



***Consumer Money Management
Policy and Procedures***

Effective November 19, 2007

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Policy and Procedures Governing Assistance to Consumers With Respect to Their Financial Transactions

A. INTRODUCTION

ICON's mission is to broaden public awareness and improve access to opportunities in the community for people who have historically been excluded because of disability. Our goal is to end the segregation of and discrimination against people with disabilities; one way we do that is by providing the precise supports each individual needs to become a contributing member of the community, with all the rights and responsibilities such citizenship entails.

This document governs ICON's policy and procedures with respect to the assistance that can be provided to consumers with their day-to-day financial transactions. If financial support services are delivered, they are documented in the consumer's Individual Service Plan (ISP) which ensures that consumer choice and independence are the core components of all ICON services.

ICON prefers not to be in the position of providing assistance with financial issues. Before accepting this responsibility, every effort should be made to identify someone in the individual's circle of friends and family who can provide some or all of the assistance needed to enable the individual to manage financial affairs.

However, when there is no other source of support, ICON staff must accept the responsibility of advising and assisting consumers to manage their financial affairs. When this situation occurs, the ICON staff member must take all of the following steps:

- A written description of the alternatives considered to assist the consumer with his/her finances must be prepared and reviewed with the program director.
- The program director and the staff member concur that this is the only viable solution for the consumer. A document stating such must be signed and dated.
- The support provided must be above suspicion or reproach at all times so that anyone reviewing any of the transactions would see clearly that they were taken in the best interest of the consumer and in no way benefited the staff. (See Fiduciary Responsibility in the Ethics section below).
- The staff member must be competent to perform the duties required of them. This means knowing how to help the consumer effectively as well as recognizing when the situation exceeds your ability to provide the assistance needed.

- The staff member must not hesitate to advise the program director and to seek assistance from someone with more specific knowledge of the financial matter or situation being faced by the consumer.

B. ETHICS

The ethical issues discussed below are those which typically arise when staff become involved with a consumer's financial situation in any way. These issues are also discussed in ICON's Ethics Policy and Financial Policy and Procedures documents, which are available on the staff website at <https://staff.iconservices.org/policies>.

1. FIDUCIARY RESPONSIBILITY

Whenever an ICON staff member assists a consumer with finances or property management, a fiduciary responsibility is created. A fiduciary responsibility is a serious, legal concept that indicates a trust relationship, exceeding usual ethics standards to act in the consumer's best interest. This relationship of trust applies individually to the staff member and collectively to the organization. A related concept is that any actions taken to assist the consumer must be beyond reproach.

These concepts establish the foundation for assessing the behavior of an individual who provides money or property management assistance to a consumer. It must be crystal clear that the consumer's needs always guide whatever financial assistance is provided. It must also be crystal clear to the consumer, his/her family, another staff person, your supervisor, the consumer's case manager, or any other person outside of the organization in a position to review the support being provided.

The following key requirements are used to demonstrate that your support actions meet the fiduciary responsibility requirement. These will protect you and ICON. They are:

- You cannot benefit personally from your financial assistance support. You may not accept any kind of payment from the consumer or any person or organization with whom the consumer does business. This includes payments in the form of cash or property. Both are prohibited without exception.
- You must document in detail every support activity that involves a consumer's money or property. Documentation must be completed in a timely manner and kept current. All documentation will demonstrate to anyone who needs to know that your consumer's needs guided your action.

Gifts. While the exchange of gifts may be a natural part of a staff-consumer relationship, such behavior should be rare – at most once or twice per year – and should not be different in any way from gifts normally exchanged between acquaintances or co-workers. Small gifts received from consumers may be accepted, and staff may give small gifts to consumers at appropriate times, but it is never

appropriate to give a gift of value beyond the recipient's ability to reciprocate. All gifts both given and received must be discussed with the staff member's supervisor to ensure that the gift and timing are appropriate.

Loans. Lending money to consumers is discouraged, and can occur only with a supervisor's approval. Borrowing money or property from consumers is expressly forbidden under any circumstance. This includes CDs, electronics, automobiles, clothing, food, household goods, or any other possessions of the consumer. While this policy may seem excessive, because of your position your conduct must not only *be* ethical, but must also be *perceived* to be above suspicion.

