

*Lifeworks*

**PAYROLL AGENT &  
FISCAL CONDUIT MANUAL**  
Customized Support

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## **What Is Lifeworks**

Lifeworks Services is a private, nonprofit organization serving more than 1,300 people with disabilities throughout Minnesota. Our Career Development and Social Enrichment services are available in the metro and Mankato areas and our Customized Support services are available statewide. Lifeworks was founded in 1965 by families of children with special needs.

## **Lifeworks Mission**

The mission of Lifeworks is to serve the community and people with disabilities as they live and work together.

Lifeworks is passionately committed to fostering a greater understanding of people with disabilities so that they are heard, their interests are respected, and their contributions valued.

## **The People We Serve**

The people Lifeworks serves in our Social Enrichment and Career Development programs have Developmental Disabilities and related disabilities such as cerebral palsy, epilepsy, and autism. In Customized Support we provide services to people with disabilities and the elderly.

## **Consumer Directed Community Supports**

Consumer Directed Community Supports (CDCS) has its roots in self-determination, a national movement aimed at changing the service system for people with disabilities, which began in the mid '90s. Minnesota received a grant from the Robert Wood Johnson Foundation to demonstrate how self-determination might work.

The Self-Determination Project showed that, if individuals and their families were given control over the resources spent on their behalf, they would choose the support they really need for a more meaningful life, instead of fitting into a set program of services.

CDCS has the same key principles as the Minnesota Self-Determination Project:

- |                  |  |
|------------------|--|
| <b>Freedom</b>   | The ability of individuals, with freely chosen family and friends, to plan and live a life with necessary support.             |
| <b>Support</b>   | The arranging of resources, both formal and informal, that will assist an individual to live a life he or she chooses.         |
| <b>Authority</b> | The individuals control resources, both formal and informal, that will assist the individual to live a life he or she chooses. |

**Responsibility** Acceptance of the benefits and risks by an individual for choices made and accountability for spending money in ways that assure health and safety and that are life enhancing.

## **CDCS Gives You Control of Your Resources**

You are given information on the funding that is available to you and can decide how you want to allocate those funds within the guidelines of CDCS. You direct your supports. Because of this, we have chosen to refer to you as the **support manager** in this document.

Because you are not able to bill directly to the waiver, you must use a Fiscal Support Entity (FSE). Lifeworks is a state approved FSE.

All Medical Assistance waivers require that services provided through CDCS:

- Are necessary to ensure the recipient's health, welfare, and safety.
- Enable the individual to function with greater independence.
- Are needed as a direct result of the recipient's disability or functional limitation.
- Cannot be paid for by any other funding source.
- Meet the individual desires, preferences, and needs of the person within a compensatory range that is considered reasonable and customary.

## **Services Offered Through Lifeworks**

### **Fiscal Support Entity (FSE) Or Fiscal Intermediary**

Lifeworks is a Medical Assistance Enrolled Provider. As your FSE or fiscal intermediary, Lifeworks will reimburse you, pay vendors, bill your waiver, monitor your spending and send reports to you and the county.

### **Agency With Choice**

The support manager acts as the Managing Employer. Lifeworks manages the employment tasks and bills the state for services. The employment tasks include:

- Completing background and driving record checks.
- Verifying citizenship.
- Issuing paychecks.
- Withholding and filing employment taxes.
- Providing Workers' Compensation and liability insurance.
- Assisting with the employment relationship, including hiring, firing, and benefits.

## **Payroll Agent**

The support manager is the employer; Lifeworks will assist you in the process of becoming your own employer. In addition, we will provide payroll and invoice payments and assist with the filing of taxes.

## **Fiscal Conduit**

The support manager is the employer and uses Lifeworks for financial transactions only. The support manager is also the Employer of Record.

## **Support Planner**

This service is available to assist the individual or his or her representative with writing, implementing, or monitoring the plan. It may also include assistance with day-to-day implementation of the services in the plan. Lifeworks cannot provide both Support Planner and FSE services for the same person as this is considered a conflict of interest.

## **Training**

\$25 per person, per session, for Lifeworks training sessions, includes CPR and First Aid

## **Getting Started**

### **Learning about Consumer Directed Services**

Your county may recommend that you attend a training session on the waiver and Consumer Directed Community Supports (CDCS) and meet with your case manager or service coordinator to go over the guidelines for these services. Your county can give you information on these training sessions.

