

CLC Foundation, Inc.

Trust Policies and Procedures

Introduction: The purpose of this document is to describe to all trust beneficiaries, advocates and guardians the trust policies and procedures currently in effect at CLC Foundation.

Please note, the CLC Foundation Trust Policies and Procedures are periodically updated and posted on the trust website: www.clcpooledtrust.org

Eligibility:

To be eligible for a CLC Supplemental Needs Trust, the individual beneficiary must be disabled as defined by Social Security Law Section 1614(a)(3)[42 USC 1382c(a)(3)].

Notifications:

CLC Foundation will send a notification letter to the Social Security Administration (SSA) and the Department of Social Services (DSS) upon the opening and closing of your trust account together with a copy of your Joinder Agreement.

In addition, CLC Foundation will request permission from DSS for making large disbursements and will send proof of monthly deposits for surplus income trusts when required.

Account Statements:

Trust account statements are mailed monthly to the individual designated in the Joinder Agreement. The statements are sent out approximately three weeks after the end of each month. Account statements reflect every deposit and withdrawal from your trust account as well as any interest, dividends or other investment activity that occurred during the period.

Since trust account statements are sent to you directly, CLC Foundation does not provide copies. It is the responsibility of the beneficiary to keep their account statements. If additional copies are needed, there will be a \$1.00 per page charge.

Disbursements:

Disbursement requests take 7 – 10 business days to process from the date of approval. Please plan ahead when requesting a disbursement from your trust. CLC Foundation is not responsible for any late charges incurred.

Disbursement requests must be approved by a Trust Officer prior to payment. All disbursements must be for the sole benefit of the trust beneficiary. Disbursements must also be in compliance with all applicable regulations.

All requests for disbursements must be submitted in writing and include appropriate back-up documentation (invoice, receipt, etc.). Lack of documentation may delay the processing of your request. Written requests may be sent to our office via regular mail, e-mail, facsimile (914-242-3516) or by court order. In case of an emergency, please call us at 914-241-2076.

If a request is made by telephone, the Trust Officer will request documentation pertaining to the disbursement.

CLC Foundation cannot accommodate any requests to have bills paid over the phone or online. All trust disbursements must be paid by check.

All bills presented for payment must be in the name of the trust beneficiary.

Proof of payment is required for reimbursements to a third party. Permission to submit an expense for reimbursement must be obtained in advance.

Deposits:

Self-Settled Trusts - All checks must be made payable to CLC Pooled Trust 2 F.B.O. (beneficiary's name)

Example: CLC Pooled Trust 2 F.B.O. Jane Doe

Third-Party Trusts- All checks must be made payable to CLC Pooled Trust 1 F.B.O. (beneficiary's name)

Example: CLC Pooled Trust 1 F.B.O. John Smith

Accountings:

A list of disbursements and deposits will be provided upon request to the following agencies or individuals without a fee:

- 1) Department of Social Services;
- 2) Social Security Agency;
- 3) Trust beneficiary, guardian or advocate (once per year).

If a beneficiary, guardian or advocate requests a full accounting (or the equivalent thereof) a fee of \$350.00 will be charged. A complete accounting requires detailed reporting for a specific period of time, usually a calendar year.

If an annual judicial accounting is ordered by the Court, the preparation of the accounting will be outsourced to an attorney who will charge a fee for their services to be approved by the court.

Credit Card Rules:

The trust officer determines whether a beneficiary is eligible to participate in the credit card program and sets the credit limit. If you pay for a service or item with your credit card, the final decision about using your trust funds for that expenditure is made by the Trust Officer.

The following rules and limitations apply to trust credit cards:

- 1) The credit card cannot be used to obtain cash;
- 2) The credit card cannot be used to pay for an expense which is already covered by a current government benefit;
- 3) The credit card cannot be used to pay for groceries or rent if trust beneficiary receives SSI;
- 4) The credit card cannot be used to pay for expenses of others, it must be used for the trust beneficiary's supplemental needs only;
- 5) The balance of the card will be paid off each month from the beneficiary's trust account;
- 6) In most cases, credit card purchases over \$250.00 must be approved in advance by the Trust Officer;
- 7) If the individual card holder makes a purchase that is not authorized by the Trust Officer, he or she will be required to pay for it immediately out of their SSI or SSDI income or from their personal savings;
- 8) The card holder is responsible for keeping track of their own charges and staying within their approved monthly credit limit;
- 9) If the individual card holder cannot comply with these rules, the credit card will be canceled.

Taxes:

CLC Foundation is not responsible for filing federal or state income tax returns on behalf of trust beneficiaries.

On an annual basis, CLC Foundation will provide the beneficiary or advocate with a 1099, Grantor Statement of Tax Items and/or K-1 (as applicable) information for the filing of their own taxes.

If you need assistance with your taxes, your Trust Officer can help you find a tax preparer.

Benefit Recertification:

The benefit recertification process is the responsibility of the beneficiary or guardian. Should you need assistance, CLC Foundation will provide a list of professionals who can assist you on a retained basis.

Any changes that may affect the administration of your trust account, including changes to your benefits, authorized representative or general contact information must be submitted to CLC Foundation in writing.

Trust Fees:

Administrative fees are charged according to the current fee schedule.

Accounts requiring special accommodations may be assessed an additional fee. These fees will be determined on a case-by-case basis and will be disclosed to the account beneficiary (or his/her representative) at the time they are assessed.

Fees are subject to change at the Administrative Trustee's discretion.

Termination Upon Death of the Beneficiary:

All final disbursement requests must be submitted within ninety (90) days of the Beneficiary's death and upon submission of the death certificate. Only expenses incurred prior to the Beneficiary's death will be considered.

Funeral expenses will only be paid pursuant to a Medicaid eligible pre-need funeral agreement established prior to the Beneficiary's death. Funeral expenses cannot not be paid after the Beneficiary's death. Total funeral expenses disbursed from the trust may not exceed \$15,000.00 unless special circumstances apply with permission granted by the Department of Social Services.

All beneficiaries should consider a prepaid funeral plan, unless they have a family member or advocate to assume this responsibility.

Contact

If you have any questions concerning your trust, please feel free to contact our office during regular business hours Monday through Friday (9:00 AM to 4:00 PM). The Director of Trust Services, Denyele Urciuoli, is also available Tuesday, Wednesday and Thursday (9:00 AM to 4:00 PM) via telephone (914) 241-2076 or email denyele@clcfoundation.org.