Dual Relationships. Business relationships with people receiving services are strictly prohibited. In addition, if you do business with the same financial institutions as the consumer, make sure to conduct your personal business separately.

2. RESPECTING CONSUMER CHOICE

When ICON staff are in the position of advising consumers about financial matters, they should take reasonable steps to safeguard the interests and rights of those individuals. This does not mean that ICON staff may control the actions of the consumer. Staff may advise, but the final decision must always rest with the individual. In the financial arena, this may sometimes seem impossible. If there is any question as to whether a given course of action may be permitted, or prohibited, ICON staff should consult with their supervisor, or with the Executive Director as well as (with the consumer's permission) the consumer's family, guardian, case manager, or other responsible individuals.

3. CONSUMER PARTICIPATION

ICON's goal is to increase consumers' independence in all areas of life. With respect to financial issues, consumers should be assisted and encouraged to manage as much of their own finances as possible, and to access natural supports rather than ICON staff whenever possible.

Even when consumers request help to manage certain aspects of their financial life, they must be active participants in their affairs. ICON staff do not sign checks for a consumer, nor do they bank or make purchases without the presence of the consumer. From time to time an emergency may arise which requires temporary suspension of this principle, in which case the staff person involved must discuss the situation in advance with the supervisor and must document in writing both the situation and the activities to be permitted, as well as the expected duration of the emergency.

4. CONFIDENTIALITY

ICON's policies on confidentiality are discussed in many of our policy documents, including the Ethics Policy, the Human Rights Policy, and other Program Policies and Procedures documents. In addition to the rights of consumers detailed in those

documents, ICON staff who are involved with a consumer's finances have the responsibility to maintain confidentiality with respect to the consumer's financial situation. Except as detailed in this document, the consumer has the right to allow or deny access to financial records and information by any person, including family members.

C. OCCASIONS FOR ASSISTANCE

Specific ethical and organizational issues may arise when faced with the different types of support ICON staff may be asked to provide.

Nearly all of these activities can put ICON staff in the position of telling the consumer what they can or cannot do with their money, and as discussed above, that is not permitted. However, most of us live in a world where certain bills have to be paid. The solution to this seeming impasse is to work with the consumer to develop a lifestyle and a budget of their choosing. This may mean educating the consumer about how money buys us the things we want; it may mean a restructuring of the person's life – getting a roommate to split the rent, perhaps, or dropping the premium cable channels. In any event, the first activity in taking on the task of providing money management support is to develop a plan of action, including adding money management as a formal goal in the individual's ISP, if it is not there already.

More detailed 'how-to' information on individual issues will be found in the **PROCEDURES** section below.

1. MONTHLY HELP WITH CHECKBOOK BALANCING

Assisting someone in balancing their checkbook is not the same as balancing your own. ICON staff must follow an approved procedure for checkbook balancing and ensure that all documentation is preserved in case any question arises as to ICON's involvement in the consumer's financial affairs. This includes a potentially greater need to isolate all balancing differences, even if the staff person would consider them too small to bother with were they balancing their own checkbook or account.

2. ASSISTANCE WITH BILLPAYING

Some individuals request assistance with paying monthly bills. It is strongly preferred that as many obligations as possible be arranged for automatic payment directly from the consumer's bank account. This ensures that bills are paid on time and reduces the exposure of ICON and staff to allegations of improper conduct or incompetence. When automatic payment is not an option, the next best choice is a checking account, since it provides the greatest level of documentation and thus protects ICON and staff. If an individual is unable to open a checking account, ICON may be able to help.

3. BUDGETING AND ONGOING BUDGET MAINTENANCE

Everybody needs to know what all their expenses are. A key consideration is how much money is left after paying for typical expenses such as rent, utilities and food, and whether those expenses are really the consumer's choice.

4. CASH MANAGEMENT

People tend to spend cash when they have it, rather than saving for the end of the month for possible unforeseen expenses. Staff should help consumers to learn cash management techniques without imposing rules on them. The goal is to assist consumers to adhere to a budget that they have created, understanding expenses and when they occur so that they will be able to cover them when the time comes.

5. ASSISTANCE WITH PURCHASING GOODS AND SERVICES

Except under emergency conditions staff should never make a purchase of any kind without the presence and active involvement of the consumer.