### **Writing the Plans**

You must then write a Community Support Plan (CSP). You can get a copy of the template from your case manager, service coordinator or by email from either Lifeworks or the county. When writing your plan, include the costs of the items you are requesting. It is helpful to include bids or catalog pictures with the price information. Don't forget to include tax and shipping costs. The county may also require that you complete worksheets for items in your plan.

You may be required to write a Health and Safety Plan. This document is separate from the CSP and is also available by email from Lifeworks or the county. If the individual is an adult and receives licensed services, you will have assisted with completing a Risk Management Plan. The Risk Management Plan can be used instead of the Health and Safety Plan.

If you like, Lifeworks can complete a budget based on your proposed plan and include Lifeworks' fees to ensure that you are within your waiver allocation.

### **Getting the Plans Approved**

After completing the plan, submit the plan to your county for approval. The county will review and approve your plan. You will be informed if items in your plan are denied or pended. Your case manager or service coordinator will inform you of your right to appeal decisions if you do not agree.

Lifeworks will create a budget and expense summary from the approved plan. The expense summary is used to monitor your spending. We will email (viewable through the lifeworks portal) or mail you a copy of your expense summary monthly. We are required by our county contracts to send a copy quarterly to the counties.

You, the county, and Lifeworks will all receive a Service Agreement from the department of human services. It is the Service Agreement that allows Lifeworks to bill your waiver.

### **Making Purchases**

Once you receive the Service Agreement from DHS, you can begin purchasing the items that were approved in your plan. The Fiscal Support Entity section of this manual explains options for reimbursement.

### **Staffing Hours**

When you completed your Community Support Plan (CSP), you estimated the hours of staffing you will use per week or month. This was the information that was used to develop your budget. If you consistently use more hours than the number budgeted, you may not have enough money to pay for staff at the end of your budget year. This means your staff will not be able to work or, in extreme cases, the county may decide you are no longer eligible for CDCS services. **If you authorize more hours of work than you have funding to pay for, Lifeworks reserves the right to recuperate the money from you.** If your staff works more than 40 hours per week, employees must be paid at the overtime rate of time-and-a-half. This will also affect your budget and the same consequences may apply. Overtime must be pre-approved. We are required to send a notice to you and the county when overtime is used and not approved. We are also required to send a notice to both you, and the county, when your spending is at 15% above budget or you have unauthorized use of overtime.

### **Independent Contractors**

Some of the individuals you hire may be considered independent contractors. Independent contractors must meet the definition and follow the guidelines set by the Internal Revenue Service. Generally, home remodelers, homemaker cleaning

services, and therapists with training and education in a field such as music, art, behavior, or speech therapy can be considered independent contractors. You must consult with Lifeworks before making the determination that an individual will be classified as an independent contract rather than an employee.

Independent contractors must submit an invoice to Lifeworks for payment. All independent contractors are required to complete a W-9 and an Independent Contractor Agreement before we can release payment to them. You may access a copy of an independent contractor agreement through lifeworks website at [www.lifeworks.org](http://www.lifeworks.org) or request one be mailed to you. At the end of the tax year, Lifeworks will issue an IRS 1099 form to an independent contractor that earned more than \$600 in the tax year.

## **Payroll Agent**

With Consumer Directed Community Supports, the support manager can choose to be the employer. Lifeworks will provide services for payroll, assist you with the process of becoming your own employer and will fill taxes on your behalf.

## **Becoming an Employer**

To become the employer, you must first obtain the following:

- A Federal Employer Identification Number
- A Minnesota Employer Identification Number
- A State Unemployment Number

Lifeworks helps the client obtain the numbers listed above.

- A Workers' Compensation Insurance Policy – The cost ranges from \$500 to \$1200. Make sure you include this in your CSP. Once it is paid, Lifeworks can reimburse you for the cost if it has been approved in the plan.

Once Lifeworks assists you in completing the employer setup, Lifeworks will set up your payroll. If you have questions about being the employer, call your service coordinator.

As the employer you will need to follow employment laws. The web site for the US Equal Employment Opportunity Commission is [www.eeoc.gov](http://www.eeoc.gov).

## **New Employee Paperwork**

Before an employee can begin working, Lifeworks will need to know the rate of pay for each employee and receive copies of the employee's W-4, I-9, and the documents listed on the back of the I-9. When Lifeworks has received all the required forms and has completed the background study (if required) the individual can begin working. The process goes smoothly if Lifeworks receives the forms at

least one week prior to the individual's start date. The individual cannot receive a paycheck until all the required forms are turned in. The pieces that are most often missed are copies of the documents listed on the back of the I-9 form.

