

SOUTH CAROLINA COMMISSION ON DISABILITIES AND SPECIAL NEEDS

MINUTES

August 18, 2022

The South Carolina Commission on Disabilities and Special Needs met on Thursday, August 18, 2022, at 10:00 a.m., at the Department of Disabilities and Special Needs Central Office, 3440 Harden Street Extension, Columbia, South Carolina.

The following were in attendance:

COMMISSION

Present In-Person

Barry Malphrus – Vice Chairman

Robin Blackwood – Secretary

Gary Kocher, MD

Eddie Miller

David Thomas

Michelle Woodhead

Microsoft Teams

Stephanie Rawlinson – Chairman

DDSN Administrative Staff

Michelle Fry, State Director; Constance Holloway, General Counsel; Harley Davis, Ph.D., Chief Administrative Officer; Lori Manos, Interim Associate State Director of Policy; Nancy Rumbaugh, Interim Chief Financial Officer; Janet Priest, Associate State Director of Operations; Courtney Crosby, Internal Audit Director; Andrew Tharin, Director of Engineering; Robb McBurney, Emergency Operations and Special Projects; Ann Dalton, Quality Manager; Greg Meetze, Chief Information Officer; PJ Perea, Public Information Director; Preston Southern, Information Technology Division; and Christie Linguard, Administrative Coordinator.

Notice of Meeting Statement

Vice Chairman Malphrus called the meeting to order and Secretary Blackwood read a statement of announcement about the meeting that was distributed to the appropriate media, interested persons, and posted at the Central Office and on the website in accordance with the Freedom of Information Act.

Welcome

Vice Chairman Malphrus welcomed everyone to the meeting and announced that he will be presiding over the meeting since Chairman Rawlinson had to have an

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emergency procedure. He also noted that Chairman Rawlinson is on Teams listening in on the meeting.

Adoption of the Agenda

Commissioner Thomas made a motion to approve the agenda as written, seconded by Commissioner Woodhead and unanimously approved by the Commission. (Attachment A)

Invocation

Commissioner Miller gave the invocation.

Approval of the July 21, 2022 Commission Meeting Minutes

Commissioner Blackwood made a motion to approve minutes from the Commission Meeting held on July 21, 2022, seconded by Commissioner Kocher and unanimously approved by the Commission. (Attachment B)

Commissioners' Update

Commissioner Kocher thanked the DDSN staff for meeting with him yesterday on a few agenda items.

Commissioner Blackwood stated that she met with Mr. Curtis Loftis, SC State Treasurer, regarding the Palmetto ABLE Savings Account.

Chairman Rawlinson thanked everyone for stepping in to assist in her absence. She also thanked the DDSN staff for prepping Commission members on items on the agenda. Lastly, she thanked everyone for their thoughts and prayers.

Public Input

There was no public input.

SC Thrive

Mr. Richard Moses, Chief Community Relations Officer and Ms. Shannon Griggs, Executive Partnership Manager both presented to the Commission on the purpose and mission of SC Thrive. They help people connect to resources; host trainings and provide. Thrive Hub was discussed in detail as the resource connect forum for users to request help from local community partners based on their family's current needs. (Attachment C)

DDSN Eligibility Division

Mr. Brian Hawkins begin with an overview of the daily processes/screenings for the Eligibility Division. The division has processed over 3,560+ cases in 2021. Medicaid Eligibility, waiver services and waiting lists were all discussed in detail. Commissioner Thomas asked if the person in charge of screening and intake services can speak to the Commission in the future. Discussion was held about perhaps having a Special Called Commission meeting either after the regular Commission meeting or a day after the Commission meeting to discuss further the screening and intake eligibility process. Commissioner Kocher asked that the user reviews/surveys received from the public be shared with the Commission. Commissioner Thomas made a motion to turn this decision over to staff and they decide what we are going to do within the next 60 days. This motion was seconded by Commissioner Blackwood. The Commission approved this motion unanimously. (Attachment D)

Commission Committee Business

A. Finance and Audit Committee

The Finance and Audit Committee met on August 10, 2022. Commissioner Blackwood submitted the following:

The Finance and Audit Committee Procedures were presented at the Committee meeting; there were no changes. Coming out of Committee as a motion and second, the Commission unanimously approved the Finance and Audit Committee Procedures as written, with no changes. (Attachment E)

The FY23 Spending Plan was presented to the Commission. Coming out of Committee as a motion and a second, the Commission unanimously approved the FY23 Spending Plan. (Attachment F)

The Update on Appraised Value – York County Property on Diane Road – 1.6 acres was discussed by Commissioner Blackwood and Mr. Tharin. The new appraised value for the property is \$35,000. Coming out of Committee as a motion and a second, the Commission unanimously approved the sale of this property at or above the appraised value. (Attachment G)

The Audit Plan was presented to the Commission. Coming out of Committee as a motion and a second, the Commission unanimously approved the Audit Plan. Commissioner Malphrus noted that this document may or may not change throughout the year.

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B. Policy Committee

Commissioner Malphrus presented the following items to the Commission:

300-05-DD: Maintenance Management Contract Requirements – Coming out of committee as a motion and a second, the Commission unanimously approved this policy as written. (Attachment H)

300-04-DD: Maintenance of Physical Plant – Coming out of committee as a motion and a second, the Commission unanimously approved this policy as written. (Attachment I)

200-12-DD: Management of Funds for Individuals to/from Funded Community Residential Setting – Coming out of committee as a motion and a second, the Commission unanimously approved this policy as written. (Attachment J)

Ms. Manos announced that the FY23 List of Directives/Standards for the Policy Committee were approved and posted to the website.

Old Business

A. Whitten Center Sale Update

Ms. Holloway announced that all necessary transfer documents were approved on last Friday, August 12, 2022. The agency will receive final documents in the mail. She further announced that, regarding the motion from last month's Commission meeting, there are no legal prohibitions against earmarking the funds from the Sale of Whitten Center to Whitten Regional Center only. Commissioner Malphrus requested Secretary, Commissioner Blackwood read his motion aloud:

“Page 47 under Article 4 and 5 of the Whitten Center Property conveyance document is about revenue sharing over the last 30 years. Any revenue from the cutting trees or surplus land shall be shared between the City of Clinton, the State of South Carolina and the South Carolina Department of Disabilities and Special Needs. Let me know that any revenue from this DDSN receives would go directly to the Whitten Center for capital improvements, which means any addition or change made to land or equipment or any kind of building which increases its value or the profit it produces. The reason I say profit is that the Whitten Center has a paper shredding business and is looking into other opportunities and this money could be used to help them in that area. At some future time for any reason the Whitten Center does not exist, this money should go to

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another South Carolina DDSN Regional Center where it can be used for capital improvement.”

Dr. Fry was asked by Commissioner Miller to give her opinion on the above motion, to which she responded that she does not believe it is in the best practice of the agency as a whole to earmark funds to one Regional Center given the fluidity of needs across the various Regional Centers. There was a question as to whether this earmarking will establish a precedence for future land sales. A portion of the property was donated to the agency and a portion was purchased by the agency (the State of South Carolina). Commissioner Miller asked that this discussion and motion be tabled until next month; seconded by Commissioner Thomas. The commission unanimously approved to table this motion and discussion. Chairman Rawlinson asked that the Commission transfer this discussion to the Finance and Audit Committee for further recommendations.

B. Hurricane Season Update

Mr. McBurney commenced by announcing that there have been no new development of storms. However, the first two weeks of September are the most active times for hurricanes. The annual hurricane meeting took place on August 1, 2022; we will continue to be vigilant and provide updates to our provider network. Mr. McBurney noted that the Coastal Center in Summerville, SC is over 80 feet above sea level, which indicates that if there is a flood in the surrounding area, the Coastal Center should not be affected.

C. Quarterly Incident Report

Ms. Ann Dalton gave the update on the quarterly Quality Management Report from July 1, 2021 to June 30, 2022. She also presented the Abuse, Neglect and Exploitation report for the fourth quarter. (Attachment K)

D. Internal Audit Report

Ms. Crosby began with a briefing of the Agreed-Upon Procedures Reports (RoAAPs) for the DSN Boards. The IA division has reviewed 35 of the 40 reports that were received, five are in process. The IA division has reviewed seven of the private providers' reports with June 30th deadline, two are in process. Three private providers have a September 30th year end and two of their reports have been reviewed. The third report has not been received. Reports for the 33 private providers with a December 31st year end were due on April 30th. The IA division has received 31 of the 33 reports. The IA division has reviewed 25 of the reports, six are in process. There is one private provider with a March 31st year-end, which has been received and reviewed. The 2021 contract reduction is currently at

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\$47,500. The quarterly audit observation tracking report was updated for the fourth quarter of FY22 and was emailed to Commission members on July 15th. The IA Division has completed procedures and issued follow-up memos to three (3) providers and the tracking report includes the updated status for those corrective action plans.

The FY23 Audit Plan included hours for some carry forward engagements from FY22. The Commission will be updated on all entrance conferences for the audits on the Plan as soon as they are initiated.

New Business

A. Financial Update

Ms. Rumbaugh presented the spending plan vs actual expenditures as of July 31, 2022. To date the agency is .99% under budget.

The status of the Cost Reports was discussed. FY20 Cost Report is completed and is being reviewed. FY21 was previously completed. The agency will be working on FY22 Cost Report soon. Cost Settlement will be discussed between Dr. Fry and the State Director Robbie Kerr of the South Carolina Department of Health and Human Services (DHHS).

On a motion by Commissioner Miller, seconded by Commissioner Blackwood, the financial update was approved as presented.
(Attachment L)

Director's Update

Dr. Fry highlighted a couple of items to include the Golden Palmetto Award nominations has a deadline of September 1, 2022. The agency will send a reminder email out to all providers.

Secondly, DDSN is working with the South Carolina State Fair to host two events for citizens with disabilities. There will be a Sensory Friendly Morning and an Exceptional Citizens Day at the 2022 South Carolina State Fair. Details and dates are not yet official, but expect an announcement soon.

Lastly, DDSN participated in a very successful Wheel to Surf event at Surfside Beach, sponsored by the Coastal Adaptive Sports. Eighty adaptive surfers from across the country participated in the largest event in the organization's history. The Coastal Adaptive Sports group also hosts basketball, cycling, kayaking, softball, wheelchair games and drum circles for families and consumers in the South Carolina coastal region.

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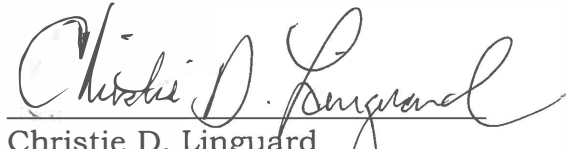
Next Regular Meeting

September 15, 2022 at 10:00 AM


Adjournment

On a motion by Commissioner Blackwood, seconded by Commissioner Miller and unanimously approved by the commission, the meeting was adjourned at 12:28 P.M.

Submitted by:


Christie D. Linguard
Administrative Coordinator

Approved by:

DocuSigned by:

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Commissioner Robin Blackwood
Secretary

SOUTH CAROLINA COMMISSION ON DISABILITIES AND SPECIAL NEEDS

A G E N D A

**South Carolina Department of Disabilities and Special Needs
3440 Harden Street Extension
Conference Room 251 (TEAMS)
Columbia, South Carolina**

August 18, 2022

10:00 A.M.

1. Call to Order *Vice Chairman Barry Malphrus*
2. Notice of Meeting Statement *Commissioner Robin Blackwood*
3. Welcome
4. Adoption of Agenda
5. Invocation *Commissioner Gary Kocher*
6. Approval of July 21, 2022 Commission Meeting Minutes
7. Commissioners' Update *Commissioners*
8. Public Input
9. Programs and Services
 - A. SC Thrive *Richard Moses, Chief Community Relations Officer*
 - B. DDSN Eligibility Division *Shannon Griggs, Executive Partnership Manager*
Brian Hawkins, Director
10. Commission Committee Business
 - A. Finance Committee *Committee Chair Robin Blackwood*
 1. Finance and Audit Committee Procedures
 2. FY23 Spending Plan
 3. Update on Appraised Value – York County Property on Diane Road – 1.6 acres
 4. Audit Plan
 - B. Policy Committee *Committee Chair Barry Malphrus*
 1. 300-05-DD: Maintenance Management Contract Requirements
 2. 300-04-DD: Maintenance of Physical Plant
 3. 200-12-DD: Management of Funds for Individuals to/from Funded
Community Residential Setting
 4. Committee Update
11. Old Business:
 - A. Whitten Center Sale Update *Ms. Constance Holloway*
 - B. Hurricane Season Update *Mr. Robb McBurney*
 - C. Quarterly Incident Report *Ms. Ann Dalton*
 - D. Internal Audit Update *Ms. Courtney Crosby*

12. New Business:

Financial Update

Ms. Nancy Rumbaugh

13. Director's Update

Michelle Fry, J.D., Ph.D.

14. Next Regular Meeting (September 15, 2022)

15. Adjournment

SOUTH CAROLINA COMMISSION ON DISABILITIES AND SPECIAL NEEDS

MINUTES

July 21, 2022

The South Carolina Commission on Disabilities and Special Needs met on Thursday, July 21, 2022, at 10:00 a.m., at the Department of Disabilities and Special Needs Central Office, 3440 Harden Street Extension, Columbia, South Carolina.

The following were in attendance:

COMMISSION

Present In-Person

Stephanie Rawlinson – Chairman

Barry Malphrus – Vice Chairman

Robin Blackwood – Secretary

Gary Kocher, MD

Eddie Miller

David Thomas

Michelle Woodhead

DDSN Administrative Staff

Michelle Fry, State Director (via Microsoft Teams and joined Executive Session via telephone); Constance Holloway, General Counsel; Harley Davis, Ph.D., Chief Administrative Officer; Lori Manos, Interim Associate State Director of Policy; Nancy Rumbaugh, Interim Chief Financial Officer; Andrew Tharin, Director of Engineering; Robb McBurney, Emergency Operations and Special Projects; Erin Oehler, Attorney; Preston Southern, Information Technology Division; and Christie Linguard, Administrative Coordinator.

Notice of Meeting Statement

Chairman Rawlinson called the meeting to order and Secretary Blackwood read a statement of announcement about the meeting that was distributed to the appropriate media, interested persons, and posted at the Central Office and on the website in accordance with the Freedom of Information Act.

Welcome

Chairman Rawlinson welcomed everyone to the meeting and congratulated Commissioner Kocher on his daughter's wedding.

Adoption of the Agenda

Commissioner Kocher made a motion to approve the agenda as written, seconded by Commissioner Malphrus and unanimously approved by the Commission. (Attachment A)

Invocation

Commissioner Blackwood gave the invocation.

Approval of the Minutes from the Special Called Commission Meeting on June 30, 2022 and the Commission Meeting on June 16, 2022

Commissioner Thomas made a motion to approve both sets of minutes from the Special Called Commission Meeting on June 30, 2022 and the Commission Meeting on June 16, 2022, seconded by Commissioner Blackwood and unanimously approved by the Commission. (Attachment B)

Commissioners' Update

Commissioner Kocher stated that his daughter graduated one day and was married the next day. He thanked the staff for his birthday card. He attended the Richland-Lexington Disabilities and Special Needs Board meeting. He commented that their staff is "cherry picked" by our agency. He hopes that someone from the agency will communicate with them about their cost for conflict-free case management.

Commissioner Blackwood acknowledged that tomorrow is the national day of recognition for Fragile X Syndrome. Governor McMaster signed a proclamation last week declaring tomorrow, July 22, 2022, as Fragile X Syndrome Awareness Day. Events will be held at the statehouse. Commissioner Blackwood's son was diagnosed with this syndrome 11 years ago. She briefly talked about the symptoms of Fragile X.

Commissioner Malphrus thanked the Whitten Regional Center for a nice tour in June. He looks forward to the next community meeting in October.

Commissioner Miller acknowledged Dr. Dacosta's presence and noted that the two of them have worked together in the past. He visited the Charles Lea Center earlier this month and was able to tour their smart center. Earlier this month, he and his wife, Mayor Jereleen Miller (Mayesville, SC) witnessed the unveiling of Dr. Mary McLeod Bethune's statue in Statutory Hall. Mayor Miller threw out the first pitch at the Jackie Robinson Stadium in Daytona Beach, Florida this past week.

Commissioner Woodhead introduced her daughter, husband and parents to everyone.

Chairman Rawlinson also thanked the Whitten Regional Center staff along with the staff at Spartanburg Community College for hosting them last month. The next community meeting will take place in Charleston, South Carolina. She asked that anyone who has a program that they would like the Commission to

look at to please contact her. There will not be a public input section on the agenda for the meeting in October; but instead, the Commission will hold a listening session for the families in the community to address specific concerns. She asked the Communications Subcommittee to adopt rules for the speakers.

Public Input

There was no public input.

SC Commission for Minority Affairs

Dr. Delores Dacosta, Executive Director, for the SC Commission for Minority Affairs (CMA) introduced her USC intern. She gave a brief overview of her long political, public forum and federal policy work history. She also gave a brief overview of CMA to include their board, vision and mission. Along with the PowerPoint presentation, she referenced the 2021 SC Disability Services Resource Guide from their agency. She noted the Memorandum of Understanding (MOU) with SC Vocational Rehabilitation. Chairman Rawlinson encouraged DDSN staff to collaborate with CMA staff to work on a MOU between the two agencies. (Attachment C)

Adaptive Sports

Ms. McKenna Woodhead (daughter of Commissioner Michelle Woodhead) briefed the Commission on her injury in 2018, which led to her spinal cord injury; she is paralyzed from her chest down with limited function of her hands. She briefly discussed her introduction to adaptive sports in Charlotte, NC as well as at Clemson University. Dr. Jasmine Townsend a recreational therapy faculty member and the Director of Clemson University's Adaptive Sports and Recreation Program. She gave a brief overview of the University's recreational therapy curriculum. (Attachment D)

Commission Committee Business

A. Committee Appointments

Chairman Rawlinson announced the following changes to the Commission's committees:

Finance and Audit Committee

Robin Blackwood – Chair
Eddie Miller
Michelle Woodhead

Policy Committee

Barry Malphrus – Chair
David Thomas

Michelle Woodhead

Legislative Committee

David Thomas – Chair

Eddie Miller

Barry Malphrus

Gary Kocher, MD

Communications Subcommittee

Eddie Miller

Robin Blackwood

Barry Malphrus

Chairman Rawlinson stated that she will allow the Communications Subcommittee to choose their chair. Commissioner Malphrus will be the contact person for the subcommittee right now as he is the former chair.

B. Communications Subcommittee

Commissioner Malphrus disclosed that the Subcommittee met on June 24, 2022 and agreed upon an agency logo. Discussion was held at the meeting for the website overhaul and biographies for all Commission members. The Silver Palmetto Award was discussed as well.

Coming out of the subcommittee as a motion and a second, the Commission voted to approve agency logo “B”.

The logo for the Commission will be much different from the agency logo. Commissioner Malphrus noted that the subcommittee will reconvene soon to approve the Commission logo, after which the committee will present it to the full Commission for approval.

C. Finance and Audit Committee

The Finance and Audit Committee met on July 6, 2022. Commissioner Blackwood submitted the following:

There was one item that needed financial approval by the committee because it was over the financial threshold. Three (3) bids were received for Ground Maintenance Services for Central Office. The lowest bid was \$255,060; therefore, the total potential contract award with the one-time service is \$257,010. The Committee approved Ground Service Maintenance’s bid as a routine approval. Commissioner Malphrus noted that this is a five-year contract that will be reviewed every year. (Attachment E)

The second item from the committee meeting that will need the Commission’s vote is the Consideration of Bid for Coastal Center –

Highlands 110 Roof Replacement. Coming out of committee as a motion and a second, the Commission unanimously approved the bid approval for the roof replacement at Coastal Regional Center. (Attachment F)

D. Policy Committee

Commissioner Malphrus presented the following items to the Commission:

100-30-DD: Eligibility Determination – Coming out of committee as a motion and a second, the Commission unanimously approved this policy as written. (Attachment G)

535-11-DD: Appeal and Reconsideration of Decision – Coming out of committee as a motion and a second, the Commission unanimously approved this policy as written. (Attachment H)

535-09-DD: Research Involving DDSN Resources and/or Persons Receiving Services from or Staff Employed by DDSN – Coming out of committee as a motion and a second, the Commission unanimously approved to make this policy obsolete. (Attachment I)

567-04-DD: DDSN Approved Crisis Prevention Curricula List and Curriculum Approval Process – Coming out of committee as a motion and a second, the Commission unanimously approved this policy as written. (Attachment J)

600-05-DD: Behavior Supports, Psychotropic Medications and Prohibited Practices – Coming out of committee as a motion and a second, the Commission unanimously approved this policy. (Attachment K)

275-04-DD: Procedures for Implementation of DDSN Provider Audit Policy for DSN Boards; and 275-06-DD: Procedures for Implementation of DDSN Provider Audit Policy for Contracted Service Providers – Coming out of committee as a motion and a second, the Commission unanimously approved both policies. (Attachment L)

Commissioner Malphrus noted that, according to Directive 800-07-CP – SC Commission on Disabilities and Special Needs Committee Procedures, it is recommended that each standing committee chair review their committee's procedures on a yearly basis. The Policy Committee has already reviewed their procedures. There will be changes to the Legislative Committee because there has been an additional member added.