6. SOCIAL SECURITY ISSUES

ICON staff must be prepared to assist their consumers in learning about social security programs and if they are eligible for services. Assistance may involve assisting a consumer in completing applications forms and gathering information, as well as accompanying a consumer to a social security office or appointment. Consumers may receive letters from Social Security that they need help understanding. In each of these situations, staff must consult with their supervisor and/or the Executive Director to ensure that they are providing accurate information and appropriate assistance to their consumer.

7. FUNCTIONING AS REPRESENTATIVE PAYEE

From time to time ICON may be asked to function as a Representative Payee for social security income. The ICON Controller handles accounting for these individuals, but the ICON staff person is responsible for keeping a money management log, recording disbursements of cash to the consumer as well as the general or specific use of the funds.

8. GUARDIANSHIP

Before agreeing to provide money management support, ICON must determine whether the person is their own guardian, and if not, who the guardian is. It is essential in this situation to meet with the guardian and develop a written understanding concerning what specific supports ICON is expected to provide and what type of documentation the guardian will require.

9. LONG-TERM GOALS

When a consumer requests assistance in managing their finances, a long term goal must be written to outline the specific areas of need, how the consumer will continue to work towards a greater level of independence, and what the staff's role will be in the process. Financial goals tend to be long-term because they must be broken down into many components that may each take several months to learn.

D. PROCEDURES

ICON staff are expected to learn the following mandatory procedures and concrete tips in assisting a consumer to achieve the greatest degree of independence possible in managing their financial affairs.

Supporting a consumer in money management is not the same taking care of your own money management needs. In your personal life, you may choose not to keep copies of bills you pay, or bank statements, and if anything goes wrong, you have only yourself to blame. As professionals, however, we must not only assist the consumer to stay afloat financially, we must also document every transaction so that if questions arise, they can be answered quickly and definitively. If we fail to do this, we are risking a potential lawsuit against both ICON and the ICON staff person(s) involved.

1. CONSUMER'S GOALS & OBJECTIVES

All money management supports must first be documented as a part of the Individual Service Plan (ISP) as formal goals and objectives.

Prior to writing goals and objectives, staff must work with the consumer to determine the individual's support needs and financial/lifestyle choices. This process may include other people such as family and case managers, but the specific goals and objectives must be those the consumer chooses for him/herself.

A checklist (the Money Management Support Plan) has been created to assist the consumer and staff to determine what supports are needed immediately. In addition to the immediate needs, goals should also focus on a long-term plan for helping the individual to become as independent as possible with financial matters.

Any restrictive procedures (e.g. restricting a consumers' control over their money in any way) must be fully documented and must contain a provision for removal of the restriction within a limited period of time, based upon clearly defined criteria.

2. BUDGETING

Regardless of the specific nature of the individual's goal, the next step (the first objective) will be to develop a monthly budget. This is perhaps the simplest of all money management support activities. Start by gathering information on the consumer's sources of income and current expenses, as well as any financial goals they may have such as saving for a vacation. Once that information has been gathered, staff can assist the consumer to modify expenses or income or both in order to meet the goal (or perhaps, decide upon a more realistic goal). The Individual Budgeting Worksheet can help with this; help is also available from ICON board members and management staff.

3. MONEY MANAGEMENT SUPPORT LOG

Every money management activity and every financial transaction you assist with must be recorded on the Money Management Support Log. This is for your protection and for ICON should any questions arise concerning your participation in the consumer's financial affairs. It will also be useful to track the consumer's progress toward greater independence.

4. BANK ACCOUNTS

ICON staff must never share a bank account of any kind with a consumer or be able to access the consumer's money without the full participation of the consumer. ICON staff should never know the consumer's debit or credit card Personal Identification Number (PIN), sign the consumer's checks, conduct banking transactions without the consumer, or have bank statements sent to your address instead of the consumer's.

If a consumer has a job or receives monthly checks from the Social Security Administration or any other source, a checking account can be a good way to keep the consumer and the funds safe. Consumers face the same issues we all do with cash. A person who carries cash or keeps it in their home could become a target for burglary. In addition, ready cash (in excess of what is needed during the upcoming week for bus or cab fare, a movie, or a meal out) may be spent more easily on unplanned purchases. In addition, cash does not provide the same documentation as to how a consumer's money has been spent.

