

Comfort Funds

1. Introduction

Providence Health Care (PHC) maintains and administers funds, commonly referred to as residents' Comfort Funds, on behalf of permanent residents within PHC facilities. Residents' comfort funds are personal funds established and replenished by the resident or the resident's family.

Maintenance of the residents' comfort funds must comply with Ministry of Health policy which states:

Health authorities must ensure service providers establish reasonable accounting and security measures to receive and control funds for the personal comfort of the client and make adequate provision for the custody and safekeeping of the client's personal funds and belongings.

1.1. Purpose

The purpose of the Comfort Funds policy is to:

- Provide all residents with a secure method of maintaining their personal funds
- Promote resident independence and choice
- Provide opportunities for residents to participate in activities and purchase desired goods and services
- Establish a clear process that is understood by residents, family and staff regarding the purpose of and access to funds.

1.2. Scope

The Comfort Funds Policy applies to all individuals that access and administer residents' comfort funds within a PHC owned and operated facility.

2. Policy

The purpose of operating resident comfort funds on behalf of residents is considered to be a direct care service carried out for the sole purpose of the physical and mental well-being of the resident. Having access to Comfort Funds promotes resident independence and provides an opportunity for residents to participate in activities and purchase desired goods and services. Residents' comfort funds are monies placed on deposit with PHC to cover personal incidental charges not otherwise covered by PHC.

To avoid the risks associated with cash at the bedside, the funds are placed into PHC accounts and all transactions are tracked and recorded by PHC and PHSA Revenue Services.

2.1. General

- The Comfort Fund account shall be maintained at a level that is consistent with the monthly discretionary spending of the client. Based on the Provincial policy, the account balance must not exceed \$500.00 at any one time unless approved by the account holder.
- It is the responsibility of the account holder to maintain his/her Comfort Fund account in good standing, and in a positive balance.
- Regular deposits to the Comfort Fund Account are required to maintain a positive balance and the account cannot be overdrawn. A monthly statement outlining the deposits, expenses, and balance will be maintained and sent to the account holder.
- Allowable transactions processed through Comfort Funds are for services and products purchased and received by the resident. Examples of allowable expenditures for Comfort Funds include but are not limited to hairdressing, HandyDART, companion services, cable services, telephone, and podiatrist. All payments for incidentals such as hairdressing, podiatry, and other activities are paid from the account through PHSA Accounts Payable department.
- Personal financial transactions such as mortgage payments or investment transactions are prohibited from being processed via Comfort Funds.
- The use of petty cash funds and the corporate purchasing card is an acceptable means to access Comfort Account Funds.
- Upon a resident's discharge, outstanding balances with a Comfort Funds account will be refunded to the account holder within 45 days or to the resident's estate if the resident has expired.
- There are no service charges applied to operate Comfort Funds and all Comfort Fund accounts are non-interest bearing.

2.2. Process

Authorization Form

A signed Comfort Fund Authorization Agreement Form will be obtained from each resident or their financially responsible person. The form will be held in the residents file by the site at which the resident resides.

Transaction Processing

All deposits and withdrawals will be recorded on a resident by resident basis, in individual resident's comfort accounts. Withdrawals from residents' comfort funds must meet appropriate standards as disclosed in this policy.

Each facility will provide reasonable access to funds for the resident based on the facility's operational capacity and resident's needs.

Transaction Approvals

All Comfort Funds cash withdrawals and Comfort Funds expenses for allowable transactions must have appropriate authorization by the resident or designate before funds are withdrawn from the resident's account.

Cash withdrawals and disbursements must be signed by the resident. Where residents are unable to sign or disbursements are made on their behalf, the transaction must be approved by the unit manager or their designate and verified by a second signature from supporting staff.

Original coded and approved invoices must be provided in order to process transactions.

Service Providers and Contractors

Long-term Care management must ensure that the resident's comfort funds are solely used for the benefit of the resident.

3. Responsibilities

The following outlines the responsibilities of PHC site leaders and staff, cash custodians, PHSA Revenue Services, and PHC finance in relation to accessing and administering resident comfort accounts.

3.1. Leaders and Site Staff

- For each resident, keep an onsite copy of the Comfort Funds Signing Authority and Authorization Agreement form. This is a form used to provide PHC with information regarding signing authority for withdrawals from residents' Comfort Fund accounts.
- Provide signing authority or other related documents from the resident's file to administer and access the Comfort Funds.
- Ensure all Comfort Fund withdrawals are supported by proper signing authority and receipts.
- Entering and updating purchase card transaction details online for residents' spending when using the corporate purchasing card. The card administrator is responsible for obtaining the relevant receipts, list of names of the residents, and entering the details into the online purchasing system. The transaction details must be forwarded to PHSA Revenue Services.
- Ensuring the Comfort Fund Group Billing Form is completed when applicable, and forwarded to PHSA Revenue Services. This form documents the resident's portion of a group charge that will be billed to each resident's Comfort Fund account.
- Ensuring there is sufficient balance in the resident's Comfort Fund account to cover a withdrawal.

