



<b>Policy Number:</b> SE4.233	<b>Policy Section:</b> Supports and Services	<b>Effective:</b> June 1, 2009 <b>Amended:</b> April 1, 2023
<b>Title:</b> Direct Funding Policy		<b>Executive Sponsor:</b> Vice President, Finance & Chief Financial Officer Vice President, Service Delivery & Innovation

#### Summary:

This policy explains CLBC's Direct Funding payment option. It is a payment option for Individualized Funding.

Direct Funding allows individuals or their agents to receive money directly from CLBC to purchase individualized supports and services. They can hire or contract with support workers and caregivers.

The policy explains how it can be used. It also explains the responsibilities of everyone involved.

## 1. PURPOSE

The *Direct Funding Policy* outlines how CLBC contracts with and provides money directly to individuals or their agents to purchase supports and services. This policy explains eligibility for Direct Funding and how it is requested. This policy also describes the responsibilities that individuals or their agents and CLBC staff have in planning, implementing, monitoring, and administering a Direct Funding agreement.

Direct Funding is one of two CLBC's Individualized Funding payment options. The other Individualized Funding payment option, Host Agency Funding, is described in the *Host Agency Funding Policy*. The *Direct Funding Policy* should be reviewed together with the *Direct Funding Standard Procedures and Practice Guide*, *Direct Funding Simplified Procedures and Practice Guide*, or the *Managing the Money Guide(s)* and applied together as one set of standardized requirements to support the purchase of support and services through Direct Funding.

## 2. DEFINITIONS

**Agent:** A person who acts on behalf of the individual in relation to a Direct Funding or Host Agency Funding Agreement. An individual can act as their own agent.

**Contracted Services:** Supports and services managed by CLBC and funded through contracts between CLBC and service providers.

**Cultural safety:** An outcome of respectful engagement based on recognition of the power imbalances inherent to service systems, and the work to address these imbalances. A culturally safe environment for Indigenous peoples is one that is physically, socially, emotionally, and spiritually safe without challenge, ignorance, or denial of an individual's identity. Practicing cultural safety requires having knowledge of the colonial, sociopolitical, and historical events that trigger disparities Indigenous Peoples encounter, and perpetuate and maintain ongoing racism and unequal treatment.

**Disability Tax Credit Certificate:** A form completed by an individual, certified by a qualified medical practitioner, and approved by the Canada Revenue Agency that provides a non-refundable tax credit for an individual who has severe and prolonged impairment in physical or mental functions. This tax credit can be used to reduce the amount of income tax payable by the individual.

**Individual:** A person 19 years of age or older who is eligible for CLBC services, as described in the *Eligibility Policy*.

**Individualized Funding:** Self-directed payment options as described in the *Individualized Funding Policy*.

**Natural Supports:** Support provided on a voluntary basis by an individual's support network, including family, friends, neighbours, co-workers, and others. Additional support may come from participation in associations (e.g., social clubs and groups) or community activities that have public participation (e.g., sport teams, adult interest groups like garden clubs and community choirs, faith communities).

**Personal Summary:** A document created by a youth or adult and their family, with support from others as needed, that helps CLBC and other planning partners get to know who the person is, what is important to and for them and, where relevant, their support requirements. It can assist CLBC and others with planning, and with gathering information to complete assessment documents required to request support and/or funding through CLBC. The document is the individual and/or family's personal property.

**Representation Agreement:** A legal plan that states who an individual gives authority to if they need assistance managing their affairs. A Representation Agreement can cover financial and legal matters and health and personal care matters.

**Request for Service List:** A report that identifies current requests for service from individuals and/or their families.

**Supports Funded by Community Living BC:** The services funded by CLBC as well as associated parameters that relate to disability-related needs and the amount of service that can be provided.

**Vulnerable Adults** (as defined in the *Criminal Records Review Act*): An individual 19 years or older who receives health services, other than acute care, from a hospital, facility, unit, society, service holder or registrant referred to in the *Criminal Records Review Act*'s definition of "employer". (This includes all individuals CLBC supports.)

### 3. POLICY

**3.1** Direct Funding allows individuals or their agents to receive money directly from CLBC to purchase individualized supports and services agreed to by the individual, agent and CLBC.

**3.2** CLBC approaches the Direct Funding process in a sensitive and supportive way that aligns with the *Cultural Safety Policy*, demonstrating respect and sensitivity for an individual's culture.

**3.3** When an individual and family requests Direct Funding, a *Personal Summary* must be completed to support this request, as outlined in the *Support and Planning Policy*.

**3.4** Services purchased from caregivers who are related or are immediate family members must comply with the *Service Provision by Family Members Policy*.

**3.5** Direct Funding is available to individuals and their families for new supports and services or to replace contracted services that they currently receive. Direct Funding enables individuals and their family members or representatives (agents) to arrange and manage the supports and services required to meet their disability-related needs.