It is recommended that the consumer have a personal checking account for the purpose of paying bills, if for no other reason. An individual may also wish to have a savings account at a bank or credit union to put away money for a long-term goal. If the consumer has trouble with spending too much and running out of money, a second checking account may help – a primary account for paying bills and a second account that contains money for discretionary purchases.

5. PAYING BILLS

Certain expenses – rent, utility bills, etc. – are paid on a recurring basis. If ICON staff are assisting with the bill paying process at all, they have a responsibility to ensure that the consumer's bills are paid on time and in full, and that documentation exists to demonstrate that.

A structured system must be established to ensure that this happens. The individual may already have a system, and if it is working there is no need to change it (except to additionally document staff's participation in the process). If there is no system in place, it is recommended that the individual acquire a box, basket, or other designated space to store bills and any other mail they require assistance with over the course of the month. Paying bills on a given day each month often leads to the establishment of a regular pattern and helps to keep things from slipping through the cracks. Whether it is the first Monday of the month or the third Thursday will depend upon the due dates of the individual's bills and the schedule they keep with their ICON support person.

Throughout the month, staff should monitor this location if necessary to ensure that any important correspondence is understood and acted upon. On the designated bill-paying day, ICON should assist the person to open the envelopes, sort out the bills, and deal with any other correspondence which may be pending.

A bank account can be an aid to bill paying in one of several ways. Checks can be written and sent to the company for payment. In addition, many bills can be set up on automatic draft so that, for example, the electric, phone, or cable company requests and receives payment electronically. This bill paying method requires the consumer to complete a one time authorization giving the company authority to be paid electronically. This authorization will remain in effect until cancelled by the consumer. If the consumer changes bank accounts or wants to stop the automatic payment permanently, the company must be notified 10-30 days in advance.

Consumers who use computers proficiently have two additional options for check-free bill paying. Those whose banks offer online banking, can pay bills online by signing up for the service at the bank and establishing a list of companies that they will routinely pay through the service. The advantage of online banking is that the consumer has only one username and password to remember and/or keep secure. The disadvantage is that it may take 3-5 days for the payment to be received and credited to the consumer's account, and the bank may impose an additional charge for this service.

Many companies also have their own websites where consumers can change their account services and pay their bills. If the company's own web site is used, a username and password must be remembered and/or kept secure for each company. These payments are usually credited the same day or the next day and the company sends an electronic draft to the consumer's bank to collect the payment. Unlike automated drafts, using the company web site or online banking allows the consumer to authorize electronic payment one month at a time.

Each of the methods described above require that the funds be on deposit and available for use in the consumer's bank account when the paper or electronic check are presented to the bank for payment. If this is not the case, overdraft charges, company late fees, and disruption of service can occur. All methods require careful balancing of the consumer's bank account.

6. BALANCING A CHECKBOOK

A key aspect of balancing a checkbook is to assist the consumer in maintaining an accurate check register. The check register may be a paper record kept in the booklet that comes with the checks or an electronic register using Quicken or other money management software. Whatever method is used, consumer checkbooks must be balanced at least monthly and within two weeks of receipt of the bank statement. There can be no exceptions to this rule.

Balancing a checkbook ultimately ensures that your consumer has the funds available that they assume they have when they are writing a check. It is important to compare the check register balance and the balance indicated by bank records, on a regular basis.

Balancing their checkbook is one reason why a consumer would use Quicken or some other checkbook management software. With Quicken, one simply checks that the opening balance on the bank statement corresponds with the previous month's closing balance, enters the current month's closing balance, and checks off the checks, withdrawals, and deposits shown on the bank statement. If the data entry has been done accurately, the checkbook will balance. The most common causes of failure to balance are failing to record a transaction in the check register and entering an incorrect amount. Both are easy to spot using the Quicken interface.

If the consumer does not have access to Quicken, the checkbook will have to be balanced manually. The bank's balance on the statement is the starting point, but it must be adjusted for any transactions made that have not yet been added to or subtracted from the account. Additions include deposits and debit card purchase refunds made since the statement date. Subtractions include ATM transactions, debit card purchases, checks, electronic payments, and bank fees.

Before you and your consumer begin, gather the most current back statement, the check register, ATM or debit card receipts, copies of checks, and a calculator.

