



# **Personal Representatives Handbook**

## THE OHIO COMMUNITY POOLED ANNUITY AND FLEXIBLE- SPENDING TRUSTS

*THE DISABILITY FOUNDATION,  
INC.*

A Supporting Organization of  
The Dayton Foundation

**THE DISABILITY FOUNDATION INC. – THE OHIO COMMUNITY POOLED TRUST**  
**REQUEST FOR DISTRIBUTION – To be typed or printed**

ã THE DISABILITY FOUNDATION, INC., 2014

Fund Recipient's Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_

Personal Representative's Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_

Have the fund recipient's public benefits changed since the last Request for Distribution form was submitted? If so, how? \_\_\_\_\_

Total amount now available for distribution: \_\_\_\_\_

To whom should check(s) be made payable? If more than one check is required, please specify each payee, and the amount(s) to be distributed. Note: each must be listed separately and must be for a supplemental need, but only one check will be issued to each payee. Please remember to keep sufficient funds in the account to pay anticipated income taxes, if any, unless other funds held outside the account will be used to pay such taxes. **If more space is needed, please attach additional sheets.**

<u>Payee</u>	<u>Purpose</u>	<u>Amount of check</u>	<u>Recurring Expense</u>
_____	_____	_____	Yes <input type="checkbox"/>
_____	_____	_____	Yes <input type="checkbox"/>
_____	_____	_____	Yes <input type="checkbox"/>
_____	_____	_____	Yes <input type="checkbox"/>

TOTAL REQUESTED: \_\_\_\_\_

Date: \_\_\_\_\_  
 \_\_\_\_\_  
 Signature of personal representative

**GENERAL INSTRUCTIONS:**

If possible, please submit a purchase order or other written estimate or bill from the vendor from whom goods or services will be (or have been) purchased.

**NOTE: Please provide the Disability Foundation, Inc. with receipts for all expenditures.**

through other third party sources.

18. Vocational rehabilitation or habilitation, if not available through other third party sources.
19. Reimbursement for attendance at or participation in meetings, conferences, seminars or training sessions.
20. Reimbursement for the time and expense for a companion or attendant necessary to enable the individual to access or receive supplemental services including, but not limited to, travel and vacations and attendance at meetings, conferences, seminars, or training sessions.
21. Items which Medicaid and other Governmental programs do not cover or have denied payment (must show denial) or reimbursement for, even if those items include basic necessities such as physical or mental health care or enhanced versions of basic care equipment (e.g. wheelchairs) and items which are not included for payment by the per diem of the facility in which the beneficiary lives.
22. Other expenditures used to provide dignity, purpose, optimism and joy to the beneficiary of a supplemental trust.
23. Burial expenses..

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## SOME EXAMPLES OF SUPPLEMENTAL NEEDS

### 1. Distribution Procedure

The individual for whom you are serving as Personal Representative will receive a distribution amount of each quarter.

To use the fund recipient's distribution, you must submit a form, "Request for Distribution", to The Disability Foundation, Inc., stating the purpose(s) for which you wish the funds to be used. Because misused funds may jeopardize the fund recipient's entitlement to benefits, your requests must be reviewed and approved by the Disability Foundation, Inc. of the Foundation before checks will be issued.

Funds may not be used for anyone's benefit other than the fund recipient, and cannot be used for a purpose which has not been specifically authorized by The Disability Foundation, Inc. This is for the protection of the fund recipient and is not intended to be overly burdensome to you. The Disability Foundation will be responsive to the fund recipient needs as quickly as possible, especially in emergency situations.

Once a Request for Distribution, for the Ohio Community Pooled Annuity Trust, has been approved by The Disability Foundation, Inc., payment(s) will then be made by checks issued from Foundation, either to you or, preferably, directly to vendor(s) from whom goods and/or services are to be (or have been) purchased. If payments are made directly to a vendor, then further receipt documentation from you is not necessary. However, if payments are made directly to you, then you will need to furnish the Disability Foundation, Inc. with a receipt and proof as to how the funds were spent. This is for the protection of the fund recipient, as his or her account may be audited by the public agencies which provide benefits to the fund recipient.

April 1	February 15
July 1	May 15
October 1	August 15
January 1	November 15

If you deposit the check(s) from the Foundation into an account in your name and then write checks from your personal account to pay for items for the fund recipient, you may provide copies of the canceled checks showing payment to vendor(s) in question, or copies of receipts,

1. Reimbursement for attendance at or participation in recreational or cultural events.
2. Travel and vacations.
3. Participation in hobbies, sports or other activities.
4. Items beyond necessary food and clothing (e.g. funds for dining out occasionally, for special food periodically delivered, or for an article of clothing such as a coat which is "extra" but which is desirable because it is newer, more stylish, etc.).
5. Cosmetic, extraordinary, experimental or elective medical or dental care, if not available through other third party sources.
6. Visiting friends, companionship.
7. Exercise equipment or special medical equipment if not available through other third party sources.
8. Cost differential between a shared room and a private room.
9. Equipment such as telephones, cable television, televisions, radios and other sound equipment, and camera for private use by the individual.
10. Membership in clubs such as book clubs, health clubs, record clubs.
11. Subscriptions to magazines and newspapers.
12. Small and irregular amounts of personal spending money.
13. Advocacy.
14. Services of a representative payee or conservator if not available through other third party sources.
15. Guardianship or other protective service not listed in ODMH or ODMR/DD rules.
16. Someone other than MH; MR/DD Case Manager or Community Support Staff members to visit the individual periodically and monitor the service received.
17. Intervention or respite when the beneficiary is in crisis if not available

