



**Policy Title:** Personal Funds

**Policy #:** 05-003-0050

**Effective Date:** 01/29/2025

**Approved by:** Telly Delor, Chief Operating Officer

**Functional Area:** Office of Recipient Rights

**Responsible Leader:** Sandy O'Neill, Recipient Rights Director

**Policy Owner:** Sandy O'Neill, Recipient Rights Director

**Applies to:** SCCCMH Staff, All contracted Network Providers, All Directly operated programs, Interns, Volunteers.

**Purpose:** Per the Mental Health Code 330.1728 Personal Property, Sec. 278. (1) A resident is entitled to receive, possess, and use all personal property.

### I. Policy Statement

It is the policy of St. Clair County Community Mental Health (SCCCMH) to ensure that recipients have access to and the ability to spend their *personal funds* as they choose. This procedure also establishes guidelines for the monitoring and accounting of *residents'* funds.

### II. Standards

- A.** Each recipient/resident shall have access to their personal funds and may spend their funds as they desire unless access is limited by their Individual Plan of Services (IPOS). A limitation placed on personal funds must be approved by the Behavior Treatment Plan Review Committee.
- B.** The minimum SSI awarded to a resident includes a *personal allowance* of at least \$44.00/month. This amount is to be retained by the resident, *facility*, or *payee* after Room and Board is paid. Any resident who receives over the minimum standard SSI rate will have a personal allowance over \$44.00/month. The *Responsible Party* may retain, on behalf of the resident, part, or all of the personal allowance for the resident's needs, so long as there is not a licensing conflict.
- C.** An individual or Responsible Party must apply benefit payments for the use and benefit of the entitled individual. Social Security benefits are properly disbursed if they are:

1. Spent for the beneficiary's current and reasonably foreseeable needs.
  2. Saved or invested for the beneficiary, after *current needs* have been met.
  3. Factors to be considered in assisting the individual or *guardian* in budgeting funds are whether the expenditure will facilitate the individual's release from the facility or help them to live as normal a life as possible within the facility.
  4. The individual, guardian/payee, provider representative, and case manager should, during the Person-Centered Planning (PCP) process, discuss and agree upon the amount or percentage of personal allowance that may be spent by the provider on the resident's current needs (defined in III. A. of this policy). This amount will vary depending on the resident's needs and available allowance balance.
  5. The payee, if not also the guardian, should inform and/or request written permission from the guardian for expenditures more than an amount determined during the PCP process.
- D.** Each resident shall use only their own personal funds, and individual records must be maintained for each resident. All personal funds, which include bank accounts, shall be kept separate and apart from the funds and monies of the provider. Interest and dividends earned on personal funds shall be credited to the resident-not the facility or care provider.
- E.** If currency is turned over to a facility or care provider, the facility or care provider is responsible for its safekeeping. Money accounted for by a facility or care provider in the name of a resident may be deposited with a financial institution. Except for bank accounts, a facility or care provider shall not accept personal funds from an individual of more than \$200.00 after receipt of payment for charges owed.
1. Currency shall be accounted for in the name of the resident.
  2. Funds submitted to a facility or care provider must be easily accessible to the resident.
  3. Any earnings attributable to money in an account of a resident shall be credited to the resident's account.
- F.** A resident shall have access to and use of their personal funds, including immediate access to not less than \$20.00 of their personal funds. A resident shall receive up to their full amount of personal funds at a time designated by the resident, but not more than 5 days after the request for the funds. Exceptions to this requirement shall be subject to the provisions of the resident's assessment plan and/or IPOS.
1. If a facility or care provider holds a resident's account, a resident must have access to their funds. Residents transferring or being discharged from a facility shall have access to their personal funds at the time of/before their

departure-even if the accounting office will be closed at the time of their departure.