### **Background Study of Employees**

As the employer, you decide if you want background studies run on your employees. If you decide to have background studies run, you must run them on all staff that have the same position to avoid discrimination. Lifeworks can assist you in the process at a cost of \$20 per study. Lifeworks will send the completed background study form to Verified Credentials, a company that Lifeworks contracts with, for the completion of the study. Verified Credentials checks the employee's record with the Bureau of Criminal Apprehension (BCA). The BCA looks for criminal conviction records in Minnesota. You can request a more complete check of the person's background for an additional cost. The individual may not begin working until Lifeworks has received notification from Verified Credentials that the individual is qualified to provide support for individuals with disabilities. The check takes approximately 3 days to complete. Lifeworks will notify you if the applicant has a criminal history that disqualifies him or her. You will need to let the employee know that they are disqualified. Lifeworks will charge the waiver for each BCA. If Staff indicated they lived in another state, Lifeworks will check out of state.

### **Driver's Record Checks**

If you choose, Lifeworks can run a driver's record check on your employees. Lifeworks does not provide automobile insurance for you or your employees.

### **Time Card Procedures**

Your employees will receive a paycheck every other Friday. Lifeworks will create time cards to record your employee's hours or you may create your own. Job tasks to be put on the time cards will be given to you by the Coordinator. You and the employee must sign and date the time cards before submitting them to Lifeworks. All time cards are due in the administrative office by 8:00 pm Monday of payroll week. You can call payroll at 651-365-3725 to confirm that your time cards have arrived. Because Lifeworks processes payroll for more than 2000 people, we cannot make exceptions for **late** time cards. Late time cards will be processed the following pay period (two weeks later.)

Timecards can be submitted three different ways:

By fax: 651-454-3174  
By mail: Lifeworks Services  
2965 Lone Oak Drive, Suite 160  
Eagan, MN 55121

**If you mail timecards, please mail by Friday before Monday payroll.**

Drop off: A drop box is available after business hours

Paychecks will be mailed directly to the employees every two weeks. Direct deposit is available. Direct Deposit takes 2 pay periods to go into effect. You will receive payroll reports biweekly. Quarterly reports, tax returns, year-end reports, and W-2's are done for you.

### **Job Descriptions**

You are not required to have job descriptions for your employees. However, it can be beneficial to provide applicants and employees with job descriptions letting them know what you expect from them and what they can expect from you. Some things you may want to include are:

- The essential functions of the job;
- The minimum qualifications of the job;
- The purpose of the job.

### **Vacation and Sick Benefits to Employees**

You may choose to provide paid vacation and sick time for your full time employees. You will need to write this into your plan and have it approved; you will also need to work within your established budget to cover the cost.

### **Ending the Employment Relationship**

If you decide to end the employment relationship, you must notify Lifeworks of the date of termination.

### **Child Labor Laws**

Personal support staff must be at least 14 years of age. There are guidelines for employees who are between 14 and 18 years of age.

### **Performance Reviews**

You are not required to conduct a performance review for your employees. However, it can be beneficial to periodically sit down with each employee to discuss his or her performance. Some things you may want to discuss:

- What are his or her strengths? What does he or she do well?
- What are areas for improvement?
- How does he or she feel about the job?
- What training or additional responsibilities would you like to see him or her take on? What interests him or her?

### **Fiscal Support Entity**

Fiscal Support Entity (FSE) services are for reimbursement of goods and services within your approved plan. Lifeworks can reimburse only items that have been approved and that are within the costs identified in your plan. A receipt must be submitted.

If the item is not included in the plan or costs more than the approved amount, Lifeworks must have written approval from your case manager or service coordinator before it can reimburse.

### **Options for Reimbursement**

- **Support Manager pays for item.**

You pay for the item with cash or a credit card and is reimbursed after sending in an expense report and attaching receipts. If the expense report is received by Monday, the check will be mailed on Friday of the same week. Lifeworks processes expense checks weekly. Most individuals submit expense reports monthly. You may access a copy of a reimbursement form through lifeworks website at [www.lifeworks.org](http://www.lifeworks.org) or request one be mailed to you.

- **Employee submits expense sheet.**

You can give employees an expense sheet and ask them to attach receipts for purchases and mileage. You must sign the expense sheet before it is sent in. Or you could give cash to the employee, have them get receipts, and attach the receipts to your expense sheet for reimbursement. A canceled check is not a valid receipt.

