrow points from the 'Confirmation #' label to the number '1000007'. Below this is a box with the text 'Please print a copy of your submission for your records. You will not have the ability to print at a later time.' and a 'PRINT' button. At the bottom, a 'NEW REPORT' button is shown with a red arrow pointing to a callout box that says 'Click here to submit another report. Close the browser if you are now finished.' The footer contains 'Copyright © 2019 Community Living British Columbia' and 'Privacy Policy | Terms of Use'.

Your online *Compliance Report* submission is now complete. This page provides:

- The Agreement Number
- The Reporting Period
- A confirmation number for your report submission
- The option to print a copy of your report

To print or save a copy of your *Compliance Report* to file with the rest of your financial records for the reporting period, click the “Print” button.

If you would like to submit another report, click the “New Report” button.

If you are now finished, then just close the browser. The browser session will end automatically after 30 minutes of inactivity.

Important Note: You can only print the online *Compliance Report* submitted while you are on this page. As soon as you navigate away, close the browser or click “New Report”, as you will not be able to access the report just submitted.

Help While Submitting a Compliance Report Online



When using the *Direct Funding Financial Reporting System*, clicking the “Help” icon at any step provides links to the following resources for assistance:

- A Guided Video for Simplified Agreement Reports – this illustrates the detailed steps you need to follow to submit a *Compliance Report* for *Direct Funding Simplified Agreements*
- A search page to find your local CLBC Office (available on the CLBC website)
- A ‘Contact Us’ link that provides answers to Frequently Asked Questions, a Helpful Hints troubleshooting guide as well as CLBC contact information

Submitting a Manual Compliance Report

As an alternative to submitting an online report, manual *Compliance Reports* forms can be obtained from the CLBC website or your local CLBC office and mailed or faxed directly to CLBC.

On the report you need to provide:

- The Agreement Number and PARIS ID (both found at the top of your funding agreement);
- The last name of the individual supported by CLBC;
- The reporting period;
- The total amount of money you have spent on supports and services during the reporting period; and,
- Your name, contact information and signature as the *agent* submitting the report.

After completing and signing the *Compliance Report*, send or fax it to CLBC at the address identified on the reporting form or drop it off at your local CLBC office.

Questions

This document is one of several supporting resources designed to provide information and answer questions about how to manage funding and report to CLBC on your *Direct Funding Simplified Agreement*. The other resources include: The Simplified Agreement training video (how to use the online system and report to CLBC), *Helpful System Hints for Direct Funding Simplified Agreements* (troubleshooting information when using the online reporting system), and the *FAQ: Reporting on Simplified Agreements – Agents* (answers to common questions about reporting). All these resources can be found together at www.communitylivingbc.ca/IF under the “Learn more about Individualized Funding” section.

If you have any questions about the *Direct Funding Simplified Agreement* financial procedures outlined in this guide, please contact the CLBC analyst who assisted with your agreement or call your local CLBC office.

RECEIPT No. _____

Instructions: If a receipt is not provided by the supplier of the service(s), use this receipt to document the services provided by and payments made to the supplier.

I _____ (name of supplier of the service(s)) acknowledge receipt of payment from _____ (full name of agent) for services described below that I have provided to _____ (name of individual).

I confirm that I am not the parent, child or spouse of the individual:

Date of service	Description of service provided	# of hours/ days	Unit Rate \$ (hr/day)	Total Amount (\$)	Cheque #
Total (\$)					

Service Provider Information	
Name	
Address	
Telephone #	
Signature	
Date	