2. Parents of a minor, representative payees, or empowered guardians may pre-authorize a specified amount of money to be available for discretionary use by the resident. When such discretionary funds are authorized, the resident shall have easy access to the money in their account and to spend or otherwise use it as they choose.
  3. If a resident has demonstrated a significant inability to manage funds, i.e., regularly loses money, leaves money lying around, gives money away, etc., their right to access/use their personal funds may be limited; however, any limitation to access/use personal funds must be approved by the SCCCMH Behavior Treatment Plan Review Committee and be included in the resident's Individual Plan of Services.
- G.** The facility shall relinquish within five (5) working days the balance of the resident's funds plus any interest earned upon:
1. Receipt of a request from:
    - a. The resident or empowered guardian, or
    - b. Parent of a minor, or
    - c. The representative payee\*
  2. Discharge or transfer of a resident.
- \*Note:** Only the funds that the representative payee is responsible to manage shall be relinquished to the representative payee; all other funds shall be relinquished to the resident, empowered guardian, or parent of a minor.
3. Automatic regular allowances or spending programs are prohibited unless defined in the resident's IPOS.

### III. Procedures, Definitions, and Other Resources

#### A. Procedures

#### Responsibilities

Position	Responsibilities
Treatment Team	Discuss personal funds
Facility	<ol style="list-style-type: none"><li>1. Monitor funds</li><li>2. Conduct inventory on possessions.</li><li>3. Provide safe keeping of funds, if necessary, keep records of the finds and follow the State of Michigan Licensing Rules for Adult Foster Homes.</li></ol>

Position	Responsibilities
Contract Management	Audit the Resident Forms Part II on a monthly basis.
Community Agency Provider	Maintain the monthly logs for the residents for one year.

## Actions

Action Number	Responsible Stakeholder	Details
1.0	Treatment Team	<ol style="list-style-type: none"> <li>1. Discuss with the resident, guardian, and/or payee the appropriate use of personal funds as defined by the Social Security Rules.</li> </ol>
2.0	Facility	<ol style="list-style-type: none"> <li>2. Ensure procedures are in place to monitor and account for personal funds in accordance with the State of Michigan Licensing Rules for Adult Foster Care homes.</li> <li>3. Conduct an inventory, at the time of admission, of all personal clothing and possessions of the resident, and document the resident's personal clothing and possessions in writing. These items may include: cash, bank accounts, stocks, bonds, insurance policies, gift cards, debit cards (True Link, Humana, etc.), storage receipts, jewelry, and other valuables. This shall be completed immediately upon entering the facility to properly release the facility or care provider from liability and provide protection of the resident's assets.</li> <li>4. Request, when necessary, that all currency be turned over for safekeeping and placed in the facility's "resident fund" accounts or that a bank account be opened in the resident's name. The facility or care provider shall not be responsible for currency or other valuables retained by the resident, at the time of admission or during their stay in the facility. A resident must have immediate access to not less than \$20.00 of their own personal funds. The home may not keep more than \$200.00 for any resident on site.</li> <li>5. Inform residents that any currency or valuables retained by them shall be at their own risk.</li> <li>6. Record and maintain receipts and disbursements of resident funds on the Resident Funds Part II form each month (LARA Form BCAL-2319, Revised</li> </ol>

Action Number	Responsible Stakeholder	Details
		<p>01/16). The resident signs for disbursements to the resident, if applicable. If not applicable, designated Representative signs for disbursements to the resident.</p> <p>7. Complete a separate form for each “type of account,” i.e., savings, checking, cash, payment for adult foster care services, or any other accounts. One form may be used to account for adult foster care services and room and board.</p> <p>8. Maintain a copy in the resident’s file. Provide a copy to the resident or payee.</p> <p>9. Submit copies of the resident fund records (including any separate forms for all accounts, i.e., savings, checking, cash, etc.) by the third working day of the next month, including copies of receipts for all expenditures, to <a href="mailto:residentfunds@scccmh.org">residentfunds@scccmh.org</a> or the SCCCMH Contract Management Department (out-of-county providers). Please note: Multiple receipts for one resident may be copied on one sheet of paper, if each receipt is identifiable.</p> <p>10. Notify the Treatment Team if a resident demonstrates an inability to control or manage their assets. The Treatment Team shall establish an appropriate treatment program and/or petition the Probate Court for the appointment of a guardian of the estate or conservator.</p>
3.0	Case management Unit/Contract Management Department/Designated Staff	<p>11. Audit expenditures, receipts, and disbursements monthly, according to each individual’s IPOS; checks calculations, signs, and dates the forms. Forward form(s) and copied receipts to the resident’s Electronic Health Record.</p> <p>12. Contact Corporation, Group Home, or Adult Foster Care Home by phone or electronic mail for any missing Resident Funds Part II forms.</p>
4.0	Treatment Team	<p>13. Submit a recommendation to the Behavior Treatment Plan Review Committee to limit a recipient’s access to their personal funds, when necessary. If approved, the primary Caseholder must incorporate the limitation in the recipient’s Individual Plan of Service and obtain Special Consent from the recipient/recipient’s guardian.</p> <p>14. Submit a recommendation for an expedited review</p>