Ms. Manos announced that there are three policies that have been reviewed by the Policy Committee that are out for external review and should be brought to the Commission next month; and there is a staff

assigned policy out for public comment that will be reviewed by the Policy Committee next month.

Old Business

A. Hurricane Preparedness

Mr. McBurney commenced by announcing that we are now into the Hurricane Season (June 1, 2022 – November 30, 2022). There has been a prediction of 15-20 named storms this year and three to five major hurricanes. This is an above average season for hurricanes. The annual hurricane meeting with providers will take place on August 1, 2022. Mr. McBurney will work with Mr. PJ Perea to display a weekly broadcast on social media regarding hurricanes. There is a monthly meeting with the South Carolina Planning Committee, which includes Federal Emergency Management Agency (FEMA) and SC Emergency Management Division (SCEMD), is a committee that involves various disability agencies that helps to disseminate information to the disability community. The evacuation plans for providers were discussed. Discussion was held regarding the Coastal Regional Center. Commissioner Thomas asked that Mr. McBurney be placed on the agenda for the August Commission meeting for updates.

B. Whitten Center Sale

Ms. Holloway briefed the Commission on the sale of the Whitten Center, 374.5 acres minus the wilderness camp space (35 acres). Mr. McBurney noted that the City of Clinton will take over the maintenance of the sewer and water systems, the storm drains and the electrical system. It would cost the agency approximately \$8.0 million to replace the whole utility system which would amount to approximately \$50,000 on a yearly basis. Also included in this sale is that the City of Clinton agreed to maintain some of the property and create a serenity park. Ms. Holloway noted that if the City of Clinton decided to sale the property, then the agency is entitled to fifty (50%) percent of the sale. The agency's fifty (50%) percent will be further divided equally between the agency and the SC Department of Administration (DOA). If the City of Clinton decides to sale the large amount of timber on the property, the agency is should receive fifty (50%) percent of the sale of that timber, to which it would be further divided between the agency and DOA. Commissioner Malphrus made a motion which read, in part, he would like to commend the Commission members and the staff for allowing the commission to evaluate the property conveyance documents. The motion states that any revenue from the cutting of trees or surplus land sale shall be shared between the City of Clinton and the agency and will go directly to the Whitten Regional Center for capital improvements (any addition or change made to land, or equipment, of any kind or any building which increases its value or the

profit it produces). If for some reason, the Whitten Regional Center is no longer in existence when and if the City of Clinton sales said property, then Commissioner Malphrus would like to add to his motion that all agency proceeds from the sale of the property and/or the sale of timber go to the Regional Center in the most need of capital improvements. Commissioner Malphrus went on to say that he does not feel this motion is in violation of anything; but if it is in violation of a policy, he and the Policy Committee will revisit at the next committee meeting. Commissioner Thomas seconded the motion. Ms. Holloway asked the Commission members to give the staff time to research the request in this motion to make sure it is legal and proper to approve this. Commissioner Thomas then made a motion to carryover the above motion and second to the next Commission meeting, pending research findings from the legal division. This motion was seconded by Chairman Rawlinson and unanimously approved by the Commission. Commissioner Kocher added that he does not like the fact that the Commission is trying to make a motion to approve something that may happen 10 or more years from now. Commission members agreed to aim for re-discussing the vote at next month's meeting, after the legal division has done their research.

New Business

A. Financial Update

Ms. Rumbaugh presented the spending plan vs actual expenditures as of July 14, 2022. To date the agency is 1.62% under budget. On a motion by Commissioner Blackwood, seconded by Commissioner Miller, the spending plan was approved as presented. (Attachment O)

Director's Update

Chief Administrative Officer, Dr. Harley Davis commenced by stating that the anniversary of the Americans with Disabilities Act (ADA) is on July 26th. The Interdisciplinary Technical Advisory Committee (ITAC) Team has been established and they will hold their first meeting very soon. And finally, the Direct Support Professional Career Path Program has been approved for employees at the agency. Employees salary rates have been updated on the SC career website and current employee's salaries and classification changes were effective on July 2, 2022.

Executive Session

At 12:10 PM, on a motion by Commissioner Thomas, seconded by Commissioner Malphrus, the commission entered into executive session, after a 30-minute intercession, to discuss the following items:

Contractual Matters:

- Legislative Services
- Therap Contract
- Alliant Contract
- Fiscal Agent Matter

Enter into Public Session

Upon rising out of executive session at 2:06 PM, Chairman Rawlinson announced that no decisions were made, no votes were taken and no motions were made.

Next Regular Meeting

August 18, 2022

Commission Governance Training will take place on August 19, 2022.

Adjournment

On a motion by Commissioner Blackwood, seconded by Commissioner Woodhead and unanimously approved by the commission, the meeting was adjourned at 2:07 P.M.

Submitted by:

Approved by:

Christie D. Linguard
Administrative Coordinator

Commissioner Robin Blackwood
Secretary



SC Department of Disabilities and Special Needs

Richard Moses and Shannon Griggs

August 18, 2022

What Does SC Thrive Do?



We help people connect to resources



We host trainings

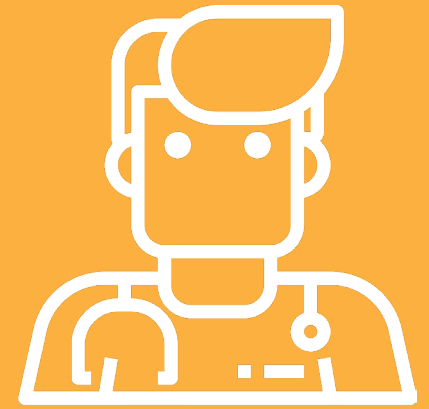


We provide the technology



Physical Resources

- Supplemental Nutrition Assistance Program (SNAP)
- Healthy Connections Medicaid
- Healthy Connections Prime
- Long-Term Care
- Welvista Medication Assistance Program
- Family Planning
- Medicare Savings Program
- *Coming Soon: Medicaid Aged, Blind & Disabled*





Mental Resources

- Mental Health First Aid
- Self-Care Trainings
- Mental Health Matters





Financial Resources

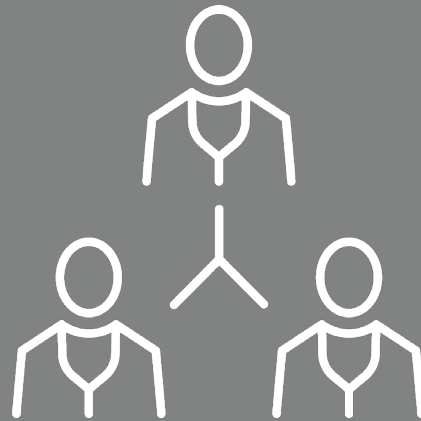
- Free Tax Filing
- Temporary Assistance for Needy Families (TANF)
- Financial Health Trainings
- *Coming Soon: WorkStation in Thrive Hub*





Other Resources

- Birth Certificate Replacement
- Voter Registration
- Social Security Card Replacement
- Resource Directory
- Help Me Grow SC
- Military & Veteran Resources
- Coronavirus Resources





We host trainings

By attending our trainings, you can help lead South Carolinians to stability from your own community. Our trainings are just one step in helping to make South Carolina stronger.

PUBLIC TRAININGS

- Annual Training
- Financial Health
 - Financial Health 101, Credit & Credit Reporting, Debt & Financial Recovery
- Mental Health First Aid
 - Adults, Youth
- Poverty Simulations
- Self-Care
- Understanding Healthy Connections Medicaid

PARTNER TRAININGS

- Benefits Counselor Training
- Tax Counselor Training
- Benefits Refresher Training

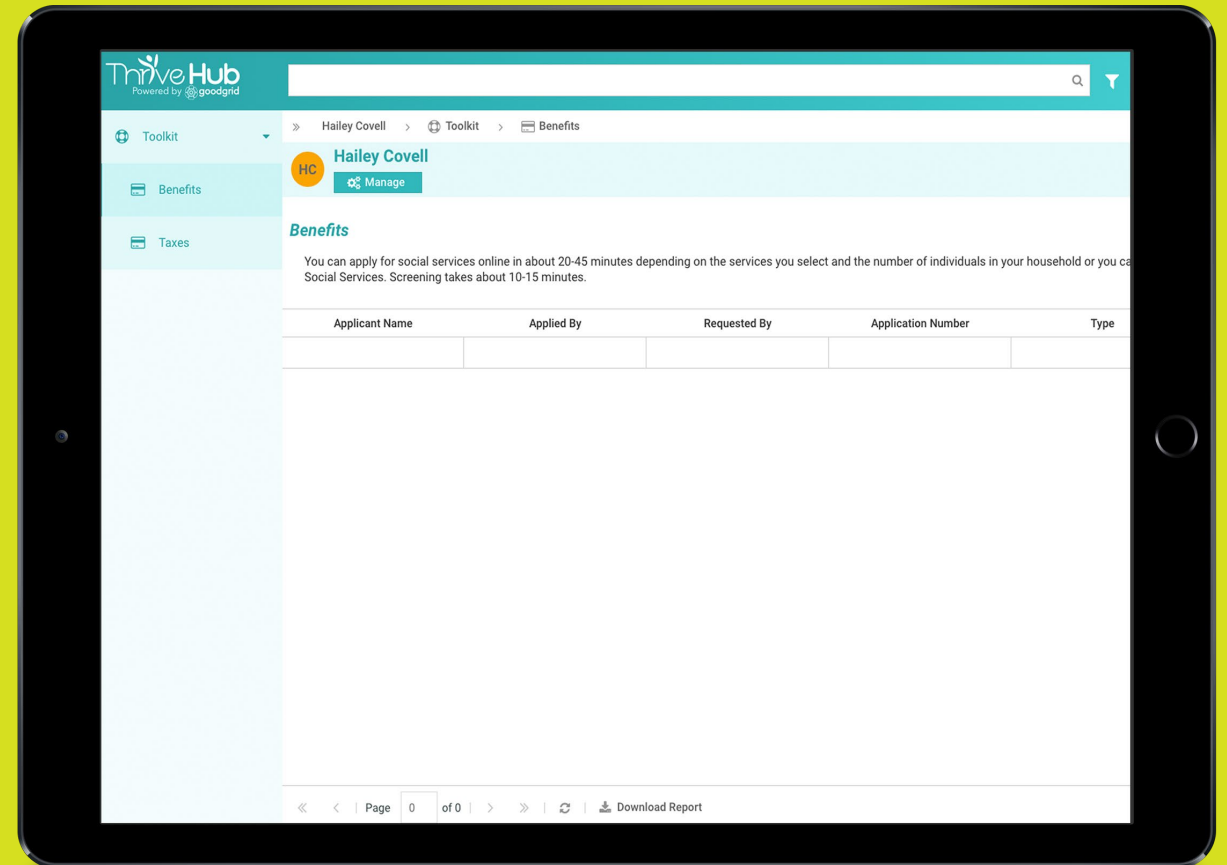


We provide the technology

Thrive Hub, powered by Good Grid, is the best source to access quality of life resources and get people the help they need.

Individuals can access multiple resources on their own, or with the help of a trained Thrive Hub counselor.

Thrive Hub

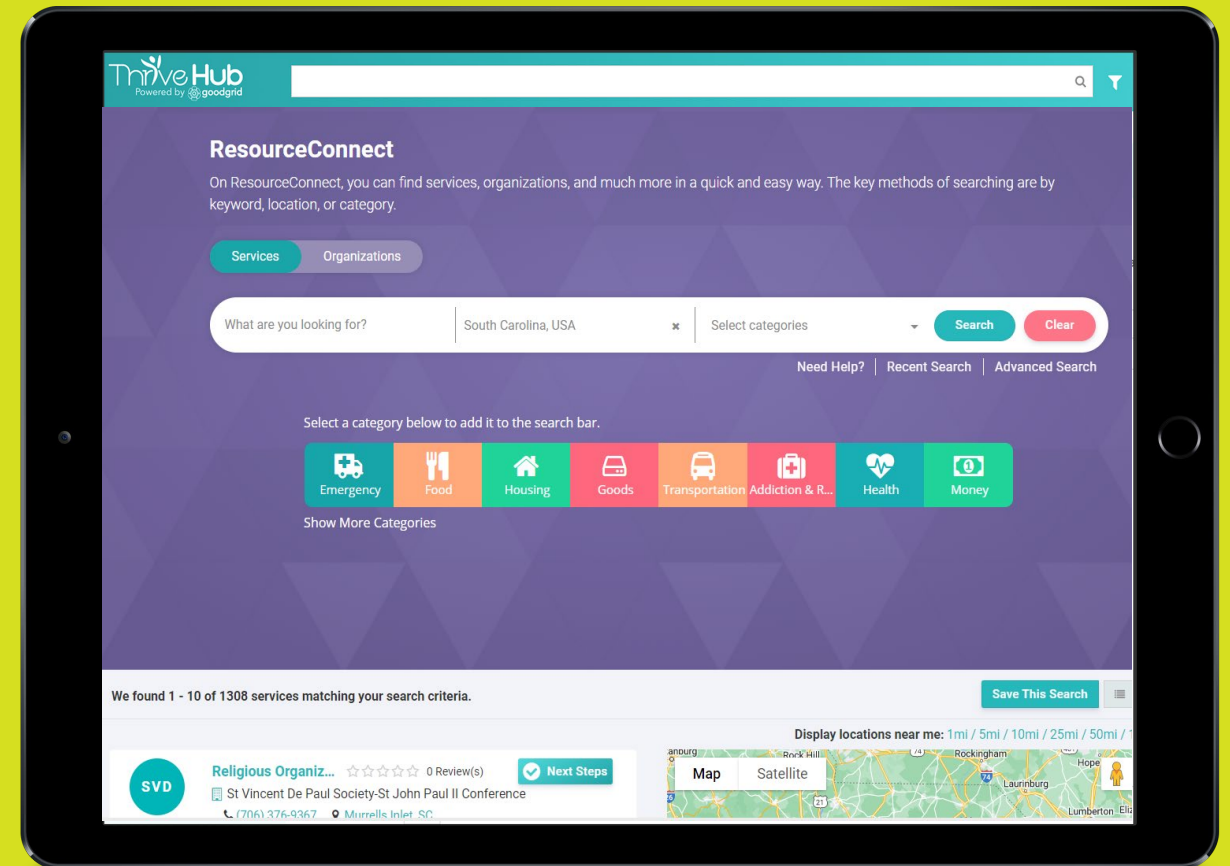




Resource Connect

Through Resource Connect on Thrive Hub, users can request help from local community partners based on their family's current needs. Search by zip code or category to find resources near you!

Thrive Hub



Why Use Thrive Hub?

KEY IDEA

It takes a network of community assets to ensure the safety, permanency, and well-being of individuals.

TECHNOLOGY

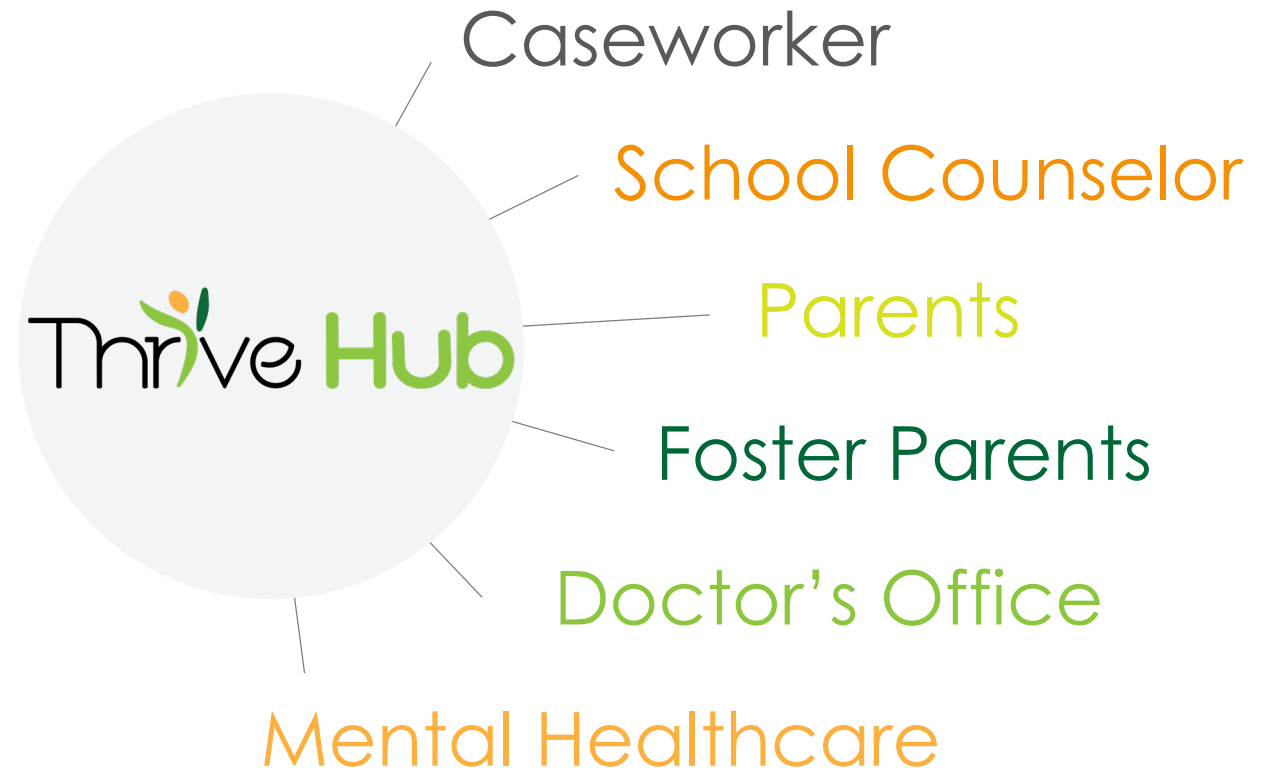
Team members have siloed data systems that do not talk with one another in a secure, collaborative way.

TEAM MEMBERS

Staff and volunteers want to help, but are often busy or located distances away, making travel time lengthy and difficult to schedule.

INTEGRATED SUPPORT

Integrated support can help prevent dual data entry and provide holistic analytics.



Our Impact

Since 2010

We are thankful for the people, organizations, and team members who have made our work possible. We wouldn't be here without the efforts and support of our partners and funders.



418k+

South
Carolinians
Served

Over

\$800.9 Million

Returned to South Carolina



Over

327,605

Applications
Completed

Sponsoring Partners



Contact



Contact Us:

Richard Moses – Chief Community Relations Officer

843-409-7898

rmoses@scthrive.org

Shannon Griggs – Executive Partnership Manager

803-399-9585

sgriggs@scthrive.org



SCThrive.org



End of Presentation

HELP CONNECT YOUR CLIENTS TO RESOURCES



1

Send us an email at contact@scthrive.org to let us know you are interested in becoming a partner site!



2

Together, we create a plan to help you efficiently implement SC Thrive services into your work flow.



3

Complete an SC Thrive Training and connect your clients to more resources!

Our partners utilize our trainings and tools, like Thrive Hub, to help serve their clients and communities. **Become a Partner Site today to save time, money and help more people!**

HELP YOUR CLIENTS APPLY FOR:



SNAP and
TANF



Medicaid,
Welvista
and other
healthcare



State and
federal
taxes



Military and
Veteran
benefits

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800.726.8774 | scthrive.org

SC Thrive leads South Carolinians to stability by providing innovative and efficient access to quality of life resources. We are a 501(c)(3) nonprofit organization.