**3.6** Under Direct Funding, agents must be a resident of British Columbia in order to meet the legislative requirements of the *Criminal Records Review Act*. The Act requires any person working with or having access to vulnerable adults to complete a criminal record check. The Ministry of Solicitor General and Public Safety's Criminal Records Review Program, which manages the criminal record check process, can only register organizations (e.g., CLBC contracted service providers) who are located within BC as authorized account holders.

**3.7** Agents are responsible for:

- a) Arranging, managing, monitoring, and reporting on the individual's supports and services
- b) Conducting criminal record checks as outlined in CLBC's *Criminal Record Check Policy: Service Delivery* and reviewing, and hiring staff or contractors
- c) Administering and accounting for the money received from CLBC
- d) Working on the individual's behalf and representing their views, and
- e) Entering into a contractual relationship with CLBC

**3.8** Before approving a Direct Funding request, CLBC staff confirm that the individual or their selected representative is able to manage these responsibilities. Confirmation of the agent's suitability may, depending on the amount of funding requested, include a review of the agent's financial eligibility and a credit check.

**3.9** Individuals who request Direct Funding of more than \$10,000.00 annually must have a Representation Agreement or other authority that gives their agent the legal authority to act on their behalf.

**3.10** The agent holds the money received through Direct Funding in trust for CLBC and is to be used for the individual's benefit. It must not be used to increase the income or personal assets of the individual, agent, or family.

**3.11** The agent directly employs or contracts with all support workers or caregivers paid to work with the individual. Direct Funding cannot be used to sub-contract with an agency or company to hire support staff.

**3.12** The agent is responsible for ensuring that the supports and services purchased through Direct Funding meet contractual obligations and CLBC policy requirements and responsibilities outlined in the Direct Funding agreement.

**3.13** Direct Funding is governed by a Direct Funding agreement between the individual, agent, and CLBC. Only one agent can sign the agreement; joint agents are not permitted.

**3.14** Direct Funding cannot be used to purchase spaces in or to expand existing group programs that CLBC pays for. The amount of Direct Funding an individual receives is based on:

- Their disability-related needs,
- The estimated cost of the needed supports, and
- CLBC's financial resources.

The types and amount of support services that can be purchased through Direct Funding are consistent with what other individuals with similar levels of disability-related need receive based on the *Supports Funded by Community Living BC* document. Costs for support services are funded

at a level consistent with what CLBC typically pays for those services. When CLBC does not have funding available, requests for new or increased Direct Funding are managed and prioritized in accordance with CLBC's *Request for Service Policy*.

CLBC does not provide funds for supports or services that fall under the mandate of other government bodies or programs such as health services or income assistance.

**3.15** CLBC-funded services should complement, not replace, the natural supports and generic services the individual is already accessing.

**3.16** Expenses that result from support staff direct involvement in support activities, such as bus fare or entrance fees, are eligible Direct Funding costs. For more information about eligible Direct Funding costs refer to the *Managing the Money: Direct Funding Simplified Guide* or *Managing the Money: Direct Funding Standard Guide*.

**3.17** CLBC approved administrative costs are also considered eligible Direct Funding expenses.

## **4. PROCEDURES**

**4.1** Facilitators provide information to individuals and families about Direct Funding to help them decide whether this option will best meet their needs. They ensure that individuals and families interested in Direct Funding understand the agent's responsibilities and are aware that an agent may take on the financial, managerial, administrative, and legal responsibilities associated with being an employer.

**4.2** When Direct Funding of more than \$10,000.00 annually is requested, facilitators assist individuals, families and/or support networks to complete the *Personal Summary, Guide to Support Allocation*, and other documents outlined in the *Support and Planning Policy*. This includes the *Direct Funding Standard Addendum* which provides details about how the Direct Funding will be administered, such as who the agent will be and how the supports will be arranged, managed, and monitored.

**4.3** Facilitators help individuals, families, and/or potential agents to understand and fulfill the additional requirements that must be met before Direct Funding of more than \$10,000.00 annually can be approved by an Integrated Service Manager. The facilitator:

- a) Assists the agent to complete the required *Agent's Application to Manage Direct Funding* form and ensure it is submitted to the individual's local CLBC Office;
- b) Informs the agent that a credit check is required for funding requests of over \$25,000.00 annually;
- c) Explains the requirement for and the need to confirm the individual has a Representation Agreement or other authority that allows the agent to legally act on the individual's behalf. If requested, the facilitator directs the individual, family and/or support network to the Nidus Personal Planning Resource Centre and Registry for further information;

- d) Explains the requirement for the agent to be a resident of British Columbia;
- e) Ensures the agent understands their responsibilities as an “Employer” under the *Criminal Records Review Act* and the requirement to confirm the agent has created an Employer criminal record check account with the Ministry of Public Safety and Solicitor General’s Criminal Records Review Program as per the *Criminal Record Check Policy: Service Delivery*;
- f) Explains the need for confirmation that the individual has a valid and current federal Disability Tax Credit Certificate; and
- g) Ensures that the agent understands that they are responsible for any financial, managerial, administrative, and legal responsibilities associated with being an employer including, hiring, training, and terminating staff, and meeting legal requirements relating to employment and income legislation.