Action Number	Responsible Stakeholder	Details
		<p>to the Behavior Treatment Plan Review Committee to limit a recipient's access to their personal funds if an unguarded recipient is significantly and unreasonably dissipating their assets. Within 30 days of an approved limitation, the Treatment Team shall petition the Court for a guardian of the resident's estate. If a guardian of the resident's estate is not appointed by the Court within 30 days of the petition, the limitation shall be reviewed by the Behavior Treatment Plan Review Committee to determine further need of the limitation.</p> <p>15. Document, in writing, in the resident's record all actions by the facility, care provider, or Treatment Team. Any program designed to assist the resident with management of their personal funds shall be written into the resident's Individual Plan of Service.</p>
5.0	Community Agency Provider	<p>16. Maintain a monthly log of a recipient's personal funds, when indicated in a recipient's IPOS, to include deposits, receipts, and disbursements of personal funds. Monthly logs must be saved by the community agency provider for one year.</p>

## B. Related Policies

N/A

## C. Definitions

1. *Behavior Treatment Plan Review Committee (BTPRC)*: A Michigan Department of Health and Human Services mandated Committee, which approves or disapproves Behavior Treatment Plans that propose to use intrusive or restrictive interventions with individuals who exhibit seriously aggressive, self-injurious, or other behaviors that place the individual or others at risk of physical harm.
2. *Current Needs*: The immediate and reasonably foreseeable essentials for housing, food, clothing, utilities, medical care and insurance, dental care, personal hygiene, education, and the rehabilitation expenses of disabled beneficiaries.
3. *Facility*: A residential facility for the care or treatment of individuals with serious mental illness, serious emotional disturbance, and/or intellectual/developmental disability that is either a state facility or a licensed facility.

4. *Guardian*: A person appointed by the court to exercise specific powers over an individual who is a minor, legally incapacitated, or intellectually/developmentally disabled. This person may or may not be the Payee.
5. *Payee*: An individual or organization that receives Social Security and/or Supplemental Security Income (SSI) payments for someone who cannot manage or direct the management of their money. The payee is responsible for knowing and providing for the total needs of the beneficiary. Current need should never be sacrificed to pay other expenses.
6. *Personal Allowance*: The amount the resident (or payee) can keep specifically for the resident's personal needs. The amount can be no less than \$44/month, unless approved in the resident's Individual Plan of Services.
7. *Personal Funds*: This includes the recipient's cash on-hand and other assets such as bank notes, earnings, personal gifts, Social Security benefits, stocks, bonds, debit cards, credit cards, gift cards, etc.
8. *Resident*: An individual who receives services in a facility.
9. *Responsible Party*: For this policy, the Responsible Party is the person who is financially liable for the cost of services provided to a resident by the Department or Community Mental Health Services Program. Responsible Party includes the resident and, as applicable, the resident's spouse, guardian, payee, conservator, parents, parents of a minor, and a person acting as a fiduciary.
10. *Unreasonable and significant dissipation of assets*: Means the imprudent disbursement of a substantial portion of the resident's assets, including income, due to improvidence or incapacity, or self-protection, which exposes the resident to exploitation or hinders the resident's ability to function in the least restrictive residential setting.

**D. Forms**

N/A

**E. Other Resources** (i.e., training, secondary contact information, exhibits, etc.)

N/A

**F. References**

1. Michigan Mental Health Code, Section 330.1728
2. Michigan Department of Health and Human Services, Administrative Rules, R 330.7199
3. Licensing Rules for Adult Foster Care Homes, R 400.14315
4. Social Security Handbook

#### **IV. History**

- Initial Approval Date: 05/1988
- Last Revision Date: 11/2023 BY:
- Last Reviewed Date: 12/2024 BY: Sandy O'Neill
- Non-Substantive Revisions: N/A
- Key Words: Funds, money, residential funds