BUILD YOUR ORGANIZATION'S CAPACITY



1

Visit us at scthrive.eventbrite.com for a list of trainings and dates.



2

Register for a training near you.



3

Complete the training and help your clients and community!

SC THRIVE TRAININGS

- Security Awareness
- Benefits Counselor
- Mental Health First Aid (Adult & Youth)
- Healthy Connections Medicaid
- Tax Counselor
- Military & Veterans Counselor
- Healthy Connections Prime
- Poverty Simulations
- Financial Health
- Pro Counselor & Document Management
- SC Thrive Annual Trainings
- and more!

sc Thrive

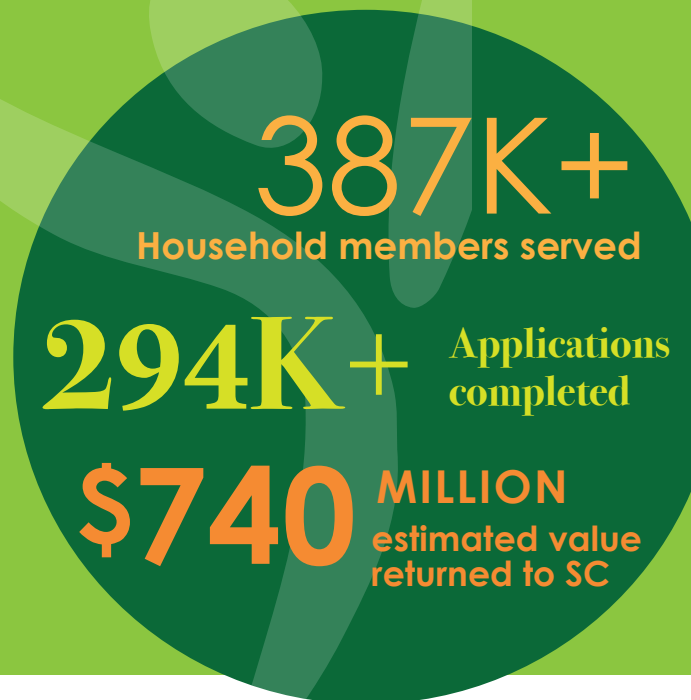
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SC Thrive leads South Carolinians to stability by providing innovative and efficient access to quality of life resources. We are a 501(c)(3) nonprofit organization.

What is Thrive Hub?

Thrive Hub is a one-stop shop for benefits that allows collaboration between community partners, service providers, businesses, and state agencies. The single-sign on, web-based platform is easy to use, secure and confidential, allowing case managers to help clients apply for multiple resources during a single interview. If you work with Thrive Hub you'll be able to confidently navigate the complex systems of benefits to help better serve your clients.

**Stats are representative of all SC Thrive initiatives from 2010-2020*



“I love how Thrive Hub makes it easier for South Carolinians to apply to benefits. You get to see how other organizations nearby can help provide even more services. The whole program is fantastic!”



Find Good

Manage cases and help clients apply for resources using this user-friendly set of features. Collaborative case management means less data entry and allows for holistic treatment including closed-loop referrals and treatment planners. Other highlights include an evaluation matrix to assist in assessing client needs and tracking progress over time.



LearningNook

Online learning platform for case managers, community members, volunteers and staff. Gain badges and certificates while continuing your education and training on various benefits-focused services.



CommUnity

Connect with other service providers, nonprofits, agencies and volunteers. Find and post volunteer and job opportunities, and access nearby resources.



WorkStation

Clients can create resumes and look for job opportunities using this feature.



“

**It's fairly simple to use
and has streamlined
the process of helping
people apply for multiple
benefits at once.”**

Become a Partner

1

Get to know us

Contact your regional coordinator to set up an introductory meeting. Email contact@scthrive.org to get started.

2

Training

Learn how to efficiently use Thrive Hub and its features. Our team will be there all the way — whether it's additional training or in-the-moment assistance, we'll make sure you can use Thrive Hub effectively.

3

Help your clients

Incorporate Thrive Hub into your intake process. The one-stop shop for benefits will save time and money, empowering you to better serve your clients.

Driven by SC Thrive

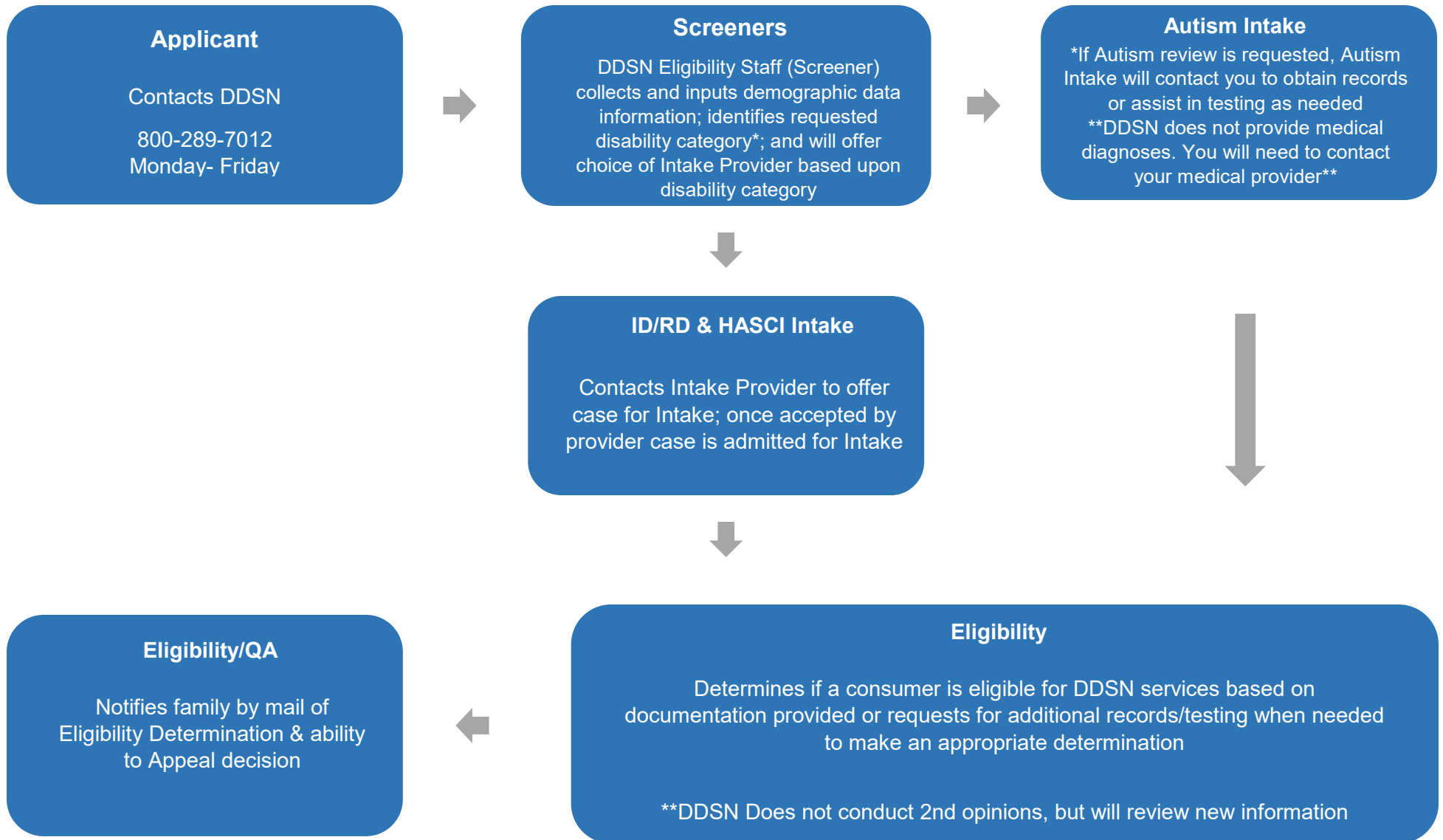
SC Thrive helps South Carolinians navigate the complex systems of available benefits, leading those in need to stability while positively impacting quality of life in communities statewide.



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The South Carolina Department of Disabilities and Special Needs
Screening/Intake and Eligibility Process
July 2022

Attachment D



Eligibility

Determines if a consumer is eligible for DDSN services based on documentation provided or requests for additional records/testing when needed to make an appropriate determination

DDSN Does not conduct 2nd opinions, but will review new information

Overview of the ASD Process

ASD REFERRAL REVIEW

- Review of information determines that **SUFFICIENT** supporting documentation was received during Intake to support ASD Eligibility determination (*sufficient documentation*)--- **Record Review**
- Review of information determines that **INSUFFICIENT** supporting documentation was received during Intake to support ASD Eligibility determination; referral sent to ASD Appointment Scheduler for ASD evaluation (*insufficient documentation*)---**ASD Direct Evaluation**

SUFFICIENT Documentation Provided

Record Review

Sufficient documentation includes: Detailed and compelling evaluation report that provide evidence of ASD. The report must contain the following:

- Written results based on a research tested, peer reviewed ASD specific diagnostic tools/assessments administered by a reputable clinician.
- Administration of the ADOS is preferred unless to do so would be inappropriate (the person has visual, hearing or other significant impairments). If an ADOS is not possible, a CARS-2 is preferred.
- A clinical interview with the applicant or parent that expounds on the behaviors associated with ASD seen in the applicant and direct behavior observation.
- Written documentation to address the frequency, intensity and duration of the behaviors across time and environments.
- **A thorough report of characteristics noted during a behavioral observation sufficient enough to complete the DSM.**
(Example ASD/ Assessment Tools/DSM attached)

INSUFFICIENT Documentation Provided

Direct ASD Evaluation

- Documentation received is not sufficient (i.e. lack of ASD specific assessment) and/or no documentation was received. The ASD Clinician will conduct an evaluation.
- The appropriate assessment selection is determined by the ASD Clinical staff conducting the assessment after review of available records and clinical parent interview.
- **Minimally required ASD specific tools include the ADOS-2, CARS-2, or ADI-R, and other ASD/ Assessment tools as needed to complete the DSM checklist.**
(Example ASD/ Assessment Tools/DSM attached)

The ASD Clinician will submit written report and/or DSM Form for Eligibility Determination

Note: DDSN will accept a diagnosis of PDD-NOS, Asperger's or Autistic Disorder under the DSM-IV criteria if the evaluation meets the above requirements **and** it was completed prior to **January 1, 2014**.

Note: DDSN will review ASD Evaluations from MUSC, PRISMA, School Districts, and Private Psychologists, etc., however the review of these documents must meet the above requirements.

Eligibility/QA

Notifies family by mail of Eligibility Determination and ability to appeal decision

DSN Commission Finance and Audit Committee Procedures
Commission Approved January 21, 2021

This document sets forth the procedure to be used by the Finance and Audit Committee (the Committee) of the South Carolina Commission on Disabilities and Special Needs (the Commission).

I. SCOPE:

The Committee provides assistance to the Commission in fulfilling its oversight responsibilities relating to budgeting, accounting and financial reporting processes, and the performance of the internal audit function. The Committee will oversee South Carolina Department of Disabilities and Special Needs (DDSN) management processes and activities relating to:

- a. Maintaining the reliability and integrity of DDSN's accounting policies, financial reporting practices, and internal controls;
- b. Review significant accounting and reporting developments and issues;
- c. The performance and work plan of the internal audit function in accordance with DDSN Directive 275-05-DD: General Duties of the DDSN Internal Audit Division;
- d. Compliance with applicable laws, regulations, and DDSN directives;
- e. Review and approval of the annual operating and capital budgets, as well as any amendments;
- f. Analyzing financings and capital transactions being considered by DDSN and the adequacy of its capital structure;
- g. Review of DDSN fiscal related directives; and
- h. Review of DDSN fiscal regulatory and oversight reports.

The Committee also provides an open avenue of communication between DDSN management, Internal Audit, and the Commission.

Consistent with the annual audit plan, the Committee has the authority to conduct or authorize investigations into any matters within its scope of responsibility. Inquiry and briefings on all significant financial matters along with related presentations and motions for full Commission approval originate from the Committee.

II. COMMITTEE MEMBERSHIP:

The Chair of the Commission will appoint members to the Committee. The Committee will consist of at least three (3) members of the Commission. Members will be sought that have relevant experience and/or fiscal expertise, but this is not a limiting factor related to Committee Membership. The members of the Committee will be appointed and may be removed by the Chair.

III. MEETING FREQUENCY:

The Committee will meet monthly or as determined by the Committee Chairperson based on the workflow of DDSN. Meetings of the Committee may be called by or at the request of the Commission, any member of the Committee, or the Chair of the Commission. Meetings will be held at the time and place designated in the meeting notice. The Chief Financial Officer, in coordination with other members of Executive Management, will prepare a suggested committee meeting agenda and share with the Committee Chair at least five days in advance of the scheduled meeting. Notice of the time, place, and agenda of the meetings will be posted as prescribed by the By-Laws and the South Carolina Freedom of Information Act. A majority of the appointed Committee members will represent a quorum and the actions of a quorum of the Committee shall be the act of the Committee. The Committee will retain minutes of each meeting.

IV. PROCEDURE:

A. Financial Reports/Budgets/Spending Plans

The Committee will consult with management concerning annual spending plans and budget processes, review budgets, projections of future financial performance, analysis of the financial effect of proposed transactions, borrowings, and capital structure. The Committee will review financial information with management in most cases before the information is presented to the Commission. The Committee will assist the Commission in analyzing financial information that is presented to them for review. The Committee will advise the Commission of finance matters that it believes require Commission attention.

Routine Committee business includes review and approval of staff prepared budgets, projects, and financial plans for general reasonableness of the underlying assumptions. The Committee will provide recommendations of approval or modification to the Commission.

B. Directives

The Committee shall receive fiscal-related directives for review and revision as referred by the DSN Commission Policy Committee or as referred by the Commission Chairman. Review and approval of directives follows Section III. A. of the Policy Committee Procedures: Committee Undertakes a Review of a Directive or Standards, listed below as adapted to conform to the Finance and Audit Committee.

“The Directive/Standard is reviewed by staff who will make revision recommendations regarding the document. A draft version, including staff recommendations, will be posted to the website and the public will have 10 business days to review and submit comments (see Directive 100-01-DD: Electronic Communications System).”

It is DDSN’s intent to solicit feedback/input from all entities affected by the directives/standards; however, in rare cases the 10 business day period may not occur due to extenuating circumstances.

Committee members will be given a copy of the suggested staff changes prior to posting for public comment. This effort will provide the Committee members a chance to give their input prior to the Directive being posted so that changes can be made prior to posting for public comment.

After the 10 business day public review period, staff will consider and respond to each comment; make additional changes to the Directive or Standards; and present the Directive or Standards to the Finance and Audit Committee at a scheduled meeting. The Committee members may request additional changes and will determine which changes will be accepted based on the comments as well as staff recommendations.

When a consensus is reached by the Finance and Audit Committee, a version representing this consensus will be created for presentation to the DSN Commission for approval. Following approval, the document will be posted on the DDSN website under “Current DDSN Directives” or “Current DDSN Standards.”

DDSN FY 23 Spending Plan Summary

Revenues:

State Funds - Recurring	\$ 114,582,315
State Funds - Nonrecurring	\$ 11,440,000
DHHS Waiver Revenue	\$ 533,112,390
DHHS Waiver Participants - State Plan Medical	\$ 111,367,947
DDSN Medicaid Reimbursements	\$ 124,187,100
DHHS Greenwood Genetic Admin Contract	\$ 1,189,000
DHHS DDSN Administrative Contract	\$ 11,887,000
Respite Program - Self Directed Services	\$ 24,024,600
Prevention (Greenwood Genetic Center)	\$ 6,510,900
Education Improvement Act - DOE	\$ 408,653
New Crisis Stabilization Initiative	\$ 1,000,000
FY23 COLA Appropriation	\$ 2,230,000
Total State Appropriations & Earned Revenue	\$ 941,939,905

Expenditures:

Non-Recurring Items	\$ 11,440,000
DHHS Waiver Revenue	\$ 533,112,390
DHHS Waiver Participants - State Plan Medical	\$ 111,367,947
Community ICF/DD	\$ 56,224,987
Regional Centers	\$ 103,664,303
Autism Community Homes	\$ 1,800,000
Early Intervention	\$ 13,600,000
Medicaid Targeted Case Management (MTCM)	\$ 1,511,100
Respite Program - Self Directed Services	\$ 23,507,240
State Funded Programs	\$ 20,313,280
Prevention (Greenwood Genetic Center)	\$ 11,945,200
Capital Improvement Projects Regional Centers	\$ 3,500,000
DDSN State Owned Building Maintenance	\$ 2,300,000
DDSN Administrative Costs	\$ 31,170,053
New Initiatives:	
ITAC	\$ 185,000
Crisis Stabilization	\$ 4,505,000
Youth Intensive Residential Capital for 4 Homes	\$ 1,200,000
Effort of Maintenance	\$ 1,689,391
Level of Care Assessment Technical Advisory	\$ 250,000
Regional Centers Improvements	\$ 3,933,000
Training Coop Grants	\$ 400,000
Administration	\$ 916,262
Total Expenditures	\$ 938,535,153

FY23 Net Operating Lapse/Deficit	\$ 3,404,752
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FY22 Cash Carry Forward

FY22 Cash Carry Forward	\$ 69,328,804
FY22 6.2% FMAP Revenue	\$ 59,217,396
FY22 10% FMAP Revenue - TBD by DHHS	
FY23 Cash Carry Forward	\$ 128,546,200

FY23 Projected Available Cash	\$ 131,950,952
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TO: DDSN Commission, Finance and Audit Committee

FROM: Michelle Fry, J.D., Ph.D., State Director

RE: Proposed New Initiatives

DATE: 8/9/2022

New Initiative I: Stabilization options for dually-diagnosed and/or behaviorally complex individuals

South Carolina does not currently have sufficient options for supporting people through residential services or for stabilizing those individuals who are dually diagnosed with mental illness (MI) and/or have complex behavior needs so they can be appropriately supported with residential services. There are a number of challenges in finding appropriate supports and services for these individuals.

Staffing

The current rates for the “High Management” tiers of Residential Habilitation are the highest rates available for residential services. These rates are higher because they require increased staffing with increased training that specifically includes both: **1)** training in positive behavior supports for *all* staff who will work in the residence; and **2)** either a BCBA a BCBA *or* someone with a Master’s degree in behavior analysis, psychology, special education or a closely related field and have a minimum of two (2) years of experience in the use of the principles of applied behavior analysis in the habilitation of people with intellectual disabilities/related disabilities including experience in the development of Behavior Support Plans (this is reiterated below) to deliver a specific number hours of Intensive Behavioral Intervention (“IBI”) as part of residential habilitation.

Regarding 1: As the Commission has already been briefed, there has been a multi-year interruption in the provision of and access to the PBS training that historically was offered through a partnership between DDSN and the Center for Disability Resources (“CDR”) with USC School of Medicine. This service has been reestablished effective July 1, 2022 but due to the lapse in access of training, it will take time for training to be provided to *all* staff delivering these tiers of Residential Habilitation and also will take time before the impact of the training will be realized. While the requirement for PBS training will be highly beneficial, DDSN believes that additional behavioral science expertise through hiring of Registered Behavior Technicians (RBTs) will reflect best practice and provide needed support for the individuals who are target recipients of this initiative.

Regarding 2: The “high management” rates only require and thus compensate for 2.5 hours per month from the BCBA or otherwise qualified behavioral expert. For an individual with significantly severe and complex behavioral challenges, 2.5 hours per month from a behavior expert is not sufficient.

Moreover, the rate and underlying methodology does not contemplate the need for support from psychiatric nurses or a psychiatrist support (discussed below), nor does it contemplate the need for increased staffing necessary to support and stabilize those with dual diagnoses and complex behavior needs.

Medication

Individuals who are dually diagnosed and are not stable from a psychiatric standpoint may be prescribed medication *pro re nata* (prn), referring to medication that is not scheduled and is given as needed, based on the symptoms or behaviors exhibited by the person. These PRN medications are routinely given in hospitals and in mental health facilities. DDSN settings (i.e., settings in which Residential Habilitation and Intermediate Care Facility (ICF) services are delivered) are both prohibited from the administration of prn medications. Furthermore, adjusting and regulating medications for behavior control and mental illness requires regular and ongoing care from a psychiatrist along with increased nursing expertise to monitor the effectiveness of those medications. Regular, ongoing psychiatric treatment is not what DDSN facilities typically provide.