- For external service providers, forward the invoice along with the details as to which individual resident received the services, to PHSA Revenue Services.
- Collecting and logging cash or cheque deposits at the cashier sites and forwarding to PHSA Revenue Services on a weekly basis.

3.2. Cash Custodians

- Maintain a petty cash log to support all comfort account transactions using the petty cash float.
- Ensure all withdrawals are supported by proper signing authority and receipts.
- Ensure there is sufficient balance in the resident's Comfort Fund account to cover a withdrawal and ensure that each resident's comfort fund balance is maintained with a positive balance.
- Submit petty cash logs to PHSA Revenue Services on a timely basis.

3.3. PHSA Revenue Services

- Administering and processing applications for new Comfort Funds Accounts which include obtaining and keeping authorization forms, signatures and banking information on file.
- Recording all comfort funds transactions such as withdrawals and deposits using the HRCM system and keeping all supporting documentation on file.
- Recording comfort funds deposits in HRCM.
- Ensure that each resident's comfort fund balance is maintained with a positive balance. The maximum value is \$500.
- Collecting money through pre-authorized payments.
- Reviewing all comfort funds accounts to ensure that these are not in an overdraft position. If there are accounts that are in an overdraft position, PHSA Revenue Services must follow up with the resident/designate.
- Sending out comfort funds statements to the account holders on a monthly basis.
- Reconciling period end GL accounts to the HRCM system.

3.4. Finance

- Reconciliation of comfort account balances from HRCM to the GL, and the GL to the bank account.
- Ensuring the adequate segregation of Comfort Fund accounts in a separate, non-interest bearing, bank accounts, separate from other PHC funds.
- Ensure all Comfort Fund account journal entries are posted to GL.
- For closing Comfort Fund accounts, approve and review cheque requisitions for refund to the account holders. Forward approved forms to PHSA Accounts Payable for processing.
- Recording all the Comfort Fund expenses from the online purchase card system into the GL.

4. Compliance

PHC, including site leaders, staff, cash custodians, and PHSA must comply with this policy. Failure to comply with this policy may result in disciplinary action. PHC and PHSA have the responsibility for monitoring compliance with this policy and for its enforcement.

5. Supporting Documents

5.1. Related Policies

[Ministry of Health Home and Community Care Policy 6.G](#)

5.2. Guidelines/Procedures/Forms

[Comfort Funds Guidelines and Procedures](#)

[Comfort Fund Signing Authority and Authorization Agreement](#)

[Comfort Fund Group Billing Form](#)

[Companion Billing Invoice](#)

[Petty Cash Guidelines & Procedures](#)

[Petty Cash Log](#)

[Petty Cash Reconciliation](#)

[Pre-Authorization Debit Form](#)

[Purchasing Card Program](#)

6. Definitions

“Account Holder” is the person who is financially responsible for funding the resident’s Comfort Fund account. This is likely to be a family member, trustee, or the resident.

“Comfort Funds” are the residents personal funds established and replenished by the account holder and administered by PHC.

“Comfort Fund Group Billing Form” is used to document the resident’s portion of a group charge that will be billed to each resident’s Comfort Fund account.

“Comfort Fund Signing Authority and Authorization Agreement” is a form used to provide PHC with information regarding signing authority for withdrawals from residents’ Comfort Fund accounts.

“HRCM” means Healthcare Receivables Cycle Management refers to the software used to track Comfort Funds withdrawals, deposits, and balances

“GL” means general ledger which is where all the accounting information is recorded and used to produce financial statements.

“Online Purchasing Card System” refers to the web based software, called BMO Details Online, used to record and update all transactions purchased using the corporate purchasing card.

“Petty Cash Custodian” refers to the individual entrusted to hold and disburse petty cash, maintain the petty cash log, and reconcile the petty cash.

“Petty Cash Log” means a record of all disbursements paid out of the petty cash float.

"Petty Cash Reconciliation Form" is completed by the petty cash custodian when petty cash replenishment is required. This form reconciles the physical cash count to the sum of all expenses on the petty cash log.

"Resident" is a person who is a registered patient within a PHC elder care unit or another program at one of PHC's long-term care sites. Examples include: Extended Care Unit (ECU), Assisted Living, and Mental Health.

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