Some bank statements include a form for balancing the statement on the back of one or more statement pages. The amount of space may be insufficient, but the approach should be easy to follow. You and your consumer can do this on a piece of lined paper or using the Excel spreadsheet on the staff website. The example below includes dates and dollar amounts to make the example as clear as possible. Your sheet should look like this:

Consumer's Name
Bank Reconciliation for November 22, 2007 (Date of reconciliation)

1. Balance per bank statement as of November 10, 2007 \$ 122.75

Additions since statement date:

<u>Paycheck deposited November 15</u>	<u>\$457.15</u>	
<u>Debit card return November 12</u>	<u>10.27</u>	
2. <u>Total additions</u>		<u>+467.42</u>

Deductions since statement date:

<u>Check 725</u>	<u>\$325.00</u>	
<u>Check 727</u>	<u>5.26</u>	
<u>ATM Withdrawal November 12</u>	<u>40.00</u>	
<u>Monthly bank fee</u>	<u>6.00</u>	
3. <u>Total deductions</u>		<u>- 376.26</u>

4. Balance as of today's date = 1 + 2 – 3 \$ 213.91

If the balance as of today's date matches the balance in the consumer's check register, the bank account is balanced. If the balances do not agree, the error must be located. ICON admin and management staff can provide assistance with balancing checkbooks either on a regular basis or when particularly troublesome issues arise.

When the account has been balanced, the worksheet used should be stapled to the bank statement and both should be filed with the consumer's financial papers for future reference.

Online banking can be used to access balance information more than once a month. Otherwise, the consumer must get printed information from the bank in order to balance their checkbook. This can be done more often than once a month if necessary by requesting an interim statement or a print out of account activity from the bank. There may be a charge for this service, but preventing or minimizing overdraft charges may make this step worthwhile.

Depending upon the consumer needs, checks that provide a carbon copy may be a good tool. These kinds of checks can be more expensive than other checks, but the additional expense will be worthwhile if it prevents a single overdraft charge.

Having cancelled checks returned is less common and more expensive than in the past. Most financial institutions offer the option to receive a copy of the checks paid during the month. These check copies are sent as part of the monthly bank statement. The cost of receiving these copies monthly should be minimal, if there is a separate fee at all,

and they can be useful in providing documentation for your assistance activities as well as for budgeting or tax purposes.

7. INVESTMENTS

If a consumer is considering investing, ICON staff must advise the consumer to seek support from a more qualified person. This level of financial management should be guided by a professional or a family member; providing this level of financial advice is beyond the scope of what ICON can provide.

8. DEALING WITH PROBLEMS

Various financial problems with consumers can arise. ICON staff are expected to seek counsel from their immediate supervisor or the Executive Director when a situation presents itself that is beyond the typical scope of the support or assistance they are providing to the consumer.

E. STAFF TRAINING

All staff providing money management support are expected to possess a basic level of competence in order to be successful. Staff may request additional training specific to their consumer's needs. Staff are also responsible for informing their supervisor if they are having difficulty carrying out the basic supports listed in the consumers service plan. If staff are unable to demonstrate the ability to appropriately assist consumers with their financial needs, they will not be authorized to provide any kind of financial support to ICON consumers.

F. CONSEQUENCES OF VIOLATION OF THIS POLICY

Every ICON employee who provides money management assistance to a consumer is responsible for understanding and implementing the policy and procedures in this document. If at any time you have questions about money management policy you have an obligation to consult with your supervisor or any other member of the management team. Violation of this policy can be cause for disciplinary action, up to and including termination.

In addition, as detailed in the Ethics Policy, every ICON employee also has a responsibility to report any observed instances of ethics violations by other staff members. All reports of unethical behavior, whether from staff, consumers, or other stakeholders, should be made to the Executive Director, in writing if possible, within 24 hours of discovery of the alleged violation.

The Executive Director, assisted by members of the management team, will investigate the allegation and act upon the allegation as appropriate. If a violation of the Ethics Policy is determined to have occurred, discipline can take one of the following forms, in order of severity, as provided for in ICON's Personnel Policies and Procedures:

- verbal counseling
- a written warning or reprimand
- probation
- suspension from work (for a period not exceeding three scheduled work days) subject to discharge

Keep in mind, however, that ICON has no obligation to use any one or more of these forms of discipline prior to discharging employees.