In summary, absent robust and collaborative mental health services, individuals who are continuing to demonstrate complex behaviors require an increased and different staffing model than what is currently contemplated under the various Residential Habilitation tiers and what is typically provided in an ICF.

DDSN seeks approval to establish a Regional Center-Based Stabilization Unit and a Community-Based Crisis Stabilization unit. The Regional Center-Based Stabilization Unit will be established to address the immediate need and to begin to validate the requirements for any stabilization model. For the Community-Based Crisis Stabilization unit, DDSN will seek to collaborate with a community-based provider to establish the unit. Community-based models for stabilization have been established in other states as a Medicaid reimbursable service. Establishing both Regional Center and Community-based models provide DDSN with the information necessary to seek Medicaid reimbursement for future Community-based models once the model is validated.

DDSN has analyzed programs in other states, reviewed research, and consulted experts in designing the professional and direct support staffing that underly the estimated program cost. Agency staff will work with the Legislative Committee to propose this as a legislative initiative for the FY23 Legislative session. It will further be an Agency goal to support this initiative to eventually be fully community-based through the recruitment and qualification of appropriate providers. The current models are proposed based on urgency of current circumstances. DDSN will utilize the Interdisciplinary Technical Advisory Committee (ITAC) to inform access to this service.

DDSN is optimistic that individuals who are stabilized through these services will be able to exercise choice among existing Residential Habilitation providers for their continued services.

New Initiative 2: Youth Residential Autism Homes Capital Grant

DDSN has previously not provided residential habilitation for youth, with the rare exception of 2 CTH IIs operated by Coastal Autism/Pine Grove (same ownership), who also operate the DSS-licensed Group Care Intensive Homes.

Based on review of the continuum of services available in other states as well as need in South Carolina, DDSN has received monies from the Legislature to establish 3-4 Youth Intensive Residential Habilitation Homes. DDSN is currently working to finalize the Provider Qualifications and recruit DSN Boards as well as Private Providers to deliver this service. DSN Boards have access to Housing Trust Fund dollars, which are capped at three hundred-thousand dollars (\$300,000.00). DDSN proposes a comparable grant program, funded from remaining 6.2% FMAP monies, that would allow Qualified Private Providers to

access the same monies. The request is set at \$1.2m which assumes that all four (4) providers would be private, but is it possible that fewer would be private providers and the monies would not be expended.

New Initiative 3: Provider Grants for shared/cooperative services for training and/or staffing

As the landscape for service provision evolves and the labor market changes, DDSN Providers are presented with the opportunity and challenge of rethinking approaches to staffing and training. DDSN staff seek approval for two (2) competitive grant programs designed to facilitate cooperative approaches to meet these needs. Research has shown that such cooperative models are often used in other sectors and states to effectively meet training and staffing needs.

Specifically, the goal of the shared staffing grant program will be to encourage the development of sharing of full-time staff hired either by the cooperative entity for common administrative functions which require professional staff but for which one provider, alone, may not have full-time work. Those administrative functions may include but not limited to accounting and human resources. Such a cooperative model would financially benefit all participating cooperative providers.

The aim of the shared training grant is to encourage and support staff training needs that are shared by Providers but are also not appropriate for DDSN to provide. When contracting with DDSN and/or enrolling with Medicaid, each provider asserts its ability to deliver the services in accordance with the applicable policies and standards for which it contracts/ enrolls. While DDSN has a role in training, DDSN cannot assume the responsibility for training newly hired staff that are required for service delivery. For some providers, especially small providers, the ability to train newly hired staff in key positions (e.g., Residential Services Director, QIDP, Day Services Director, etc.) is limited. Cooperative models are often used in other sectors and states to ensure the knowledge specific to the function or role is transferred from professional to professional. Cooperative training models can offer providers within the cooperative the opportunity to share knowledge, promising practices, and offer the opportunity to problem solve with other professionals.

DDSN is optimistic that these grant opportunities will encourage and support innovative and financially viable approaches to Providers' needs in these areas.

New Initiative 4: Expanded Sole Source Initiative with IntellectAbility:

IntellectAbility created the first and one of the most comprehensive suites of risk resolution and learning tools for professional supporters of individuals with disabilities. The Health Risk Screening Tool, COVID-19 Tracker, IntellectAbility Learning Management System Access, IntellectAbility Academy Courses, electronic Person-Centered Description, and Virtual Person-Centered Thinking Training are currently being used by the DDSN and its provider network. DDSN seeks to extend/expand the use of these tools, training, and platforms to maintain the current system and advance their benefit to DDSN, its network of providers, and the individuals served.

The expanded efforts include:

- Implementing a One Page Description to accompany the electronic Person-Centered Description which has been custom developed for DDSN,
- Expanding the use of IntellectAbility Academy Courses including courses custom developed for DDSN through IntellectAbility Productions,

- Broadening access to the IntellectAbility Learning Management System Access to support the delivery of the unique, custom eLearn courses designed specifically for SC DDSN, and
- Implementing Person-Centered Coach Training to develop expertise within DDSN on the foundational skillset set forth in Virtual Person-Centered Thinking Training, develop the expertise to provide guidance to those completing the electronic Person-Centered Descriptions and One Page Descriptions, and develop the knowledge required to complete quality assurance reviews on electronic Person-Centered Descriptions and One Page Descriptions completed by case managers.

Consideration of Surplus Property

Disposition of Lots 2 and 3 – Diane Road, York, SC

Staff needs Commission approval to surplus Lots 2 and 3 Diane Road, York, SC. Commission has previously approved the surplus of these lots in 2019. However, due to the time lapse in the previous approval an updated approval is being sought. The relevant facts are:

- The lots were bequeathed to the SC Department of Mental Retardation in 1985, per the deed recorded in York County courthouse. These two un-improved residential lots are recorded in a single plat totaling 1.6 acres.
- DDSN was unaware of owning these lots until February 2019 after researching question raised by a York realtor. The two lots do in fact belong to DDSN and not Mental Health or any other agency.
- DDSN has no plans for these Diane Road Lots.
- An appraisal in April 2019, gave an opinion of the market value of \$20,000.
- Once the lots are fully approved as surplus property by all involved parties, DDSN will move forward via the Division of Real Property Services, State Fiscal Accountability Authority's (SFAA), to list the property with the state contracted realtor (CBRE) for marketing and selling the property. The property has to be sold on the open market at or above the appraised value.
- Proceeds from such sale will be split between DDSN and the State after reimbursing DDSN for its outlay for the appraisal.
- Upon approval by the Commission DDSN will work with staff at the Division of Real Property Service (SFAA) to complete the sale.

UPDATE 7/6/2022:

- A new appraisal was received on 6/21/2022 that showed the property has a market value of \$35,000.

UPDATE 8/10/2022:

- Per communications with CBRE: \$35,000 could be a high list price given the rural location, low resident density, and approximately 20% of the property would be considered in a flood zone.

Michelle G. Fry, J.D., Ph.D.

State Director

Janet Brock Priest

Associate State Director

Operations

Lori Manos

Associate State Director

Policy

Constance Holloway

General Counsel

Harley T. Davis, Ph.D.

Chief Administrative Officer

Nancy Rumbaugh

Interim Chief Financial Officer

Greg Meetze

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Reference Number:	300-05-DD
Title of Document:	Maintenance and Improvements of DDSN-Owned Properties
Date of Issue:	February 8, 1990
Date of Last Revision:	August 18, 2022 (REVISED)
Effective Date:	August 18, 2022
Applicability:	DDSN Providers Occupying DDSN-owned Properties

PURPOSE

It is the policy of the South Carolina Department of Disabilities and Special Needs (DDSN) that properties owned by the agency be structurally sound, cost effectively maintained, and promote the health, safety, and welfare of those who utilize the property.

Pursuant to Proviso 36.6, the purpose of this directive is to establish the process whereby properties that are owned by DDSN and are occupied by a DDSN services provider (Occupant) are adequately maintained and improved.

DEFINITIONS

Building Envelope: Includes all exterior components such as the roof, cladding, foundation, exterior windows, and exterior doors. The building envelope refers to all building elements that would protect the Interior Components of the building from the ambient environment and allow for climate control.

Fixed Equipment: Includes building elements such as HVAC systems, fire protection systems, electrical systems, plumbing systems, hard-wired or ducted kitchen equipment, refrigerator, washer, and dryer.

Interior Components: Includes interior finishes and accessories such as flooring, tile work, cabinets, countertops, and interior doors/jambs.

Site Work: Includes elements of the property that are not part of a building or any other structure. This refers to items such as grading, site drainage, erosion control, retaining walls, and paving, such as driveways or sidewalks.

Custodial Maintenance: Refers to daily or routine tasks to maintain the property in a workable and livable condition. These activities include, but are not limited, to housekeeping, lawn care, painting, minor repairs to toilets and faucets to stop leaks or running, unclogging drain lines, and changing out HVAC filters, lighting fixtures, or electrical ballasts/bulbs.

Improvements: Refers to modifications, renovations or alterations of DDSN-owned properties.

Emergency: Refers to an immediate threat to public health, welfare, critical economy and efficiency (e.g., hurricanes), or safety.

GENERAL

DDSN-owned properties include residences that may be operated by the Occupant as an Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID), a Community Residential Care Facility (CRCF), or a Community Training Home II (CTH-II); program buildings through which the Occupant delivers DDSN-sponsored Day Services; or office space. As the owner of the property, DDSN is committed to adequately maintaining the property.

DDSN will be responsible for:

- All care, maintenance, and replacement of the **Building Envelope**.
- All care, maintenance, and replacement of the **Fixed Equipment**.
- All care, maintenance, and replacement of the **Interior Components**, except in the case of damages by those supported or staff members.
- All care, maintenance, and replacement of the **Site Work**, except in the case of damages by those supported or staff members.
- Ensuring each property is properly insured for hazard and loss protection, which will include any DDSN-owned furnishings. DDSN will not provide insurance coverage for any structures not erected by DDSN, nor any furnishings or belongings beyond those listed.
- Removal of dead trees.
- Maintaining a termite bond and protection as deemed prudent by DDSN.
- Maintaining possession of keys to all properties. Except in an emergency, DDSN will provide the Occupant 24 hours' notice prior to entering the property for the purpose of property inspection, maintenance, and/or repairs.
- Following processes described below.

Occupant will be responsible for:

- Demonstrating a basic level of knowledge, understanding, and competence with regards to property maintenance. This includes employing competent and capable maintenance staff with a general knowledge of care and maintenance of residential and commercial buildings.

- Notifying DDSN immediately upon discovery of any life safety deficiencies.
- Notifying DDSN immediately upon discovery of any critical maintenance deficiency that could result in larger or more costly maintenance and repairs if not addressed. Failure to notify DDSN of these critical maintenance deficiencies may result in the Occupant being held financially responsible for the repairs of such items.
- Damages (excluding normal wear and tear) caused to the **Building Envelope, Fixed Equipment, or Interior Components** by those supported or staff members. Such damages must be reported to DDSN within ten (10) business days.
- **All Custodial Maintenance.**
- All required inspections related to maintaining any required licensure. Any deficiencies cited on those inspections should be reported to DDSN immediately.
- Using sound judgement to determine if the issue constitutes an **Emergency** as defined above.
- Adhering to South Carolina Consolidated Procurement Code (<https://www.scstatehouse.gov/code/t11c035.php>). Failure to properly procure maintenance and repair work may result in any requests to DDSN being denied. Vendors must be registered with the state (<https://procurement.sc.gov/doing-biz/registration>)
- Following processes described below.

When the property is used as a residential setting in which Residential Habilitation is delivered, the Room and Board payments charged to residents will not include “maintenance,” “taxes and insurance,” and “pest control.”

IMPROVEMENTS

The Occupant shall make no **Improvements** to the property without written approval from DDSN. Examples of such improvements include, but are not limited to:

- Dividing or opening rooms by adding or removing interior walls.
- Cutting new door/window openings.
- In-filling existing door/window opening.
- Cutting existing doors.
- Removing door closers.
- Modifying the fire alarm system.
- Adding a carport, covered entry, and/or patio cover.
- Constructing or adding a storage building or shed.
- Adding fencing.

All approved **Improvements** shall comply with state and local laws and be approved by the Authority Having Jurisdiction (AHJ) prior to commencement. If **Improvements** are desired, the Occupant must submit a request to DDSN’s Division of Engineering and Planning. Requests must include a written description and projected cost of the proposed **Improvements**. DDSN will reserve the right to consider the benefits of requested **Improvements** to those who use the property, and if the **Improvements** will impact the property’s value. No work can begin until DDSN’s written approval is received by the Occupant.

PROCESSES

Non-Emergency Requests Related to Building Envelope, Fixed Equipment, and/or Interior Components

1. All non-emergency requests related to the care, maintenance, or replacement of the property's **Building Envelope, Fixed Equipment, and Interior Components**, should be made to DDSN using the email address maintenance@ddsn.sc.gov
2. Requests are required to include the following information:
 - a. A written description of what repairs and/or replacements are needed,
 - b. All required procurement documentation, to include but is not limited to, required quotes, written requests for quotes, and written "scope of work" used to obtain quotes from contractors (see <https://www.procurement.sc.gov/osp/policy> for details), and
 - c. A completed Request for Purchase (RFP).
3. DDSN will review all submitted requests within 30 days.
4. If the request complies with this Directive, DDSN's Division of Engineering and Planning will approve the request and DDSN's Division of Procurement will generate a purchase order (PO) for the approved quotes. No maintenance or repair work shall commence prior to the Occupant receiving a PO from DDSN.
5. Upon completion of repairs and/or replacements, the Occupant shall verify all work is complete and/or ensure proper operations.
6. Invoices shall be made out to DDSN and be submitted to DDSN at the email address above along with written verification that all work is completed to satisfaction. DDSN will be responsible for approving invoices that meet the above-mentioned criteria, and processing them upon receipt.

Emergency Requests Related to Building Envelope, Fixed Equipment, and/or Interior Components

1. In the event of an **Emergency**, the Occupant may proceed with repairs and/or replacements without approval from DDSN. However, DDSN must be notified using the email address above.
 - a. The notification should document the emergency condition and the circumstances or events that resulted in the emergency condition.
 - b. The notification should be provided as soon as reasonably possible.
2. DDSN reserves the right to protest the Occupant's emergency determination.

Requests Related to Improvements

1. Requests for **Improvements** should be made to the email address above and include the following information:
 - a. Type of **Improvement** being requested, and
 - b. Justification for how the **Improvement** will benefit those that use the property and/or impact the property's value.
2. DDSN will review requests for **Improvements** and provide written approval or denial in within 30 days.

Previously Completed Care, Maintenance, and Replacement by The Occupant to DDSN-Owned Properties

1. If **Improvements** were completed, or care, maintenance, and/or replacements were made to the **Building Envelope, Fixed Equipment, and Interior Components** by the Occupant between when Proviso 36.6 came into effect (July 1, 2021), and when this directive was revised, DDSN will review documentation related to the care, maintenance, or replacement to determine if reimbursement is allowable.
2. All previously completed work must have followed the South Carolina Consolidated Procurement Code and all documentation must be submitted to the DDSN Division of Engineering using the email address listed above in order for the request to be considered for reimbursement.

Barry D. Malphrus
Vice-Chairman

Stephanie M. Rawlinson
Chairman

PROPOSED TO MARK OBSOLETE

Attachment I

Beverly A. H. Buscemi, Ph.D.
State Director
David A. Goodell
Associate State Director
Operations
Susan Kreh Beck
Associate State Director
Policy
Thomas P. Waring
Associate State Director
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Vicki A. Thompson

Reference Number: 300-04-DD

Title of Document: Maintenance of Physical Plant

Date of Issue: February 10, 1988
Effective Date: February 10, 1988
Last Review Date: March 14, 2016
Date of Last Revision: March 14, 2016 (REVISED)

Applicability: DDSN Owned Facilities

Purpose

This directive establishes policies relative to the proper maintenance of South Carolina Department of Disabilities and Special Needs (DDSN) owned facilities, including minor modifications and renovations.

Definition

For the purpose of this directive, maintenance is defined as including minor renovations such as installation of handicapped accessible devices, wall relocation, repair, and preventive maintenance, which are the responsibility of the DDSN Regional Center. Renovation work shall not be commenced until approved by Engineering and Planning.

Responsibility

Except as provided for community residential facilities under management contract with DDSN, this directive covers maintenance of all physical plant facilities owned by DDSN.

Maintenance of structural, mechanical, electrical, and life safety components of buildings, on a repair or scheduled basis, to maintain a safe, comfortable and livable environment shall be the

DISTRICT I

P.O. Box 239
Clinton, SC 29325-5328
Phone: (864) 938-3497

Midlands Center - Phone: 803/935-7500
Whitten Center - Phone: 864/833-2733

DISTRICT II

9995 Miles Jamison Road
Summerville, SC 29485
Phone: 843/832-5576

Coastal Center - Phone: 843/873-5750
Pee Dee Center - Phone: 843/664-2600
Saleeby Center - Phone: 843/332-4104

responsibility of the DDSN Regional Center, in accordance with Agency Procurement Manual and State Guidelines.

Minor renovations or modifications/upgrades cited as deficiencies shall be the responsibility of the DDSN Regional Center and shall be scheduled to be done from the DDSN Regional Center operating budget or as a preventive maintenance or accessibility project if approved.

Major renovation and upgrade of facilities shall be requested through the permanent improvement project process.

Procedures

Except as provided for community residences under management contract, all general maintenance work, including maintenance of mechanical, electrical and fire alarm systems and fixed equipment, shall be done by the sub-District/Regional Center maintenance staff. Maintenance may be done by outside contracts under one or more of the following conditions:

- A. The facility requiring maintenance is located more than 20 miles of travel from the DDSN Regional Center.
- B. The urgency of the maintenance is such that it is a life safety hazard to the consumers, and the sub-District/Regional Center staff cannot complete the work in an acceptable timely manner.
- C. Major work requiring funding through a permanent improvement project.
- D. The type work is performed so infrequently that it is impractical to maintain an adequate staff including:
 - (1) Major roof replacement or repair.
 - (2) Vinyl wall covering, tile and carpet installation.
 - (3) Asphalt and concrete paving work.
 - (4) Elevator service and repair.
 - (5) Servicing of major food preparation/service and laundry equipment.
- E. Life safety systems such as fire alarm and fire sprinkler that require a licensed technician to perform service.

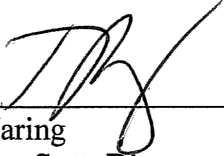
All contracted maintenance work shall be procured in accordance with the department procurement manual and the state consolidated procurement code.

Each DDSN Regional Center shall budget for and carry out a planned preventive maintenance program to maintain the physical plant in good repair. Preventive maintenance done with DDSN Regional Center maintenance staff or contractually, within the DDSN Regional Center procurement limit, shall be the responsibility of the District or as approved for a preventive maintenance project.

Maintenance Staff

DDSN Regional Centers shall have properly qualified and licensed personnel in the areas of plumbing, electrical and HVAC to maintain the technically sophisticated systems.

The engineering and planning division shall provide technical assistance to the DDSN Regional Center maintenance staff to trouble shoot problems, to insure compliance with building codes and regulations and for procurement of construction services.



Tom Waring
Associate State Director-Administration
(Originator)



Beverly A.H. Buscemi, Ph.D.
State Director
(Approved)

Reference Number: 200-12-DD

Title of Document: Management of Funds for ~~Individuals~~ Persons Participating in Community Residential Programs ~~receiving Residential Habilitation~~

Date of Issue: June 30, 1992
~~Effective Date: June 30, 1992~~
~~Last Review Date: March 2, 2016~~
 Date of Last Revision: ~~March 2, 2016~~ XXXX, 2022 (REVISED)
 Effective Date: ~~June 30, 1992~~ XXXX, 2022

Applicability: ~~All Contracted Service Providers of Residential Services, DDSN Regional Finance Offices and DDSN Autism Division~~ All Providers of Residential Habilitation

I. PURPOSE

The purpose of this directive is to state the policies and procedures for protecting the financial interests of ~~individuals~~ persons with an Intellectual Disability or a Related Disability, Autism Spectrum Disorder (ASD), Head and Spinal Cord Injuries or Related Disabilities ~~who receive residential services from DDSN, DSN Boards, and other Contracted Service Providers.~~

Providers should assist with money management and promote normalization in the use of money to the extent of each individual's ~~person's~~ person's capability. Providers are responsible for the funds entrusted to them. Therefore, providers must ensure that financial records are properly maintained and funds are safeguarded ~~and properly spent.~~ and properly managed in accordance with the persons financial plan.

