

5123:2-3-14

**Personal funds of the individual.**

- (A) The purpose of this rule is to achieve the outcome of involvement of the individual in the management of his/her personal funds as identified in the individual's IP and to establish standards of accountability in the licensee's handling of an individual's personal funds when the individual's plan indicates the licensee to be responsible for handling the individual's funds.
- (B) Personal funds consist of earned and unearned income retained by the individual after satisfying liability requirements to defray the cost of room, board, or services as defined by county board contracts; state requirements, including patient liability for the cost of home and community-based services (HCBS) waiver services as defined in rule 5101:1-39-95 of the Administrative Code; and federal requirements, including adherence to income restrictions necessary to maintain medicaid eligibility.
- (C) Personal funds are the exclusive property of the individual to use as he/she chooses to purchase items, goods, and services of his/her preference.
- (D) The licensee shall not require an individual to use personal funds to purchase or for the purchase of items that are reimbursed by the respective funding sources of the licensee.
- (E) The licensee shall not require an individual to use personal funds to make up the difference between the cost of goods and services and the amount of payment received by the licensee from third party payers for the same goods and services.
- (F) In no instance shall the licensee or any staff member of the residential facility borrow money from an individual or fail to account for personal funds of the individual received by the licensee.
- (G) The licensee shall not commingle an individual's personal funds with funds of the licensee. The licensee shall not use an individual's personal funds to supplement or replace the personal funds of another individual on a temporary or permanent basis.
- (H) Each individual has the right to manage his/her own personal financial affairs unless otherwise specified on the individual's plan. If the individual needs assistance with his/her own financial affairs then, based on formal or informal assessments, the individual's plan shall indicate the criteria, parameters, and documentation necessary regarding the assistance to be provided to the individual.
- (I) If the individual's plan specifies that the licensee or any staff member of the residential facility is providing any assistance to an individual, the licensee shall involve the

individual as much as possible in the management of his/her financial affairs.

(J) When the licensee has control and/or possession of an individual's personal funds, the licensee may establish a banking account for the individual or the individual may establish his/her own account.

(1) When the licensee establishes a banking account on behalf of an individual, the licensee may establish a separate banking account for each individual's personal funds, or combine each individual's personal funds in a single banking account, or a combination of both. When individuals' personal funds are combined in one banking account, the licensee shall separately account for each individual's funds and allocate interest, if earned, to each individual's account proportional to the amount of funds each individual maintains in the account.

(2) Personal funds may be established and maintained for an individual in a checking account, savings account, cash account, or any combination thereof. For each type of account established for the individual, the licensee shall maintain an account transaction record which shall contain the following:

- (a) The individual's name;
- (b) The amount and date all funds are received;
- (c) The source of all funds received;
- (d) The signature of the person crediting the account, unless electronically deposited;
- (e) The amount withdrawn and date of withdrawal;
- (f) The signature of the person receiving the debited amount, unless electronically withdrawn;
- (g) For checking and savings account(s), a current account balance reconciled to the most recent bank statement;
- (h) For cash kept in the facility or other accessible location for use by or on behalf of the individual, the current amount of cash reflected in the transaction record shall equal the amount of cash present for use by the individual;

(i) For each type of account maintained by the licensee, a verification of the reconciliation of the recorded balance to the actual funds available to the individual shall be made by the licensee, or the licensee's designee, no less frequently than once every sixty days. This reconciliation shall contain the date on which the reconciliation was conducted, the signature of the person conducting the reconciliation, and a detailed accounting of any discrepancies by type and amount. A person other than the person who maintains the account transaction record for the individual shall conduct the reconciliation.

(3) Personal funds received on behalf of the individual by the licensee shall be made available for the individual's use within five working days of the licensee's receipt of the funds.

(K) All personal funds expended by the licensee on behalf of an individual shall be accompanied by a receipt for the expenditure. The receipt shall identify the item(s) procured, the date, and the amount of the expenditure. The licensee shall obtain other proof of purchase if a receipt is unavailable.

(L) When the licensee gives funds to an individual from his/her personal account ~~an~~ for the individual ~~expends personal funds to expend~~ on his/her own behalf ~~or when personal funds are expended for the individual by a parent or custodian if the individual is a minor or guardian, as applicable,~~ a receipt is required for a single expenditure of fifty dollars or more unless otherwise specified in the individual's plan. When a receipt is unavailable, the licensee shall obtain other proof of purchase. If other proof of purchase is not available, the licensee shall provide written verification for the amount of funds given to the individual and what was purchased with the funds.

(M) When the licensee gives funds to a parent or guardian to expend for the individual, the amount of funds given shall be recorded in the individual's account transaction record. When the funds are used to purchase a single item of fifty dollars or more, the licensee shall request the parent or guardian to provide a receipt or other proof of purchase. If a receipt or other proof of purchase is not available, the licensee shall provide written verification for the amount of funds given to the parent or guardian and what was purchased with the funds.

~~(M)~~(N) Notwithstanding paragraph ~~(L)~~ (M) of this rule, if a violation of this rule results in the loss of personal funds, the licensee shall restore those funds.

~~(N)~~(O) When the licensee has control and/or possession of an individual's personal funds, the licensee shall release any balance of personal funds to the individual, after deducting for actual or estimated liabilities owed by the individual, at the time of

his/her discharge or transfer. Within thirty days of the discharge or transfer, the licensee shall prepare a final itemized statement of the individual's personal funds account(s) and shall release any remaining personal funds to the individual with the itemized statement.

(P) In the event of an individual's death and when the licensee has control and/or possession of an individual's personal funds, the licensee shall dispose of the individual's funds in accordance with state regulations and shall document such disposition.

~~(O)~~(Q) The department may conduct a personal funds audit of a residential facility at the department's discretion.

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CERTIFIED ELECTRONICALLY

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Certification

12/05/2005

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Date

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