4.4 Analysts work with facilitators, individuals, families and/or support networks to ensure the agent is aware:

- Of their responsibilities as an “Employer” under the *Criminal Records Review Act* which requires being a resident of British Columbia to set up an Employer Criminal Record Check Account with the Ministry of Public Safety and Solicitor General’s Criminal Records Review Program
- To complete criminal record checks on prospective support workers or caregivers; and
- The requirement to complete a Police Information Check with Vulnerable Sector screening for persons whose criminal record checks cannot be completed under the *Criminal Records Review Act* (e.g., other adults who live in the home of a CLBC Shared Living provider or Individual and Family Wellness Support provider) as per the *Criminal Record Check Policy: Service Delivery*.

4.5 When a Direct Funding request is approved and funds are available, analysts work with facilitators, individuals and their families and/or support networks to complete either a *Direct Funding Simplified Agreement* for annual amounts of \$10,000.00 or less, or a *Direct Funding Standard Agreement* for annual amounts of over \$10,000.00 with the agent.

The *Direct Funding Standard Agreement* states:

- a) The type(s) and amount of services that will be purchased
- b) The goals for the supports and services
- c) How and when the supports and services will be delivered
- d) The timing and amount of the payments, and
- e) The agent’s reporting and accountability responsibilities.

4.6 Analysts explain the banking and reporting requirements to the agent dependent on the level of Direct Funding the individual receives:

- a) For Direct Funding exceeding \$10,000.00 annually, the agent must:
  - i. Open and maintain a separate bank account that is used for all Direct Funding transactions; and
  - ii. Submit monthly electronic *Financial Reports* to CLBC indicating how the funds have been spent.
- b) For Direct Funding of \$10,000.00 or less annually, the analyst explains that the agent:
  - i. Must submit *Compliance Reports* to CLBC every six months confirming compliance with their agreement and identify how much of the money has been spent. Reports are to be submitted electronically. However, where this poses hardship, manual reports may still be submitted.
  - ii. Is not required to set up a separate bank account.

4.7 Analysts ensure that the agent is aware of the following terms of the agreement:

- a) Direct Funding payments will be suspended or terminated where an agent does not comply with the Direct Funding agreement, including failure to comply with reporting requirements or use of the funds in a manner that contravenes the terms of the agreement.
- b) CLBC may seek recovery of any unspent funds.
- c) CLBC will seek recovery of any funds used in a manner that contravenes the terms of the agreement.
- d) Agents will be audited to monitor compliance with the terms and conditions of the agreement. As part of the audit process, agents will need to submit copies of records, invoices, and receipts.

4.8 Analysts explain:

- Both the renewal and termination processes for the agreement to the individual and agent;
- The need for agents to comply with all legal requirements associated with being an employer (e.g., *Employment Standards Act*, *Workers Compensation Act*); and
- That CLBC cannot provide any tax-related advice.

## 5. REFERENCES

### Guidance for Staff

[Criminal Record Check Policy: Service Delivery](#)

[Cultural Safety Policy](#)

Direct Funding Standard Addendum

[Individualized Funding Policy](#)

### Policy Framework



Individual and Family Wellness Policy  
Planning with People: Practice Guidance for CLBC Staff  
[Request for Service Policy](#)  
[Service Provision by Family Members Policy](#)  
[Support and Planning Policy](#)  
Supports Funded by Community Living BC

### **Resources for Individuals and Families**

Agent's Application to Manage Direct Funding

[Direct Funding Simplified Agreement – Frequently Asked Questions on Reporting](#)  
[Direct Funding Standard Agreement – Frequently Asked Questions on Reporting](#)

[Guide to Individualized Funding](#)  
[Helpful Hints for Direct Funding Simplified Agreements](#)  
[Helpful Hints for Direct Funding Standard Agreements](#)  
[How to Find Out If Your Support Workers Are Employees or Contractors](#)  
Individualized Funding – Direct Funding Standard Addendum  
[Information for Families: Individualized Funding Fact Sheet](#)  
[Managing the Money - Direct Funding Simplified](#)  
[Managing the Money - Direct Funding Standard](#)  
Personal Summary

### **Other Resources**

[BC Employment Standards Act](#)  
Disability Tax Credit, Canada Revenue Agency  
[Nidus Personal Planning Resource Centre and Registry](#)