~~Unless specifically stated otherwise, future use of the terms "funds" and "personal funds" in this document refers to the funds that belong to individuals living in the types of residential programs listed in Section II: Applicability.~~

Commented [HC1]: Melissa Hallbick – Babcock Center

This should be expanding to include services received from providers.

Commented [HC2]: DDSN Response:

Agree. Wording added.

H. APPLICABILITY

This document applies to County Disabilities and Special Needs Boards and all other entities providing the following residential programs through contracts funded either directly or indirectly by DDSN:

- ~~Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs/IID)~~
- ~~Supervised Living Programs I and II (SLP I and II)~~
- ~~Community Training Homes I and II (CTH I and II)~~
- ~~Community Residential Care Facilities (CRCF)~~

This directive also applies to DDSN Regional Finance Offices in charge of managing funds for individuals living in ICFs/IID operated by DDSN. In this document, all of the above will be collectively referred to as "providers."

III. CUSTODY OF PERSONAL FUNDS

~~Each Resident~~ or his/her representative payee ~~have~~ has the right to manage his/her own personal funds (includes Cash on Hand (See DDSN Directive 200-01-DD: Cash on Hand Maintained at the Residential Level), funds maintained in the Palmetto ABLE Savings Program (ABLE), burial, checking, collective, investment, pooled trust, and savings accounts, and gift cards). However, when the resident needs assistance ~~to manage their funds and~~ but does not have a family member or trusted friend willing ~~representative~~ to serve as a Representative ~~Payee~~, the resident's funds should be managed under the direction of the residential services provider. Residential Habilitation Provider should apply to become the resident's Representative Payee.

Residential ~~Services Habilitation~~ providers must manage residents' personal funds in accordance with individualized Financial Plans established for each resident. A Financial Plan is an annual personal budget that addresses all expected income and other known resources, all expected financial obligations/other expenditures, and necessary accumulations of resources to address long term (greater than one year) financial goals.

IV. FINANCIAL RIGHTS

~~Individuals~~ Persons receiving residential ~~services habilitation~~ from DDSN have the following rights:

- To retain and manage their own personal funds or assign that responsibility to a legal guardian/designate or authorize a provider to hold, safeguard, and properly manage their personal funds.
- To be notified of all fees charged by the provider.
- To be notified of any items considered to be their financial responsibility in addition to any known fees.

Commented [HC4]: Melissa Hallick – Babcock Center
End of first paragraph – the way this is worded is confusing as it refers to not having someone willing to serve as representative payee for the funds to then be managed by the provider; however, the provider often and usually serves as representative payee.

Commented [HC3]: DDSN Response:
Wording changed to make less confusing.

- To have a known minimum amount of monthly income that is to be available for their personal spending prior to payment of residential fees or other charges.
- To have their personal funds safeguarded against theft or misuse.
- To have reasonable access to their personal funds.
- To have their personal funds managed in accordance with their financial plans and in a way that will not jeopardize Medicaid eligibility or other governmental benefits.
- To receive a complete accounting of their personal funds at least quarterly.

~~During entry into to a DDSN residential program, individuals shall be informed. When a person begins receiving residential habilitation, the residential habilitation provider shall inform the person or his/her representative of their his/her financial rights by a Case Manager or other provider staff member.~~ Documentation that those rights have been explained should be evidenced by a signed Statement of Financial Rights (see Attachment A). This form should be kept in the individual's person's permanent record. ~~An individual's financial rights must be explained to a parent, guardian or next of kin, sponsoring agency or other personal representative if either of the following situations exists:~~

~~a. The Program Team suspects the person is mentally incapable of understanding his/her rights;~~

~~or~~

~~b. The individual has been adjudicated incompetent in accordance with state law.~~

~~Note: Either of these situations require appropriate documentation be retained in the individual's permanent record.~~

IV. FINANCIAL MANAGEMENT

Providers are responsible for the design and implementation of measures sufficient to achieve the objectives stated in this directive. This section describes both principles and required procedures that should be incorporated into provider systems and adhered to by staff for management of personal funds:

A. Principles of Personal Funds Management:

1. Provider staff should follow each individual's person's established Financial Plan. The Financial Plan is developed as part of an overall program for each individual person receiving residential services and it must be included or referenced as required by residential habilitation standards.

2. Personal funds must not be borrowed, loaned or co-mingled by the provider or another person or entity for any purpose. Personal funds must not be combined or co-mingled in any way with provider's operating funds.
3. Generally, personal funds should not be used to pay the cost of staff expenses except to the extent that established fees for services are used to cover provider operating costs. Only under extraordinary and well-defined circumstances (i.e., when special arrangements are made during a ~~n individual's~~ person's plan meeting) should staff expenses be paid using personal funds. Each provider should develop and document a policy addressing occasions, if and when, staff expenses may be paid from personal funds. Documentation of the decision to use personal funds to pay staff expenses and all supporting documents and receipts must be kept in the ~~individual's~~ person's permanent record.
4. Provider staff members who have direct access to accounts containing personal funds must have sufficient financial skills to properly maintain the financial records and documentation of training.
5. Reconciliation of accounts containing personal funds should be assigned to a provider staff member with sufficient financial skills to accurately reconcile the accounts. That staff member must not have the authority to sign documents on the ~~personal funds'~~ accounts.
6. At least once each quarter, a review of all account records must be done by a provider staff member with sufficient knowledge of each ~~individual's~~ person's financial needs and the ability to determine the reasonableness of expenditures. A report of all account activity occurring that quarter should be given to each ~~individual~~ person with personal funds managed by the provider. Providers should develop and document a policy addressing the means and the extent to which staff are required to review the account information with each ~~individual~~ person.
7. Documentation of all uses of personal funds must be maintained in a manner sufficient to demonstrate the amounts and purposes for all expenditures and sources of all income.
8. For providers who choose to manage personal funds in a collective account, the collective account must be supported by a system of record keeping sufficient to establish a separate sub-account for each ~~individual~~ person with funds in the collective account and to allocate a pro-rata share of any interest earned to each sub-account within the collective account. People with personal funds in a collective account should not be charged bank fees associated with the account. **(Note: Providers must obtain written approval from the DDSN Director of Finance to operate a collective account. Additionally, approval must also be obtained from the Social Security Administration. For more information, please refer to the Social Security Administration's Program Operations Manual System, Section GN 00603.020: Collective Checking and Savings Accounts Managed by Representative Payees.)**

9. For ~~individuals~~ persons receiving benefits from governmental agencies (such as **Social Security, Veterans Administration or other unearned income sources**), personal funds must be managed in accordance with the regulations of those governmental agencies.
10. Direct deposit of governmental benefits should be made available.
11. All employees and agents of DDSN with access to personal funds must be bonded at a rate equal to the total amount of all personal funds for which they are responsible. DDSN must be named as a co-loss payee on the bond.

THE FOLLOWING REQUIREMENT (#12) IS APPLICABLE TO ICF/IID PROVIDERS ONLY

12. For providers of residential services who enter into an ICF/IID contract with DDSN, DDSN retains certain responsibilities with regard to fees, called "Care and Maintenance," and individual income determinations for personal funds use. Specifically, DDSN must comply with the Social Security Administration's regulations by coordinating all of the following activities:
 - Reporting income/resources to DHHS to maintain Medicaid eligibility.
 - Reporting to DHHS to establish Medicaid participation in the cost of ICF/IID care.
 - Submitting monthly billings to Medicaid for ICF/IID residential care.
 - Submitting monthly billings to persons or other responsible parties for monthly Care and Maintenance fees.

To fulfill the above requirements DDSN must have complete knowledge on a monthly basis of all income and remaining financial resources of each ~~individual~~ person receiving residential services from ICFs/IID operated by DDSN. Obtaining this information requires coordination between the ICF/IID Provider and the associated DDSN Regional Finance Office. This coordination may be accomplished by using either:

- an Imprest Account, or
- the Alternate Method.

Imprest Account

In this method all personal funds for ~~individuals~~ persons participating in ICF/IID programs flows through a Regional Bank, which is managed by a DDSN Regional Finance Office. Upon ~~an individual's~~ a person's entry into an ICF/IID program, the Regional Bank sends to the provider a small amount of money, usually \$200 or less, to be used for the ~~individual's~~ person's day-to-day financial needs. The funds should be deposited into an account that is managed as other

residential funds are according to Item #12 above, the additional requirement for ICF/IID Providers. This type of account is called an Imprest Account. As funds are used, the Provider requests reimbursement by sending detailed expenditure reports to the DDSN Regional Finance Office. The Regional Bank documents the total of actual expenditures and processes the reimbursement. Monthly Care and Maintenance fees are paid directly from the Regional Bank. Major purchases are paid directly from the Regional Bank. All personal funds, including governmental benefits, are deposited into the Regional Bank.

By following these Imprest Account procedures, the Regional Bank maintains current and complete information on each individual's income, expenditures and resource balances.

Alternate Method (Central Office Finance Approval is Required)

In this method the Regional Bank coordinates the receipt of all governmental benefits, wages and any other receipts that are considered "recurring income." The Regional Bank records all benefits and recurring income received and pays monthly Care and Maintenance fees. Any balances remaining after the payment of Care and Maintenance fees are sent directly to the provider, with the exception of benefit back-payments and/or other large lump sum receipts. All other income and expenses are managed directly by the provider. On a monthly basis, providers must submit a report of all expenditures and current cash balances to their associated DDSN Regional Finance Office. **To comply with Social Security Administration requirements, documentation (such as copies of purchase receipts, invoice copies, etc.) for expenditures of \$200 or more must be sent with the monthly expenditure report to the DDSN Regional Finance Office.** The Regional Finance Office uses the monthly expenditure reports in conjunction with documented Regional Bank activity to get a complete picture of each individual's income, expenditures and resource balances.

Note: Providers must obtain approval from the DDSN Central Office Director of Finance to use the Alternate Method. Approval is considered and granted on a case-by-case basis. If at any time the Central Office Director of Finance finds that the information obtained from a provider under this method is not received timely, is incomplete or inaccurate, the approval may be rescinded. If approval is rescinded, the provider must immediately return to the Imprest Account Method.

In both methods described above, all accounts must be managed according to the principles outlined in this section.

B. Required Procedures for Managing Personal Funds in Individual Accounts:

Personal funds are normally managed by providers in individual or separate bank accounts established for each person in his/her residential setting. Some providers manage personal funds using a collective account whereby a system of individual ledgers is separately maintained for each person with funds in the collective account. The procedures described here; however, are specifically for providers operating individual accounts. ~~(Refer to item (C.) for required procedures regarding collective accounts.)~~

1. Unless a provider is approved to operate a collective account, a separate checking account must be established for each ~~individual's~~ **person's** personal funds.
2. Ensure the name on the account clearly indicates that it is for the benefit of a specific ~~individual~~ **person**. (e.g., "ABC County DSN Board, Representative Payee for John Smith" or "John Smith by ABC County DSN Board, Representative Payee"). Do not use "in care of."
3. Ask the bank to either include processed checks with monthly bank statements **or** provide a method to obtain copies of processed checks at no additional cost or a very minimal cost. For imaged check copies, ask the bank to image both sides (front and back).
4. Seek to minimize costs associated with bank accounts, and ensure that each person can reasonably afford the fees.
5. Ask the ~~individuals~~ **persons** for whom your organization manages personal funds to sign checks written on their accounts (in addition to any legally authorized signature).
6. ~~Ensure there is at least two (2) staff (in addition to the individual) authorized to sign checks on the personal funds accounts.~~

Note: If ~~an individual~~ a **person is capable of managing his/her own money, the account should be in that ~~individual's~~ **person's** name and he/she should be the only authorized signer. The provider would not need to manage this individual's money.**

7. Maintain a Bank Signature Card for each ~~individual's~~ **person's** account and keep copies in the ~~permanent~~ record. Ensure that Bank Signature Cards are updated whenever there are changes.
8. Purchase items costing \$50 or more by check to ensure accountability. Record the ~~individual's~~ **person's** name and check number on the purchase receipt. Smaller purchases of \$50 or less may be made with cash from weekly spending funds or cash on hand.

Note: Persons with prepaid cards or store value cards may use them when vendors will not take checks. However, items purchased must be in accordance with their personal financial plans and certain other controls in place.

9. Never write a check payable to cash. Checks should be written to staff members only on a case by case basis with appropriate documentation and supervisor approval. Documentation of the transaction should be kept in the ~~individual's~~ **person's** permanent record.
10. Ensure that all appropriate checking account deposits are made within five (5) business days of receipt. Any savings account deposits should be made using a check written on the checking account to ensure that all transactions are documented.

Commented [HC5]: Melissa Hallbick – Babcock Center

For the person to sign their own account where the provider has set up a rep payee account is against the rules as established by SSA.

Commented [HC6]: DDSN Response:

Agree. Language removed.

11. When available, use the automatic deposit option for benefits from Social Security, Supplemental Security Income, Veterans Administration or other unearned income sources.

Note: When direct deposits are scheduled, routine follow-ups should be done to verify the date and the amount of each deposit. Checkbook registers/ledgers should be updated to reflect account activity in a timely manner.

12. Providers should write checks to cover allowable/stated fees charged for services or they may request automatic bank draft options on personal funds accounts to cover these fees.
13. Reconcile all bank statements to current checkbook/ledger balances within 20 business days of receipt or within 20 business days of the end of the prior month. Providers should assign bank reconciliation responsibilities to a staff member who is not an authorized signer on any personal funds account. After reconciliation, a notation indicating that it has been done should be written on the front page of the bank statement and on the check register. (e.g., Reconciled on *date* by *reconciler*.) If the account is out of balance by more than \$5.00 and the problem is not identified and corrected within ten (10) business days, notification should be sent to the provider's Executive Director. If the problem cannot be resolved and the amount is in excess of \$20.00, the Executive Director should request assistance from the DDSN Director of Finance.
14. Review and attach all cancelled check copies, deposit slips, receipts, pay check stubs or employer summaries to the monthly bank statement (names and check numbers should be recorded on all receipts for purchases made by check.) Bank reconciliations and all attached documentation should be retained for at least six (6) years following the end of a contract period, or if an audit exception is found, until resolution of the audit. In the case of an audit exception, the audit team will indicate when retention of the statements is no longer required.
15. Record all account transactions in each individual's checkbook register/ledger in a timely manner. Quarterly reports of all account activity should be supplied to each individual with personal funds managed by your organization.

C. Required Procedures for Managing Personal Funds in a Collective Account:

If a provider has received permission in writing from the DDSN Central Office Director of Finance **and obtained approval from the Social Security Administration**, they may manage the personal funds of their residential program participants in a collective bank account.

The procedures described in this section are specifically for providers operating a collective account for personal funds using a system of ledgers or sub-accounts that support the main account in detail.

1. Establish a separate checking account apart from all other checking accounts maintained by your organization to be used specifically for personal funds. Ensure the name of the

account clearly indicates that the account is for the management of personal funds. (e.g., "ABC County DSN Board Personal Funds Account")

2. Ask the bank to either include processed checks with monthly bank statements **or** provide a method to obtain copies of processed checks at no additional cost or very minimal cost. For imaged check copies, ask the bank to image both sides of checks (front and back).
3. Establish the account so that no costs or bank fees are charged to the people whose personal funds are in the account.
4. Maintain proper accounting records to explain all activity in the collective account. The records should document actual cash balances and all deposit/check transactions.
5. Establish a set of ledgers or sub-accounts to support the main account. Individuals whose personal funds are maintained in the account should have their ledger or sub-account notated with identifying information such as their last name, first initial, and the last four (4) digits of their social security number. (e.g., *Smith, J., XXX-XX-1234*)
6. Authorize at least two (2) members of Finance or Administrative staff to sign checks on the collective account.

Note: If an individual a person is capable of managing his/her own money, a separate personal checking account should be established in that individual's person's name. The provider would not need to manage this individual's person's personal funds. This must also be notated in the person's financial plan.

7. Purchase items costing \$50.00 or more by check to ensure accountability. Record the individual's person's name and check number on the purchase receipt. Smaller purchases of \$50.00 or less may be made with cash from weekly spending funds or cash on hand.
8. Require staff to complete a purchase request form for all purchases except normally budgeted items such as groceries, utility bills, etc., or weekly spending purchases. The purchase request form should have a field to indicate if a check is needed or if approval to charge a purchase is needed.
9. Never write a check payable to cash. Checks may be written to staff members only on a case by case basis with appropriate documentation and supervisor approval. Documentation of the transaction should be kept in the individual's persons permanent record.
10. Ensure that all deposits are made within five (5) business days of receipt.
11. When available, use the automatic deposit option for benefits from Social Security, Supplemental Security Income, Veterans Administration or other unearned income sources.

Note: When direct deposits are scheduled, routine follow-ups should be done to verify the date and amount of each deposit. Ledgers or sub-account records should be updated to reflect activity in a timely manner.

12. Providers should write checks to cover allowable/stated fees charged for services or they may request automatic bank draft options on personal funds accounts to cover these fees.
13. Reconcile bank statements to current ledger balances within 20 business days of receipt or within 20 business days of the end of the prior month. Providers should assign bank reconciliation responsibilities to a staff member who is not an authorized signer on the personal funds account. After reconciliation, a notation indicating that it has been done should be written on the front page of the bank statement and on the ledgers. (e.g., Reconciled on *date* by *reconciler*.) If the account is out of balance by more than \$5.00 and the problem is not identified and corrected within ten (10) business days, notification should be sent to the Provider's Executive Director. If the problem cannot be resolved, and the amount is in excess of \$20.00, the Executive Director should request assistance from the DDSN Director of Finance.
14. Maintain a system of record keeping that will enable checks to be traced to supporting purchase request forms and all deposits to supporting validated deposit slips. Supporting documentation for all transactions should be identified to the sub-account. All receipts for purchases made by check should have the ~~individual's~~ person's name and check number recorded on them. Providers should retain bank reconciliations and receipts on file for at least six (6) years following the end of a contract period, or if an audit exception is found, until resolution of the audit. In the case of an audit exception, the audit team will indicate when retention of the statements is no longer required.
15. Accept purchase request forms during normal business hours. Purchase requests received during normal business hours should be processed promptly and the requester notified of an approval/denial by the end of the next business day.
16. Record all account transactions in each subaccount register in a timely manner. Supply quarterly reports of all account activity to each ~~individual~~ person with personal funds managed by your organization. (If a collective account is interest bearing, see item A.8 under Section IV: Financial Management.)

VI. CASH ON HAND

As part of the development of a Financial Plan for an individual receiving residential services, the individual, with the assistance of his/her Program Team, should determine a reasonable amount of funds per week that may be spent through cash purchases (called "weekly spending") and a reasonable amount of cash to have on hand. Cash on hand includes cash held by provider staff for an individual in the residence plus cash actually held by the individual. Unless supported programmatically and documented in an individual's Financial Plan, cash on hand should not exceed \$50.00.

Each provider should have a system of record keeping in place that is consistent with DDSN Directive 200-01-DD: Personal Funds Maintained at the Residential Level, to account for all cash on hand held by provider staff. The records must be sufficient to show at any given point in time the amount of cash held that belongs to each individual in the residence and all additions to and uses of cash. All cash held by staff should be counted at least monthly by a staff member who does not have authority to receive or disburse cash. The count should agree to the records and be documented in the cash record.

VI. DEATH

A. Personal Funds

Should ~~an individual~~ a person pass away while living in a DDSN residential program, all funds conserved or managed by providers ~~DDSN Regional Finance Offices~~ should be frozen and no disbursements made without the legal authority of the Probate Court except for reasonable funeral expenses.

B. Notification of Death

Within ten (10) calendar days of the date of death, ~~DDSN Regional Finance Offices~~ the Representative Payee should send a written notification of death to the probate judge of the county in which the death occurred. (Typically, the county of legal residence is the county where the individual person was receiving residential services). If prohibited by a presiding judge from filing a notification of death, the parents, next of kin, or guardian should notify the court.

A copy of the death notification should be sent to the parent(s)/guardian(s)/next of kin, the financial representative, if known, and the individual's person's Case Manager. If the individual person owned property in other counties or states, the probate judges in those counties should be notified also.

The notification of death should contain all of the following information:

1. A complete financial accounting and listing of the decedent's assets and known liabilities (funds owed to the provider should be included under liabilities).
2. The name and address of the parent(s)/guardian(s)/next of kin.
3. The name and address of the personal representative, if known.
4. A request for legal authorization to disburse from the decedent's personal funds.