whichever you prefer. If you cash the checks and use cash to pay for items for the fund recipient, you must provide copies of the receipts for the items purchased. If you have previously received monies from the fund recipient's account and have not yet provided the Disability Foundation, Inc. with any required documentation, as outlined above, then no further distributions to you will be approved until such documentation is received. (Distributions directly to vendors will still be allowed.) Further, if you use the funds for anyone other than the fund recipient, or if you use the funds for a purpose which has not been authorized by the Disability Foundation, Inc., then the Disability Foundation, Inc. may refer the matter to appropriate agencies for further action. In extreme cases, the Disability Foundation, Inc. has the right to request repayment of the funds you have spent and to remove you as Personal Representative if you have violated the Foundation's rules, especially if your actions have jeopardized the fund recipient's eligibility for public benefits.

Please remember that these rules are necessary to *protect eligibility* of the fund recipient. We must always be able to prove how the funds were spent in the event of an audit from the public agencies involved..

## **2. Deadlines for Submission of Requests for Distribution**

Requests for Distribution must generally be received by the Foundation no later than 45 days prior to the anticipated date of distribution for the Ohio Community Pooled Annuity Trust. This gives the Disability Foundation, Inc. time to review the purposes for which the funds are to be used, to make sure that the anticipated expenditure(s) qualify as "supplemental services". In questionable cases, the Disability Foundation, Inc. may defer approval pending further investigation. Requests for the 2014 Ohio Community Pooled Flexible Spending Trust may be made at any time.

The schedule of deadlines you are asked to meet in your submission of Requests for Distribution is as follows:

<b>Date Distribution Will be Available</b>	<b>Deadline for Submission of Request for Distribution</b>
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The Foundation recognizes that special emergency needs may come up which may make it necessary for you to seek disbursements *after* the deadlines stated above. In such a situation, we will try to work with you to meet the fund recipient's needs, provided that it is practical to do so.

### **3. Annual Planning**

We will request information from you annually regarding the way(s) in which you and the fund recipient intend to use funds for an upcoming year. The purpose of this “Annual Planning” is to help you anticipate the best way to use the monies available to the fund recipient. This will also help the Foundation if a new Personal Representative must be appointed.

### **4. Tax Issue**

For the Ohio Community Pooled Annuity Trust, each quarterly distribution includes a portion which is treated as “taxable income” to the fund recipient for income tax purposes. (Part of each distribution is also nontaxable). Each year, in January, you will receive an IRS Form 1099 showing the part of the fund recipient’s distribution which is considered taxable income for IRS purposes. You will also be provided with an estimate of this amount when the account is established. If the fund recipient established the account initially with his or her own funds, then the fund recipient will also be entitled to a charitable income tax deduction, which may help to offset such anticipated tax liability, if any, provided that the fund recipient itemizes his or her personal income taxes.

If the funds used to establish the account came from a parent or grandparent of the fund recipient, then the fund recipient is not entitled to a charitable income tax deduction, but the parent or grandparent might be. (Parents and grandparents who establish accounts with the Foundation for the benefit of a child or grandchild with disabilities should always consult with their tax advisors to clarify potential income tax benefits and to file a gift tax return for the year in which the account is established.)

One of your responsibilities as Personal Representative is to contact a tax advisor for the fund recipient as soon as the account is established to determine whether the fund recipient will be liable for any income tax payments on the distributions credited each quarter. In most cases, the fund recipient’s income from all sources, including the Trust, will probably be too low to generate any income tax liability. However, if

the fund recipient is not currently on public benefits and therefore receives substantial income from other sources, or if the fund recipient receives a large quarterly distribution from the Trust, it is possible that income tax payments will be due. In the rare cases where taxes are anticipated, funds in the fund recipient’s account can be used to pay such taxes. If taxes will be due, you should make arrangements either to pay such taxes from other funds available to the fund recipient, or, alternatively, you should leave sufficient monies in the fund recipient’s account to make sure that check(s) can be issued from the fund recipient’s account in the Trust prior to April 15<sup>th</sup> each year for payment to the appropriate tax agencies.

death, provided that sufficient funds are available to do so either from the fund recipient’s account or from another source.

### **5. Disposition of Funds After Death of Fund Recipient**

If any monies remain in the fund recipient’s account after death, then the balance remaining in the fund recipient’s account must be paid to the State of Ohio. For this reason, if you know that the fund recipient is in very poor health, you may wish to try to use the account to fulfill the fund recipient’s last wishes. After the death of the fund recipient, the account will not be available for any purchases related to the individual, including funeral/burial expenses. Such “last wish” payments must still qualify as supplemental service needs, and must still be authorized by the Disability Foundation, Inc., as discussed above.

### **6. Further Help**

Please feel free to contact Greg Darling, Executive Director, The Disability Foundation, Inc. at (937) 225-9939 with any questions you have. If you wish, a special training session can be set up at your convenience prior to the first distribution deadline, to assist you with understanding the forms you must complete.

**NOTE:** This Handbook reflects policies and guidelines set by The Disability Foundation, Inc. regarding administration of The Ohio Community Pooled Trust, and may be modified from time to time, as deemed necessary by The Disability Foundation, Inc.