Based upon the Guide for Organizational Representative Payees, when a beneficiary dies the following must occur:

For Social Security Administration (SSA) Benefits – Beneficiary must return payment for the month of death. Social Security benefits are paid one month in arrears. See example:

A Social Security beneficiary dies in June, and SSA does not learn of his death in time to stop the payment that is made in July representing payment for June, the month of death. The benefit paid in June (which is for May) is to be retained by beneficiary. If a payment is made in July (which is for June) it must be returned.

For SSI Benefits – Beneficiary is allowed to retain the payment received for the month of death. See example:

An SSI beneficiary dies on June 4. The beneficiary can retain the payment received in June. If you receive a payment in July it must be returned.

Please refer to the Guide for Organizational Representative Payees, Pages 36-38 for any additional information or clarification. The guide can be found at: <https://www.ssa.gov/payee/NewGuide/toc.htm>.

For reimbursement of costs from any remaining balance in the deceased's estate, DDSN shall follow the procedures set forth in DDSN Directive 505-02-DD: Death or Impending Death of Persons Receiving Services from DDSN.

VIII. TRANSFER OR DISCHARGE

Unspent Social Security or SSI funds that the Residential Habilitation Provider holds on behalf of a beneficiary belongs to that beneficiary. When the Residential Habilitation Provider is no longer payee for that beneficiary, the provider must immediately return all conserved funds, including interest, as well as cash on hand, to the Social Security Administration (SSA) so that SSA can transfer the funds to a new payee or to the beneficiary directly if he or she no longer needs a payee. Within ten (10) business days after ~~the transfer or discharge of an individual receiving DDSN residential services~~ exiting residential habilitation or transferring to a new residential habilitation provider, a check from his/her personal funds account should be forwarded to the new residence along with a copy of his/her most current financial statement. ~~The amount of the check should be determined by the individual's Program Team and be enough to cover anticipated living expenses until a change in representative payee status can be completed (approximately two (2) to three (3) months). After forwarding a check for the individual's immediate living expenses to the new residence, any balance remaining in his/her account, less any outstanding expenses, should be returned to the Social Security Administration for forwarding to the new representative payee. All outstanding liabilities/bills should be settled within 60 days after an individual's transfer/discharge and the account closed.~~

Commented [HC7]: Laura Heise – United Cerebral Palsy of SC

That is in direct conflict with how the Federal Social Security Administration tells representative payees to handle funds when we are no longer rep payee:

Per Social Security:

Conserved Funds After You Stop Being Payee
([Table of Contents](#))

Unspent Social Security or SSI funds that you hold on behalf of a beneficiary belong to that beneficiary. When you are no longer payee for the beneficiary, you must immediately return all conserved funds, including interest, as well as any cash on hand, to us so that we can transfer the funds to a new payee or to the beneficiary directly if he or she no longer needs a payee.

Commented [HC8]: DDSN Response:

Agree. Wording changed to agree with the Guide for Organizational Representative Payees.

~~IX~~**VIII. PROCEDURES AND FORMS**

Providers are responsible for developing and implementing procedures and forms that adhere to the principles and objectives stated in this directive. Attached to this directive are examples of forms that providers may use for guidance. Providers may use these forms, develop new ones or combine the two as long as the procedures implemented conform to the principles and objectives in this directive.

~~X~~**IXVIII. FREQUENTLY ASKED QUESTIONS**

Following is a list of frequently asked questions with references to the appropriate section in this directive:

1. **Would it be appropriate to develop separate directives for each of the different residential programs?** (See ~~Section II.~~ Applicability ~~Section~~)

The intent of this directive is to give providers minimum guidelines for managing personal funds and to let them implement those guidelines in their own settings. These guidelines address the basic requirements for sound financial management of a fiduciary responsibility and they apply equally regardless of the particular residential program. Therefore, only one directive is necessary.

~~There is one exception, however, to the application of the basic guidelines contained in this directive and that is ICF/IID contracts. Because of DDSN's responsibility for maintaining Medicaid eligibility for the people participating in this type program, additional requirements are necessary. (See Section V. Financial Management)~~

2. **What is a provider's responsibility for the use of personal funds when the provider is not representative payee for the individual?** (See Section ~~II.~~ Custody of Personal Funds)

The provider is only responsible for the personal funds which they hold. If another person is representative payee and has custody of ~~an individual's~~ a person's personal funds, the provider is not financially responsible for those funds. The provider does have a responsibility with respect to the use of personal funds in that a Financial Plan should be included in or referenced by ~~an individual's~~ a person's overall plan. Provider staff should periodically (annually at a minimum) review the Financial Plan and determine if it is being carried out with regard to paying fees, providing for identified needs as planned, and maintaining eligibility for governmental benefits. This review should include information from the representative payee who has custody of the ~~individual's~~ person's personal funds. The Financial Plan should be updated as needed. If ~~an individual~~ a person owes his/her provider any fees, it is the provider's responsibility to bill the individual or his/her representative payee and to follow up on collection of the fees.

3. **Should it be a requirement that the Provider be named representative payee?** (See Section ~~II.~~ Custody of Personal Funds)

The Social Security Administration is solely responsible for determining representative payee status. Generally, Social Security accepts requests for representative payee status from any person and/or entity that is facilitating payment being sent to ~~an individual's a~~ person's residence. The person or provider (acting on his/her behalf) may file an appeal with Social Security for review of representative payee status. Providers should always appeal any time abuse of representative payee status is suspected.

4. **Is it necessary to bond all employees who have any access to personal funds? Will the bond require significant additional expense for providers?** (See Section IV. Financial Management)

Yes, it is absolutely necessary to bond all employees with access to personal funds. Purchase of a bond to cover employees, if properly structured, should not cause significant additional expense. The bond should provide coverage for all personal funds. In considering a bond purchase, two main factors should be considered:

- The deductible amount, and
 - The description of the employees to be covered.
- Each provider should determine an amount of money (deductible) that they are willing to pay from their organization's funds should personal funds be misappropriated or lost. The higher a provider sets this deductible amount, the lower the cost of the bond. Since certain staff have access to only a minimum amount of funds, the deductible amount may have the effect of eliminating certain staff positions from the coverage. Remember, the provider must cover all losses that do not meet the deductible amount.

When purchasing a bond, generally it is better to describe the staff positions that need coverage rather than list individual staff names. This lowers the cost of the bond and also makes administration of the bond easier since no change in coverage has to be made when staff changes occur. In most cases, it is easier, and not costly, to obtain blanket fidelity bond coverage for all employees.

5. **What are the policy safeguards to protect the interests of two or more individuals when financial obligations are shared?** (See Section III~~V~~. Financial Rights)

The policy safeguards in this situation are the same safeguards that cover all activities with regard to personal funds. Providers should have:

- An agreement among the Program Team members on the need to share financial obligations.
- ~~Documentation in the Financial Plan of each individual participating of the reasons for sharing and the method of calculating those shared obligations.~~ of any shared expenses must be addressed in the Financial Plan.

- Periodic reviews of each participating ~~individual's~~ person's Financial Plan for compliance with regard to use of personal funds to pay shared obligations.

6. **Do the checking accounts for personal funds have to include the representative payee's name in the account name? Should the account be a joint account?** (See Section IV. Financial Management - B, "Required Procedures for Managing Personal Funds in Individual Accounts")

If ~~an individual~~ a person can manage his/her own funds, the account should be in that ~~individual's~~ person's name. If the account is not in the ~~individual's~~ person's name (due to programmatic or other reasons) and the provider is the representative payee, the account should be set up in a manner that shows the fiduciary relationship of the provider to the ~~individual~~ person. The account should clearly indicate the ownership of the funds by the ~~individual~~ person. Examples of such account names are:

- ABC County DSN Board, Representative Payee for Joe Smith
- Joe Smith, by ABC County DSN Board, Representative Payee
- Margaret Smith, Representative Payee for Joe Smith

Joint accounts with ~~an individual~~ a person, staff member, or a caregiver as co-owners are strictly prohibited.

7. **What is the advantage of a collective account versus individual checking accounts?** (~~See Section V. Financial Management - B. Required Procedures for Managing Personal Funds in Individual Accounts, and C. Required Procedures for Managing Personal Funds in a Collective Account~~) See Section IV. Financial Management - B., "Required Procedures for Managing Personal Funds in Individual Accounts" and C., "Required Procedures for Managing Personal Funds in a Collective Account."

The main advantage of a collective account is administrative ease. With a collective account, there is generally only one bank account to reconcile instead of many. This can represent a significant staff time-savings, especially when residential staff may not be ~~well-practiced~~ familiar with bank reconciliations. A collective account may have some advantages in interest earnings since many small balances are accumulated into one larger balance.

The main advantage of personal checking accounts is programmatic. These accounts are the most normal, least restrictive way of doing business. They also provide the opportunity for individuals to learn how to handle banking and money matters in the community.

Some people argue that collective accounts give greater financial control over personal funds by not allowing residential or program staff direct access to funds. With either

~~collective or individual accounts. It is the residential or program staff who authorize the expenditure of personal funds and those residential~~ staff have the responsibility of using the funds in accordance with each ~~individual's~~ **person's** Financial Plan **and documenting exceptions to the plan**. ~~Only the authorization documentation is different. (For a personal bank account, a check is used. For a collective account, a document that takes the place of a check is used.)~~

8. **How can a provider make sure that an individual does not use all of his/her funds and then have insufficient funds to pay the fees due the provider?** (See Section IV. Financial Management)

An individual's overall Plan should have attached or at least make direct reference to a Financial Plan that, if followed, would ensure that provider fees are paid. The residential staff responsible for implementation of the Financial Plan must ensure that it is being followed. Any financial issues addressed in the Financial Plan should be monitored by the plan manager. If the Financial Plan is not being followed, it must be addressed the same as any other life skills problem. A plan to change the behavior should be developed and implemented.

9. ~~Why are Regional Bank accounts necessary for ICF/IID facilities?~~ (See Section V. Financial Management)

~~Regional Bank accounts and community accounts funded on an Imprest basis are used to facilitate the management of Medicaid eligibility. In order to maintain Medicaid eligibility for all participating individuals and to do the necessary reporting of financial assets and activity, the staff must have knowledge of each individual's entire financial activity history. The use of the combination of a Regional Bank account and a community account is designed to let DDSN staff manage Medicaid eligibility while allowing individuals in those residences to experience normal banking activities consistent with programmatic goals. DDSN staff continues to manage Medicaid eligibility for people residing in ICFs/IID for two reasons:~~

- ~~• cost effectiveness, and~~
- ~~• financial liability.~~

10. ~~For contract ICFs/IID the community account functions on an "Imprest basis." What does that mean and how does it work?~~ (See Section V. Financial Management)

~~When an account is managed on an Imprest basis, funds are first spent from the account and then the account is reimbursed for those expenditures. A certain amount of money is put into the account to cover initial expenditures. After that, only reimbursements of expenditures are deposited into the account. For example, if an individual had a community account set up for a maximum of \$200.00, \$200.00 would be deposited into the account when established. If during the week, the individual withdrew \$20.00 for weekly spending money and then made a purchase of clothes for \$75.00, the account~~

~~balance would decrease to \$105.00. A request for \$95.00 would be sent to the Regional Bank along with documentation showing how the \$95.00 had been spent. The Regional Bank would then reimburse the community account the \$95.00, bringing the community account balance to \$200.00 again.~~

119. How much cash should be kept on hand in a residence? And under what procedure does cash get to be on hand in a residence? (See Section VI. Cash on Hand)

Section VI: Cash on Hand states that the amount of cash an individual may have on hand should be determined on an individual basis and documented in his/her Financial Plan. The maximum is \$50.00 unless an exception is programmatically supported. The \$50.00 maximum applies to the total amount of cash held both by an individual and a staff member on his/her behalf at the residence.

An individual receives cash through his/her weekly spending amount. The amount of cash drawn as weekly spending should be stated in the Financial Plan. An individual may draw the full weekly allowance each week unless the full draw would cause the cash on hand to exceed the stated maximum for that individual.

The maximum amount that should be on hand in any residence would be the total sum of all maximums for the individuals living in that residence.

EXAMPLES:

Total Cash on Hand in a Residence:

In Residence 1 there are four (4) residents. Residents A, B and C each have individual cash on hand maximums of \$50.00. Resident D has maximum cash on hand of \$40.00. The greatest amount of cash that could be on hand in that residence would be \$190.00 (\$50.00 + \$50.00 + \$50.00 + \$40.00). When counting all cash on hand, the cash in each individual's possession and the possession of staff on his/her behalf should be totaled. So if Resident A had \$10.00, Resident B had \$5.50, Residents C and D had no cash, and the staff had cash in envelopes or a cash box that totaled \$130.00, Residence 1 would have \$145.50 cash on hand and would therefore be within the maximum allowable. If, however, the cash held by the staff was \$185.00, the total cash on hand would be \$200.50 and the maximum allowable would be exceeded.

Individual Cash on Hand:

In the previous example where the staff held \$130.00, if \$50.00 of that belonged to Resident A, then Resident A would have a total of \$60.00 on hand (the \$10.00 he/she held plus \$50.00 held by the staff). This would exceed his/her maximum of \$50.00 stated in his/her Financial Plan. However, if of the \$130.00 total \$35.00 belonged to Resident A, his/her total cash on hand would be \$45.00 and therefore would be within the personal maximum limited.

Draws of Weekly Spending:

In this example an individual has a stated weekly spending maximum of \$25.00 and a maximum amount on hand of \$45.00 as per his/her Financial Plan. (Both amounts should be stated in his/her Financial Plan.) At the beginning of week one (1) he/she has a total of \$5.00 on hand so the full weekly spending amount of \$25.00 may be drawn. If during week one (1) he/she draws \$25.00 in cash and spends \$23.00, then at the beginning of week two (2) he/she has \$7.00 on hand (\$5.00 + \$25.00 - \$23.00). If during week two (2) he/she draws \$25.00 and spends \$10.00, then at the beginning of week three (3), he/she would have \$22.00 cash on hand (\$7.00 + \$25.00 - \$10.00). During week three (3), he/she would not be able to draw the full weekly amount of \$25.00 because it would cause him/her to exceed the Financial Plan stated maximum of \$45.00 (\$22.00 + \$25.00 = \$47.00). (Problems with weekly spending draws can be managed by setting the maximums at levels the individual can realistically spend cash on hand.)

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To access the following attachments, please see the agency website page “Current Directives” at: <https://ddsn.sc.gov/providers/ddsn-directives-standards-and-manuals/current-directives>

ATTACHMENTS:

- Attachment A: Statement of Financial Rights
- Attachment B: Fee Schedule
- Attachment C: Statement of Financial Responsibilities
- Attachment D: Application for Benefits and Management of Funds Authorization
- Attachment E: Sample Financial Plan

RELATED DIRECTIVES:

- 200-01-DD: ~~Personal Funds Maintained at the Residential Level~~ Cash on Hand Maintained at the Residential Level
- 200-02-DD: Financial Management of Personal Funds ~~and Regional Bank Management~~
- 200-09-DD: Fees for Residential Services ~~Provided by DDSN in Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs/IID) Facilities~~
- 505-02-DD: Death or Impending Death of Persons Receiving Services from DDSN
- 604-01-DD: Individual Clothing and Personal Property

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Reference Number: 200-12-DD

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(REVISED)

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Applicability: All Providers of Residential Habilitation

I. PURPOSE

The purpose of this directive is to state the policies and procedures for protecting the financial interests of persons with an Intellectual Disability or a Related Disability, Autism Spectrum Disorder (ASD), Head and Spinal Cord Injuries or Related Disabilities who receive residential services from DDSN, DSN Boards, and other Contracted Service Providers. Providers should assist with money management and promote normalization in the use of money to the extent of each person's capability. Providers are responsible for the funds entrusted to them. Therefore, providers must ensure that financial records are properly maintained and funds are safeguarded, and properly managed in accordance with the person's financial plan.

II. CUSTODY OF PERSONAL FUNDS

Each resident or his/her representative payee has the right to manage his/her own personal funds (includes Cash on Hand (See DDSN Directive 200-01-DD: Cash on Hand Maintained at the Residential Level), funds maintained in the Palmetto ABLE Savings Program (ABLE), burial, checking, collective, investment, pooled trust, and savings accounts, and gift cards). However, when the resident needs assistance but does not have a family member or trusted friend willing to serve as a

Representative Payee, the Residential Habilitation Provider should apply to become the resident's Representative Payee.

Residential Habilitation providers must manage residents' personal funds in accordance with individualized Financial Plans established for each resident. A Financial Plan is an annual personal budget that addresses all expected income and other known resources, all expected financial obligations/other expenses, and necessary accumulations of resources to address long term (greater than one year) financial goals.

III. FINANCIAL RIGHTS

Persons receiving residential habilitation have the following rights:

- To retain and manage their own personal funds or assign that responsibility to a legal guardian/designate or authorize a provider to hold, safeguard, and properly manage their personal funds.
- To be notified of all fees charged by the provider.
- To be notified of any items considered to be their financial responsibility in addition to any known fees.
- To have a known minimum amount of monthly income that is to be available for their personal spending prior to payment of residential fees or other charges.
- To have their personal funds safeguarded against theft or misuse.
- To have reasonable access to their personal funds.
- To have their personal funds managed in accordance with their financial plans and in a way that will not jeopardize Medicaid eligibility or other governmental benefits.
- To receive a complete accounting of their personal funds at least quarterly.

When a person begins receiving residential habilitation, the residential habilitation provider shall inform the person or his/her representative payee of his/her financial rights. Documentation that those rights have been explained should be evidenced by a signed Statement of Financial Rights (see Attachment A). This form should be kept in the person's record.

IV. FINANCIAL MANAGEMENT

Providers are responsible for the design and implementation of measures sufficient to achieve the objectives stated in this directive. This section describes both principles and required procedures that

should be incorporated into provider systems and adhered to by staff for management of personal funds:

A. Principles of Personal Funds Management:

1. Provider staff should follow each person's established Financial Plan. The Financial Plan is developed as part of an overall program for each person receiving residential services and it must be included or referenced as required by residential habilitation standards.
2. Personal funds must not be borrowed, loaned or co-mingled by the provider or another person or entity for any purpose. Personal funds must not be combined or co-mingled in any way with provider's operating funds.
3. Generally, personal funds should not be used to pay the cost of staff expenses except to the extent that established fees for services are used to cover provider operating costs. Only under extraordinary and well-defined circumstances (i.e., when special arrangements are made during a person's plan meeting) should staff expenses be paid using personal funds. Each provider should develop and document a policy addressing occasions, if and when, staff expenses may be paid from personal funds. Documentation of the decision to use personal funds to pay staff expenses and all supporting documents and receipts must be kept in the person's record.
4. Provider staff members who have direct access to accounts containing personal funds must have sufficient financial skills to properly maintain the financial records and documentation of training.
5. Reconciliation of accounts containing personal funds should be assigned to a provider staff member with sufficient financial skills to accurately reconcile the accounts. That staff member must not have the authority to sign documents on the personal funds' accounts.
6. At least once each quarter, a review of all account records must be done by a provider staff member with sufficient knowledge of each person's financial needs and the ability to determine the reasonableness of expenditures. A report of all account activity occurring that quarter should be given to each person with personal funds managed by the provider. Providers should develop and document a policy addressing the means and the extent to which staff are required to review the account information with each person.
7. Documentation of all uses of personal funds must be maintained in a manner sufficient to demonstrate the amounts and purposes for all expenditures and sources of all income.
8. For providers who choose to manage personal funds in a collective account, the collective account must be supported by a system of record keeping sufficient to establish a separate sub-account for each person with funds in the collective account and to allocate a pro-rata share of any interest earned to each sub-account within the collective account. People with personal funds in a collective account should not be charged bank fees associated with the account.
(Note: Providers must obtain written approval from the DDSN Director of Finance to operate a collective account. Additionally, approval must also be obtained from the Social Security Administration. For more information, please refer to the Social Security

Administration's Program Operations Manual System, Section GN 00603.020: Collective Checking and Savings Accounts Managed by Representative Payees.)

9. For persons receiving benefits from governmental agencies (such as **Social Security, Veterans Administration or other unearned income sources**), personal funds must be managed in accordance with the regulations of those governmental agencies.
10. Direct deposit of governmental benefits should be made available.
11. All employees and agents of DDSN with access to personal funds must be bonded at a rate equal to the total amount of all personal funds for which they are responsible. DDSN must be named as a co-loss payee on the bond.

THE FOLLOWING REQUIREMENT (#12) IS APPLICABLE TO INTERMEDIATE CARE FACILITIES FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES (ICF/IID) PROVIDERS ONLY

12. For providers of residential services who enter into an ICF/IID contract with DDSN, DDSN retains certain responsibilities with regard to fees, called "Care and Maintenance," and individual income determinations for personal funds use. Specifically, DDSN must comply with the Social Security Administration's regulations by coordinating all of the following activities:
 - Reporting income/resources to DHHS to maintain Medicaid eligibility.
 - Reporting to DHHS to establish Medicaid participation in the cost of ICF/IID care.
 - Submitting monthly billings to Medicaid for ICF/IID residential care.
 - Submitting monthly billings to persons or other responsible parties for monthly Care and Maintenance fees.

To fulfill the above requirements DDSN must have complete knowledge on a monthly basis of all income and remaining financial resources of each person receiving residential services from ICFs/IID operated by DDSN. Obtaining this information requires coordination between the ICF/IID Provider and the associated DDSN Regional Finance Office. This coordination may be accomplished by using either:

- an Imprest Account, or
- the Alternate Method.

Imprest Account

In this method all personal funds for persons participating in ICF/IID programs flows through a Regional Bank, which is managed by a DDSN Regional Finance Office. Upon a person's entry into an

ICF/IID program, the Regional Bank sends to the provider a small amount of money, usually \$200 or less, to be used for the person's day-to-day financial needs. The funds should be deposited into an account that is managed as other residential funds are according to Item #12 above, the additional requirement for ICF/IID Providers. This type of account is called an Imprest Account. As funds are used, the Provider requests reimbursement by sending detailed expenditure reports to the DDSN Regional Finance Office. The Regional Bank documents the total of actual expenditures and processes the reimbursement. Monthly Care and Maintenance fees are paid directly from the Regional Bank. Major purchases are paid directly from the Regional Bank. All personal funds, including governmental benefits, are deposited into the Regional Bank.

By following these Imprest Account procedures, the Regional Bank maintains current and complete information on each individual's income, expenditures and resource balances.

Alternate Method (DDSN Central Office Finance Approval is Required)

In this method the Regional Bank coordinates the receipt of all governmental benefits, wages and any other receipts that are considered "recurring income." The Regional Bank records all benefits and recurring income received and pays monthly Care and Maintenance fees. Any balances remaining after the payment of Care and Maintenance fees are sent directly to the provider, with the exception of benefit back-payments and/or other large lump sum receipts. All other income and expenses are managed directly by the provider. On a monthly basis, providers must submit a report of all expenditures and current cash balances to their associated DDSN Regional Finance Office. **To comply with Social Security Administration requirements, documentation (such as copies of purchase receipts, invoice copies, etc.) for expenditures of \$200 or more must be sent with the monthly expenditure report to the DDSN Regional Finance Office.** The Regional Finance Office uses the monthly expenditure reports in conjunction with documented Regional Bank activity to get a complete picture of each individual's income, expenditures and resource balances.

Note: Providers must obtain approval from the DDSN Central Office Director of Finance to use the Alternate Method. Approval is considered and granted on a case-by-case basis. If at any time the DDSN Central Office Director of Finance finds that the information obtained from a provider under this method is not received timely, is incomplete or inaccurate, the approval may be rescinded. If approval is rescinded, the provider must immediately return to the Imprest Account Method.

In both methods described above, all accounts must be managed according to the principles outlined in this section.

B. **Required Procedures for Managing Personal Funds in Individual Accounts:**

Personal funds are normally managed by providers in individual or separate bank accounts established for each person in his/her residential setting. Some providers manage personal funds using a collective account whereby a system of individual ledgers is separately maintained for each person with funds in the collective account. The procedures described here; however, are specifically for providers operating individual accounts.

1. Unless a provider is approved to operate a collective account, a separate checking account must be established for each person's personal funds.

2. Ensure the name on the account clearly indicates that it is for the benefit of a specific person. (e.g., “*ABC County DSN Board, Representative Payee for John Smith*” or “*John Smith by ABC County DSN Board, Representative Payee*”). Do not use “*in care of.*”
3. Ask the bank to either include processed checks with monthly bank statements **or** provide a method to obtain copies of processed checks at no additional cost or a very minimal cost. For imaged check copies, ask the bank to image both sides (front and back).
4. Seek to minimize costs associated with bank accounts, and ensure that each person can reasonably afford the fees.
5. Ask the persons for whom your organization manages personal funds to sign checks written on their accounts (in addition to any legally authorized signature).
6. Ensure there is at least two (2) staff authorized to sign checks on the personal fund’s accounts.

Note: If a person is capable of managing his/her own money, the account should be in that person’s name and he/she should be the only authorized signer. The provider would not need to manage this person’s money.

7. Maintain a Bank Signature Card for each person’s account and keep copies in the record. Ensure that Bank Signature Cards are updated whenever there are changes.
8. Purchase items costing \$50 or more by check to ensure accountability. Record the person’s name and check number on the purchase receipt. Smaller purchases of \$50 or less may be made with cash from weekly spending funds or cash on hand.

Note: Persons with prepaid cards or stored value cards may use them when vendors will not take checks. However, items purchased must be in accordance with their personal financial plans and certain other controls in place.

9. Never write a check payable to cash. Checks should be written to staff members only on a case by case basis with appropriate documentation and supervisor approval. Documentation of the transaction should be kept in the person’s permanent record.
10. Ensure that all appropriate checking account deposits are made within five (5) business days of receipt. Any savings account deposits should be made using a check written on the checking account to ensure that all transactions are documented.
11. When available, use the automatic deposit option for benefits from Social Security, Supplemental Security Income, Veterans Administration or other unearned income sources.

Note: When direct deposits are scheduled, routine follow-ups should be done to verify the date and the amount of each deposit. Checkbook registers/ledgers should be updated to reflect account activity in a timely manner.

12. Providers should write checks to cover allowable/stated fees charged for services or they may request automatic bank draft options on personal funds accounts to cover these fees.
13. Reconcile all bank statements to current checkbook/ledger balances within 20 business days of receipt or within 20 business days of the end of the prior month. Providers should assign bank reconciliation responsibilities to a staff member who is not an authorized signer on any personal funds account. After reconciliation, a notation indicating that it has been done should be written on the front page of the bank statement and on the check register. (e.g., Reconciled on *date* by *reconciler*.) If the account is out of balance by more than \$5.00 and the problem is not identified and corrected within ten (10) business days, notification should be sent to the provider's Executive Director. If the problem cannot be resolved and the amount is in excess of \$20.00, the Executive Director should request assistance from the DDSN Director of Finance.
14. Review and attach all cancelled check copies, deposit slips, receipts, pay check stubs or employer summaries to the monthly bank statement (names and check numbers should be recorded on all receipts for purchases made by check.) Bank reconciliations and all attached documentation should be retained for at least six (6) years following the end of a contract period, or if an audit exception is found, until resolution of the audit. In the case of an audit exception, the audit team will indicate when retention of the statements is no longer required.
15. Record all account transactions in each individual's checkbook register/ledger in a timely manner. Quarterly reports of all account activity should be supplied to each individual with personal funds managed by your organization.

C. Required Procedures for Managing Personal Funds in a Collective Account:

If a provider has received permission in writing from the DDSN Central Office Director of Finance **and obtained approval from the Social Security Administration**, they may manage the personal funds of their residential program participants in a collective bank account.

The procedures described in this section are specifically for providers operating a collective account for personal funds using a system of ledgers or sub-accounts that support the main account in detail.

1. Establish a separate checking account apart from all other checking accounts maintained by your organization to be used specifically for personal funds. Ensure the name of the account clearly indicates that the account is for the management of personal funds. (e.g., "*ABC County DSN Board Personal Funds Account*")
2. Ask the bank to either include processed checks with monthly bank statements **or** provide a method to obtain copies of processed checks at no additional cost or very minimal cost. For imaged check copies, ask the bank to image both sides of checks (front and back).
3. Establish the account so that no costs or bank fees are charged to the people whose personal funds are in the account.

4. Maintain proper accounting records to explain all activity in the collective account. The records should document actual cash balances and all deposit/check transactions.
5. Establish a set of ledgers or sub-accounts to support the main account. Individuals whose personal funds are maintained in the account should have their ledger or sub-account notated with identifying information such as their last name, first initial, and the last four (4) digits of their social security number. (e.g., *Smith, J., XXX-XX-1234*)
6. Authorize at least two (2) members of Finance or Administrative staff to sign checks on the collective account.

Note: If a person is capable of managing his/her own money, a separate personal checking account should be established in that person's name. The provider would not need to manage this person's personal funds. This must also be notated in the person's financial plan.

7. Purchase items costing \$50.00 or more by check to ensure accountability. Record the person's name and check number on the purchase receipt. Smaller purchases of \$50.00 or less may be made with cash from weekly spending funds or cash on hand.
8. Require staff to complete a purchase request form for all purchases except normally budgeted items such as groceries, utility bills, etc., or weekly spending purchases. The purchase request form should have a field to indicate if a check is needed or if approval to charge a purchase is needed.
9. Never write a check payable to cash. Checks may be written to staff members only on a case by case basis with appropriate documentation and supervisor approval. Documentation of the transaction should be kept in the person's permanent record.
10. Ensure that all deposits are made within five (5) business days of receipt.
11. When available, use the automatic deposit option for benefits from Social Security, Supplemental Security Income, Veterans Administration or other unearned income sources.

Note: When direct deposits are scheduled, routine follow-ups should be done to verify the date and amount of each deposit. Ledgers or sub-account records should be updated to reflect activity in a timely manner.

12. Providers should write checks to cover allowable/stated fees charged for services or they may request automatic bank draft options on personal funds accounts to cover these fees.
13. Reconcile bank statements to current ledger balances within 20 business days of receipt or within 20 business days of the end of the prior month. Providers should assign bank reconciliation responsibilities to a staff member who is not an authorized signer on the personal funds account. After reconciliation, a notation indicating that it has been done should be written on the front page of the bank statement and on the ledgers. (e.g., Reconciled on date by reconciler.) If the account is out of balance by more than \$5.00 and the problem is not identified and corrected within ten (10) business days, notification should be sent to the

Provider's Executive Director. If the problem cannot be resolved, and the amount is in excess of \$20.00, the Executive Director should request assistance from the DDSN Director of Finance.

14. Maintain a system of record keeping that will enable checks to be traced to supporting purchase request forms and all deposits to supporting validated deposit slips. Supporting documentation for all transactions should be identified to the sub-account. All receipts for purchases made by check should have the person's name and check number recorded on them. Providers should retain bank reconciliations and receipts on file for at least six (6) years following the end of a contract period, or if an audit exception is found, until resolution of the audit. In the case of an audit exception, the audit team will indicate when retention of the statements is no longer required.
15. Accept purchase request forms during normal business hours. Purchase requests received during normal business hours should be processed promptly and the requester notified of an approval/denial by the end of the next business day.
16. Record all account transactions in each subaccount register in a timely manner. Supply quarterly reports of all account activity to each person with personal funds managed by your organization. (If a collective account is interest bearing, see item A.8 under Section IV: Financial Management.)

V. CASH ON HAND

As part of the development of a Financial Plan for an individual receiving residential services, the individual, with the assistance of his/her Program Team, should determine a reasonable amount of funds per week that may be spent through cash purchases (called "weekly spending") and a reasonable amount of cash to have on hand. Cash on hand includes cash held by provider staff for a person in the residence plus cash actually held by the person. Unless supported programmatically and documented in the person's Financial Plan, cash on hand should not exceed \$50.00.

Each provider should have a system of record keeping in place that is consistent with DDSN Directive 200-01-DD: Personal Funds Maintained at the Residential Level, to account for all cash on hand held by provider staff. The records must be sufficient to show at any given point in time the amount of cash held that belongs to each individual in the residence and all additions to and uses of cash. All cash held by staff should be counted at least monthly by a staff member who does not have authority to receive or disburse cash. The count should agree to the records and be documented in the cash record.

VI. DEATH

A. Personal Funds

Should a person pass away while living in a DDSN residential program, all funds conserved or managed by providers should be frozen and no disbursements made without the legal authority of the Probate Court except for reasonable funeral expenses.

B. Notification of Death

Within ten (10) calendar days of the date of death, the Representative Payee should send a written notification of death to the probate judge of the county in which the death occurred. (Typically, the county of legal residence is the county where the person was receiving residential services). If prohibited by a presiding judge from filing a notification of death, the parents, next of kin, or guardian should notify the court.

A copy of the death notification should be sent to the parent(s)/guardian(s)/next of kin, the financial representative, if known, and the person's Case Manager. If the person owned property in other counties or states, the probate judges in those counties should be notified also.

The notification of death should contain all of the following information:

1. A complete financial accounting and listing of the decedent's assets and known liabilities (funds owed to the provider should be included under liabilities).
2. The name and address of the parent(s)/guardian(s)/next of kin.
3. The name and address of the personal representative, if known.
4. A request for legal authorization to disburse from the decedent's personal funds.

Based upon the Guide for Organizational Representative Payees, when a beneficiary dies the following must occur:

For **Social Security Administration (SSA) Benefits** – Beneficiary must return payment for the month of death. Social Security benefits are paid one month in arrears. See example:

A Social Security beneficiary dies in June, and SSA does not learn of his death in time to stop the payment that is made in July representing payment for June, the month of death. The benefit paid in June (which is for May) is to be retained by beneficiary. If a payment is made in July (which is for June) it must be returned.

For SSI Benefits – Beneficiary is allowed to retain the payment received for the month of death. See example:

An SSI beneficiary dies on June 4. The beneficiary can retain the payment received in June. If you receive a payment in July it must be returned.

Please refer to the Guide for Organizational Representative Payees, Pages 36-38 for any additional information or clarification. The guide can be found at: <https://www.ssa.gov/payee/NewGuide/toc.htm>.

For reimbursement of costs from any remaining balance in the deceased's estate, DDSN shall follow the procedures set forth in DDSN Directive 505-02-DD: Death or Impending Death of Persons Receiving Services from DDSN.

VII. TRANSFER OR DISCHARGE

Unspent Social Security or SSI funds that the Residential Habilitation Provider holds on behalf of a beneficiary belongs to that beneficiary. When the Residential Habilitation Provider is no longer payee for that beneficiary, the provider must immediately return all conserved funds, including interest, as well as cash on hand, to the Social Security Administration (SSA) so that SSA can transfer the funds to a new payee or to the beneficiary directly if he or she no longer needs a payee. Within ten (10) business days after exiting residential habilitation or transferring to a new residential habilitation provider, a check from his/her personal funds account should be forwarded to the new residence along with a copy of his/her most current financial statement.

VIII. PROCEDURES AND FORMS

Providers are responsible for developing and implementing procedures and forms that adhere to the principles and objectives stated in this directive. Attached to this directive are examples of forms that providers may use for guidance. Providers may use these forms, develop new ones or combine the two as long as the procedures implemented conform to the principles and objectives in this directive.

IX. FREQUENTLY ASKED QUESTIONS

Following is a list of frequently asked questions with references to the appropriate section in this directive:

1. **Would it be appropriate to develop separate directives for each of the different residential programs?** (See Applicability Section)

The intent of this directive is to give providers minimum guidelines for managing personal funds and to let them implement those guidelines in their own settings. These guidelines address the basic requirements for sound financial management of a fiduciary responsibility and they apply equally regardless of the particular residential program. Therefore, only one directive is necessary.

2. **What is a provider's responsibility for the use of personal funds when the provider is not representative payee for the individual?** (See Section II. Custody of Personal Funds)

The provider is only responsible for the personal funds which they hold. If another person is representative payee and has custody of a person's personal funds, the provider is not financially responsible for those funds. The provider does have a responsibility with respect to the use of personal funds in that a Financial Plan should be included in or referenced by a person's overall plan. Provider staff should periodically (annually at a minimum) review the Financial Plan and determine if it is being carried out with regard to paying fees, providing for identified needs as planned, and maintaining eligibility for governmental benefits. This review should include information from the representative payee who has custody of the person's personal funds. The Financial Plan should be updated as needed. If a person owes his/her provider any fees, it is the provider's responsibility to bill the individual or his/her representative payee and to follow up on collection of the fees.

3. **Should it be a requirement that the Provider be named representative payee?** (See Section II. Custody of Personal Funds)

The Social Security Administration is solely responsible for determining representative payee status. Generally, Social Security accepts requests for representative payee status from any person and/or entity that is facilitating payment being sent to a person's residence. The person or provider (acting on his/her behalf) may file an appeal with Social Security for review of representative payee status. Providers should always appeal any time abuse of representative payee status is suspected.

4. **Is it necessary to bond all employees who have any access to personal funds? Will the bond require significant additional expense for providers?** (See Section IV. Financial Management)

Yes, it is absolutely necessary to bond all employees with access to personal funds. Purchase of a bond to cover employees, if properly structured, should not cause significant additional expense. The bond should provide coverage for all personal funds. In considering a bond purchase, two main factors should be considered:

- The deductible amount, and
- The description of the employees to be covered.

Each provider should determine an amount of money (deductible) that they are willing to pay from their organization's funds should personal funds be misappropriated or lost. The higher a provider sets this deductible amount, the lower the cost of the bond. Since certain staff have access to only a minimum amount of funds, the deductible amount may have the effect of eliminating certain staff positions from the coverage. Remember, the provider must cover all losses that do not meet the deductible amount.

When purchasing a bond, generally it is better to describe the staff positions that need coverage rather than list individual staff names. This lowers the cost of the bond and also makes administration of the bond easier since no change in coverage has to be made when staff changes occur. In most cases, it is easier, and not costly, to obtain blanket fidelity bond coverage for all employees.

5. **What are the policy safeguards to protect the interests of two or more person when financial obligations are shared?** (See Section III. Financial Rights)

The policy safeguards in this situation are the same safeguards that cover all activities with regard to personal funds. Providers should have:

- An agreement among the Program Team members on the need to share financial obligations.
- Documentation of any shared expenses must be addressed in the Financial Plan.

- Periodic reviews of each participating person’s Financial Plan for compliance with regard to use of personal funds to pay shared obligations.

6. **Do the checking accounts for personal funds have to include the representative payee’s name in the account name? Should the account be a joint account?** (See Section IV. Financial Management - B, “Required Procedures for Managing Personal Funds in Individual Accounts”)

If a person can manage his/her own funds, the account should be in that person’s name. If the account is not in the person’s name (due to programmatic or other reasons) and the provider is the representative payee, the account should be set up in a manner that shows the fiduciary relationship of the provider to the person. The account should clearly indicate the ownership of the funds by the person. Examples of such account names are:

- ABC County DSN Board, Representative Payee for Joe Smith.
- Joe Smith, by ABC County DSN Board, Representative Payee.
- Margaret Smith, Representative Payee for Joe Smith.

Joint accounts with a person, staff member, or a caregiver as co-owners are strictly prohibited.

7. **What is the advantage of a collective account versus individual checking accounts?** See Section IV. Financial Management – B., “Required Procedures for Managing Personal Funds in Individual Accounts” and C., “Required Procedures for Managing Personal Funds in a Collective Account.”

The main advantage of a collective account is administrative ease. With a collective account, there is generally only one bank account to reconcile instead of many. This can represent a significant staff time-savings, especially when residential staff may not be familiar with bank reconciliations. A collective account may have some advantages in interest earnings since many small balances are accumulated into one larger balance.

The main advantage of personal checking accounts is programmatic. These accounts are the most normal, least restrictive way of doing business. They also provide the opportunity for persons to learn how to handle banking and money matters in the community.

Some people argue that collective accounts give greater financial control over personal funds by not allowing residential or program staff direct access to funds. With either collective or personal accounts, residential staff have the responsibility of using the funds in accordance with each person’s Financial Plan and documenting exceptions to the plan.

8. **How can a provider make sure that an individual does not use all of his/her funds and then have insufficient funds to pay the fees due the provider?** (See Section IV. Financial Management)

An individual’s overall Plan should have attached or at least make direct reference to a Financial Plan that, if followed, would ensure that provider fees are paid. The residential staff

responsible for implementation of the Financial Plan must ensure that it is being followed. Any financial issues addressed in the Financial Plan should be monitored by the plan manager. If the Financial Plan is not being followed, it must be addressed the same as any other life skills problem. A plan to change the behavior should be developed and implemented.

9. **How much cash should be kept on hand in a residence? And under what procedure does cash get to be on hand in a residence?** (See Section VI. Cash on Hand)

Section VI: Cash on Hand states that the amount of cash an individual may have on hand should be determined on an individual basis and documented in his/her Financial Plan. The maximum is \$50.00 unless an exception is programmatically supported. The \$50.00 maximum applies to the total amount of cash held both by a person and a staff member on his/her behalf at the residence.

A person receives cash through his/her weekly spending amount. The amount of cash drawn as weekly spending should be stated in the Financial Plan. A person may draw the full weekly allowance each week unless the full draw would cause the cash on hand to exceed the stated maximum for that person.

The maximum amount that should be on hand in any residence would be the total sum of all maximums for the persons living in that residence.

EXAMPLES:

Total Cash on Hand in a Residence:

In Residence 1 there are four (4) residents. Residents A, B and C each have personal cash on hand maximums of \$50.00. Resident D has maximum cash on hand of \$40.00. The greatest amount of cash that could be on hand in that residence would be \$190.00 (\$50.00 + \$50.00 + \$50.00 + \$40.00). When counting all cash on hand, the cash in each person's possession and the possession of staff on his/her behalf should be totaled. So, if Resident A had \$10.00, Resident B had \$5.50, Residents C and D had no cash, and the staff had cash in envelopes or a cash box that totaled \$130.00, Residence 1 would have \$145.50 cash on hand and would therefore be within the maximum allowable. If; however, the cash held by the staff was \$185.00, the total cash on hand would be \$200.50 and the maximum allowable would be exceeded.

Individual Cash on Hand:

In the previous example where the staff held \$130.00, if \$50.00 of that belonged to Resident A, then Resident A would have a total of \$60.00 on hand (the \$10.00 he/she held plus \$50.00 held by the staff). This would exceed his/her maximum of \$50.00 stated in his/her Financial Plan. However, if of the \$130.00 total \$35.00 belonged to Resident A, his/her total cash on hand would be \$45.00 and therefore would be within the personal maximum limited.

Draws of Weekly Spending:

In this example a person has a stated weekly spending maximum of \$25.00 and a maximum amount on hand of \$45.00 as per his/her Financial Plan. (Both amounts should be stated in

his/her Financial Plan.) At the beginning of week one (1) he/she has a total of \$5.00 on hand so the full weekly spending amount of \$25.00 may be drawn. If during week one (1) he/she draws \$25.00 in cash and spends \$23.00, then at the beginning of week two (2) he/she has \$7.00 on hand ($\$5.00 + \$25.00 - \23.00). If during week two (2) he/she draws \$25.00 and spends \$10.00, then at the beginning of week three (3), he/she would have \$22.00 cash on hand ($\$7.00 + \$25.00 - \10.00). During week three (3), he/she would not be able to draw the full weekly amount of \$25.00 because it would cause him/her to exceed the Financial Plan stated maximum of \$45.00 ($\$22.00 + \$25.00 = \47.00). (Problems with weekly spending draws can be managed by setting the maximums at levels the person can realistically spend cash on hand.)

Barry D. Malphrus
Vice Chairman

Stephanie M. Rawlinson
Chairman

To access the following attachments, please see the agency website page “Current Directives” at: <https://ddsn.sc.gov/providers/ddsn-directives-standards-and-manuals/current-directives>

ATTACHMENTS:

Attachment A: Statement of Financial Rights
Attachment B: Fee Schedule
Attachment C: Statement of Financial Responsibilities
Attachment D: Application for Benefits and Management of Funds Authorization
Attachment E: Sample Financial Plan

RELATED DIRECTIVES:

200-01-DD: Cash on Hand Maintained at the Residential Level
200-02-DD: Financial Management of Personal Funds
200-09-DD: Fees for Residential Services in Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs/IID) Facilities
505-02-DD: Death or Impending Death of Persons Receiving Services from DDSN
604-01-DD: Individual Clothing and Personal Property

Sample Financial Plan
Financial Plan

This form is to be completed and attached to each person's file (SLP-I and II, CTH-I and II, ICF and CRCF)

Name: _____

Date of Financial Plan: _____

1. Financial Skills

A. Can the person maintain his/her own financial Records in sufficient order and correctness? Yes No

If no is answered complete the following:

Person can make deposits alone Yes No

Person can write checks alone Yes No

Person needs assistance with balancing checkbook and reconciling statements Yes No

Person needs assistance with all areas of banking Yes No

Rep-payee: _____

Financial Institution Utilized: _____

Note: If the board is rep-payee ensure there are two staff listed on the bank signature cards as authorized signers.

B. Can the person manage cash on their own? Yes No

If yes, how much cash can the person manage \$ _____

Is this person working on improving his/her money management skills Yes No

If yes, in what way:

2. Budget/Monthly Income (Based on Averages)

SSI	\$	Competitive Employment	\$
VA	\$	Other	\$
Workshop	\$	Other	\$

Monthly Expenditures

Rent	\$	Clothing	\$
Lights	\$	Water	\$
Phone	\$	Groceries/Supplies	\$
Medication/Medical	\$	Other	\$
Cable	\$	Other	
Personal Spending	\$	Other	

3. Future financial plan: (Emphasis here should be place on determining any need to accumulate resources for a particular purchase or purpose, Medicaid eligibility, where available, should not be jeopardized: however, some resources accumulation can be done without jeopardizing Medicaid eligibility.)

4. Weekly personal spending amount \$ _____ (exact amount)
The amount should balance leisure activities with income (Blanket terms such as "or more as needed" should not be used)
(Call team meeting should be used to document if additional funds are warranted)

Will this money be given all at one to the person? Yes No

If no, how and why will it be given differently?

5. Will cash on hand be maintained for the person? Yes No Amount \$ _____

Note: If this amount is over \$50, this must be by programmatic justification

6. List all approved shared cost and how they will be shared.

7. List the date each task was completed below:

a. Review/summary of last year's financial activity: _____

b. Statement of Financial Rights reviewed and signed (*Attachment A*): _____

c. Authorization for Management of Personal Funds reviewed and signed (*Attachment D*):

d. Authorization for application and management of entitlements and benefits reviewed and signed
(*Attachment D*): _____

8. Additional Financial Comments:

Signature of Program Team Chair Person

Date: _____

Signature of Plan Owner

Date: _____

Signature of Case Manager

Date: _____

QM By the Numbers: July 1- 2021- June 30, 2022

<p>Contract Compliance Reviews</p> <p>86 Provider Reviews</p> <p>69 Follow-up Reviews</p> <p>11 2nd Follow-up Reviews</p> <p>389 Appeals for individual citations (31 providers)</p>	<p>Day Service Observation</p> <p>87 On-site Visits</p> <p>Residential Observation</p> <p>307 On-site Visits</p>
<p>Licensing Reviews</p> <p>84 Initial Inspections/New Locations</p> <p>1,509 Annual On-site Inspections</p> <p>811 Follow-up Reviews</p> <p>176 2nd Follow-up Reviews</p> <p>97 Appeals for individual citations (29 providers)</p> <p>1,110 Admission/Discharge/Transfer Forms processed</p>	<p>Review Coordination</p> <p>69 ICF/IID Licensing Applications-DHEC</p> <p>52 CRCF Licensing Applications- DHEC</p> <p>48 Team Advocacy Reviews- Disability Rights SC</p> <p>16 Providers with Waiver Service Reviews- DHHS</p>
<p>Incident Management</p> <p>786 Allegations of Abuse, Neglect and Exploitation reviewed with 544 individual reports.</p> <p>1,868 Critical Incident/ Adverse Operations Reports reviewed</p> <p>138 Death Reports reviewed</p>	<p>National Core Indicator (NCI) Surveys</p> <p>411 NCI In-Person Consumer Surveys Completed (56 providers)</p> <p>52 Providers completed NCI Staff Stability Surveys (out of 56 providers contacted).</p>

For additional information about individual topics, please view the links below:

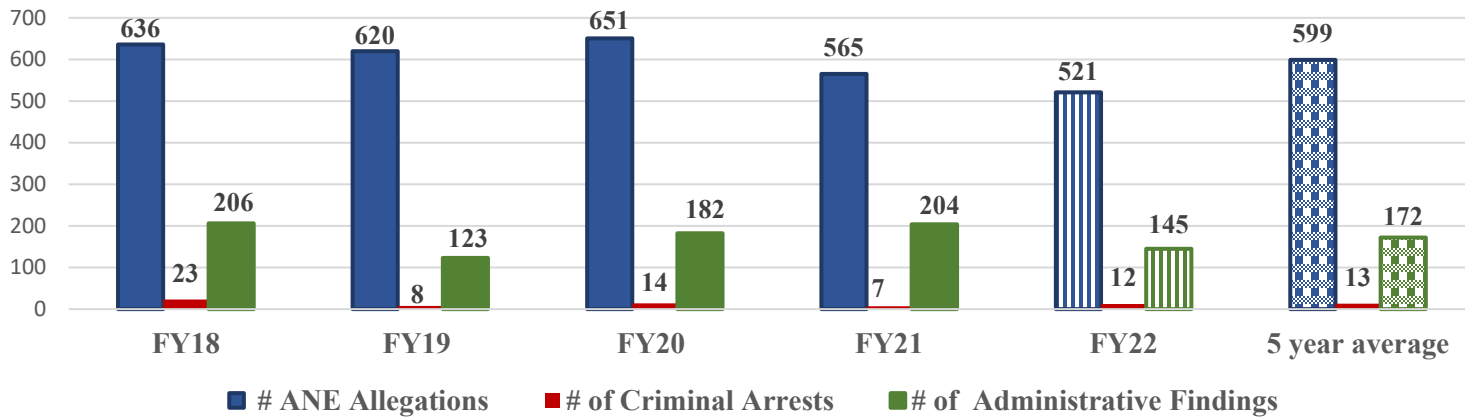
[Quality Management Overview | DDSN \(sc.gov\)](#)
[Contract Compliance Activities | DDSN \(sc.gov\)](#)
[Day/Residential Observation | DDSN \(sc.gov\)](#)
[Licensing and Certification | DDSN \(sc.gov\)](#)
[Allegations of Abuse, Neglect, and Exploitation | DDSN \(sc.gov\)](#)
[Incident Management | DDSN \(sc.gov\)](#)

SCDDSN Incident Management Report 5-year trend data

for Community-Based Services (Includes Residential & Day Service Settings) Thru 6/30/2022

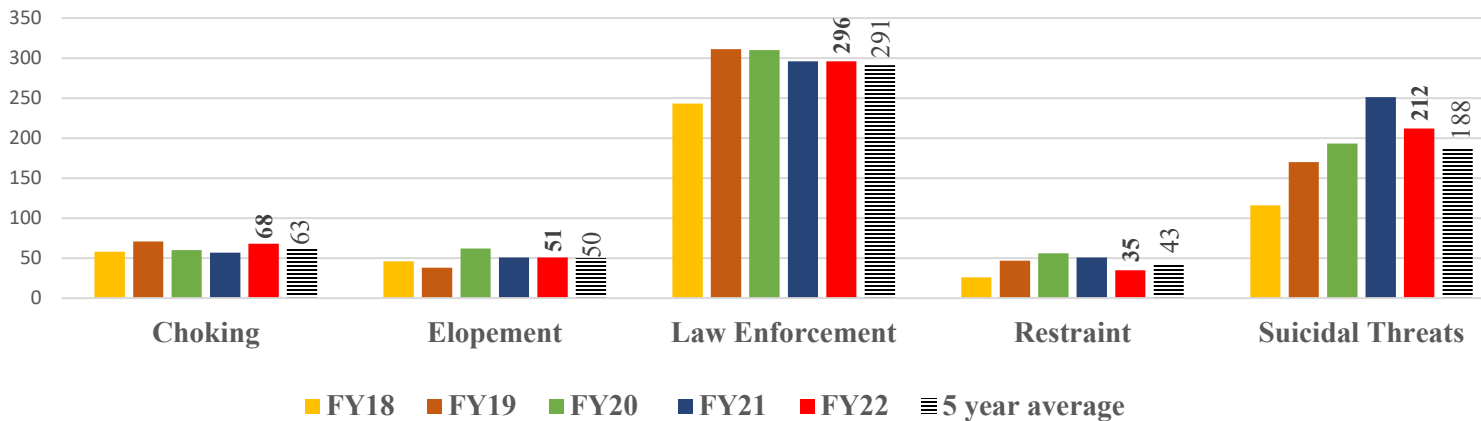
Allegations of Abuse, Neglect, Exploitation	FY18	FY19	FY20	FY21	FY22	5 YEAR Average
# of Individual ANE Allegations	636	620	651	565	521	599
# of ANE Incident Reports (One report may involve multiple allegations)	450	415	436	388	371	412
Rate per 100	11.9	9.6	11.8	10.9	9.3	10.7
# ANE Allegations resulting in Criminal Arrest	23	8	14	7	12	13
# ANE Allegations with Administrative Findings from DSS or State Long-Term Care Ombudsman	206	123	182	204	145	172

ANE Allegations: Comparison to Arrest Data & Administrative Findings



Critical Incident Reporting	FY18	FY19	FY20	FY21	FY22	5 YEAR Average
# Critical Incidents	1071	916	982	974	1245	1037
Rate per 100	11.9	9.6	11.8	10.9	15.4	11.9
# Choking Events	58	71	65	57	68	64
# Law Enforcement Calls	243	311	310	296	296	291
# Suicidal Threats	116	170	193	251	212	188
# Emergency Restraints or Restraints w/ Injury	26	47	56	51	35	43

5 Year Critical Incident Trend Report- Community Settings



Death Reporting	FY18	FY19	FY20	FY21	FY22	5 YEAR Average
# of Deaths Reported- Community Settings	73	78	86	130	102	94
Rate per 100	1.6	1.6	1.9	2.8	2.2	2.0

FY22 Community-Based Services data reflects 4845 unduplicated Day and Residential Service participants among 56 provider agencies.

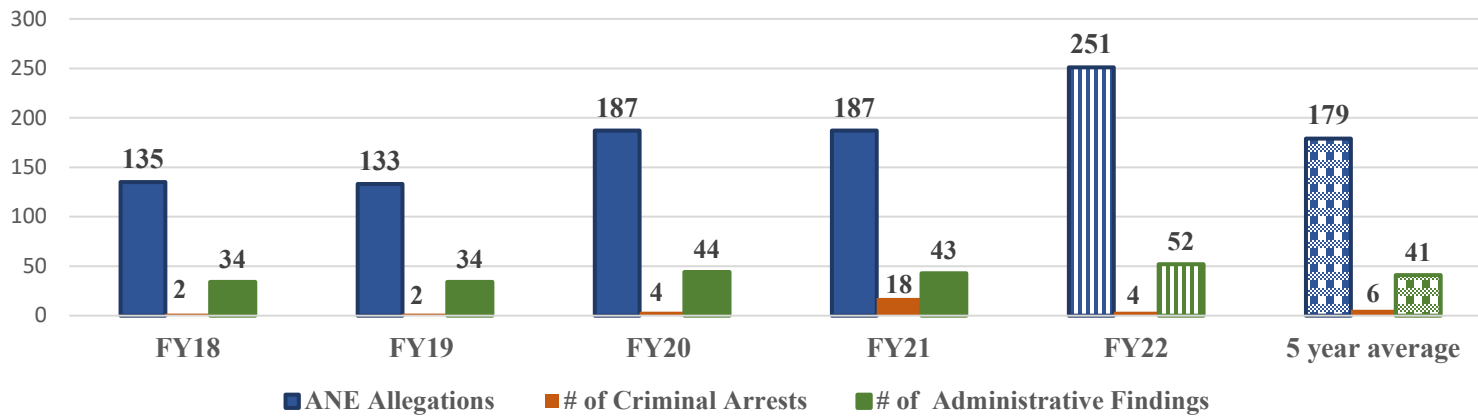
Report Date: 8/4/2022

SCDDSN Incident Management Report 5-year trend data

for Regional Centers Thru 6/30/2022

Allegations of Abuse, Neglect, & Exploitation	FY18	FY19	FY20	FY21	FY22	5 YEAR Average
# of Individual ANE Allegations	135	139	187	187	251	179
# of ANE Incident Reports (One report may involve multiple allegations)	97	102	136	138	165	128
Rate per 100	19.2	20.9	28.9	27.9	38.0	27.0
# ANE Allegations resulting in Criminal Arrest	2	2	5	19	4	6
# ANE Allegations with Administrative Findings from DSS or State Long-Term Care Ombudsman	34	34	44	43	52	41

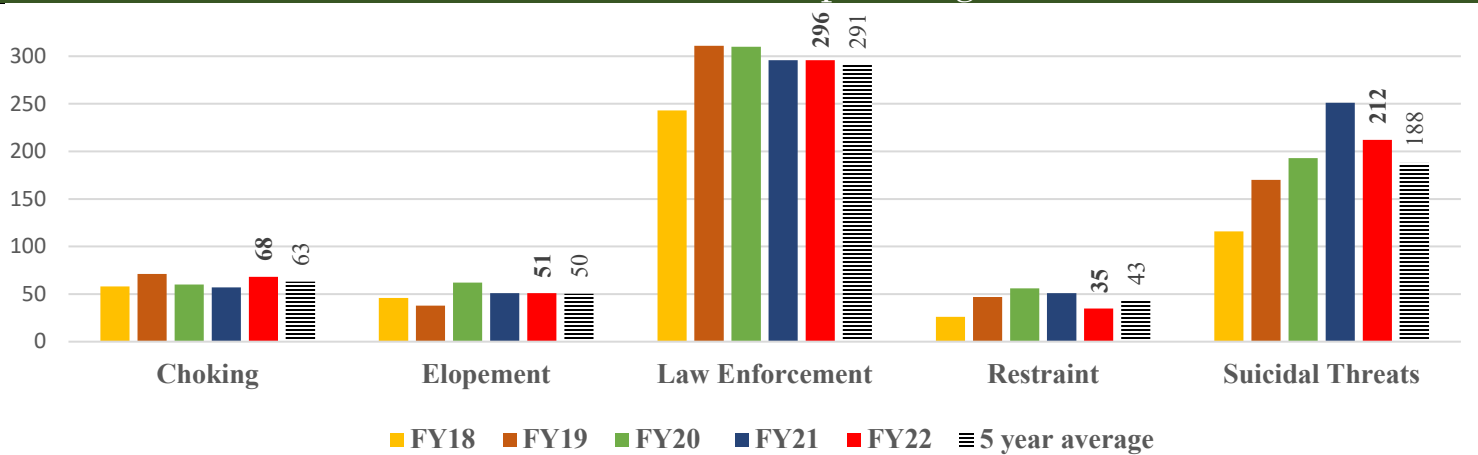
ANE Allegations: Comparison to Arrest Data & Administrative Findings



Critical Incident Reporting

Critical Incident Reporting	FY18	FY19	FY20	FY21	FY22	5 YEAR Average
# Critical Incidents	144	132	135	124	160	139
Rate per 100	20.6	18.6	20.8	19.1	24.2	21.1
# Choking Events	5	6	3	5	8	5
# Law Enforcement Calls	5	8	9	9	10	8
# Suicidal Threats	16	60	56	73	64	54
# Emergency Restraints or Restraints w/ Injury	26	22	24	13	24	21

5 Year Critical Incident Trend Report- Regional Centers



Death Reporting

Death Reporting	FY18	FY19	FY20	FY21	FY22	5 YEAR Average
# of Deaths Reported - Regional Centers	27	33	22	48	36	33
Rate per 100	3.8	4.6	3.4	7.0	5.4	4.8

FY22 Regional Center data reflected 613 unduplicated residents.

Report Date: 8/4/2022

FY 23 Spending Plan VS Actual Expenditures - 07/31/2022

Category	Proposed Spending Plan	Cash Expenditures YTD	SCDHHS Monthly "Wash" Expenditures with Revenue YTD *	Total Monthly Expenditures YTD	Remaining Spending Plan	Spending Plan Deviation with Actual
DDSN spending plan budget	\$ 938,535,153	\$ 21,906,923	\$ 46,986,853	\$ 68,893,776	\$ 869,641,377	REASONABLE
Percent of total spending plan remaining	100.00%	2.33%	5.01%	7.34%	92.66%	
% of FY Remaining					91.67%	
Difference % - over (under) budgeted expenditures					-0.99%	

* In July 2022, providers billed & paid by SCDHHS an estimate of \$47.0 million in services (waiver services + state plan services).