- **Lifeworks purchases items.**

Lifeworks can purchase items on your behalf. When we have specific item information (i.e. website, product, etc) we can purchase items for you, have the company bill Lifeworks, and have the item shipped to you. You must give Lifeworks the ordering information. Items are reimbursed up to approved amount only.

### **Updating Your Plan**

When you write your plan for the fiscal year, think about the person's needs for the entire year. Your county will give you information on the process for making changes to your plan. You will need to stay within your yearly allocation when making changes.

### **Addendums**

There are several situations outlined below that may require an addendum:

- **You may want to purchase something that was not in the written community support plan.**

The addendum must include what you are requesting, how it will benefit the person, the costs and where you will be moving the money from, including fees. Attach bids or pictures of the item if possible. You will need to stay within your yearly allocation.

- **You may have information that was not available at the time that you wrote the plan.**

For example, you wanted to purchase a piece of equipment but were unable to research the item. You have now done the research and received a prescription from the doctor.

- **The service or item identified in the plan may no longer be available or is not helpful to the person.**

You may have put money in the plan for speech therapy and it is not available or is not helpful. You decide that you would like to use this money for adaptive equipment, instead. Submit information on the change that you want to make and why.

### **You Must Wait For Approval before Making The Purchase**

The addendum must be sent to your case manager or service coordinator for approval. Once it is approved they will notify Lifeworks of the change. After it is approved you may make the purchase. Changes, such as, hiring different staff, switching hours between staff or other changes that do not result in a change to your budget or services do not require an addendum.

### **Renewing Your Plan**

Each county has a process and timeline for annual renewal of your plan. It is important to follow these timelines to avoid disruption of services. Some counties will terminate services if your plan is not completed at the time required.

## **Other Services Lifeworks Offers**

### **Communications Services**

Lifeworks offers a range of supports in the area of communication. For information on any of the communication services listed below, contact Jennie Delisi, at 651-365-3740 or [jdelisi@lifeworks.org](mailto:jdelisi@lifeworks.org).

- **Communication Dictionaries**

For individuals who do not use words to communicate, or who demonstrate behaviors that have a communicative message, Lifeworks can assist with developing a communication dictionary. The dictionary is a tool that helps the people around the individual consistently respond to his or her communicative message.

- **Boardmaker**

Lifeworks has staff who can provide training on the Boardmaker program or can assist with developing a symbol system.

- **Communication Device Library**

With funding from corporate foundations, Lifeworks developed a lending library with a variety of adaptive and augmentative communication devices. A list of devices is available on our website [www.lifeworks.org](http://www.lifeworks.org). Devices are available for loan for \$10 per month.

### **School-To-Work Transition Services**

Lifeworks helps students explore career options and get real-work experience in a variety of industries so they are ready for a job, or already hired, at graduation. Lifeworks helps them identify their skills, interests, and support needs through careful career planning. They learn work skills through job trials, tours of businesses, presentations, and counseling sessions.

### **Career Development**

Most of the adults Lifeworks serves want a job in the community. They come to Lifeworks because of its relationships with major corporations and small businesses. In 2007, 667 individuals earned \$4 million for themselves, with the average hourly wage being \$8.17 per hour.

Lifeworks job coaches provide as much on-the-job support as the person and the employer needs. That support ranges from full-time supervision of a small work group to daily or monthly checks of an individual who is more self-sufficient.

Lifeworks offers training and consultation to the employer, helping coworkers welcome, support and supervise the workers with disabilities.

If you know of an employer that may want information on hiring people with disabilities have them contact [sales@lifeworks.org](mailto:sales@lifeworks.org) or 651-365-3730.

### **Social Enrichment**

For the people Lifeworks serves who are retired or unable to work, Lifeworks offers opportunities to learn, discover interests, build relationships, volunteer, and connect with their neighbors. We also provide art, music, and movement classes, exercise sessions, and a continuing education curriculum.

### **Planning**

Several individuals at Lifeworks have extensive training and experience in facilitating person-centered planning. Some of the processes are: MAPS, PATH,

Essential Lifestyle Planning, Personal Futures Planning and Career Planning. These individuals also tailor pieces of different processes to the person and their situation. Person-centered planning can assist you with thinking about goals and dreams for the future and the steps to getting there.

### **More about Lifeworks Services, Inc.**

Lifeworks Services was founded in 1965 by families of children with special needs. Rejecting the traditional way of caring for people with developmental disabilities, they wanted to educate their children and give them a place in the community.

In the 1970s, Lifeworks, then called the Developmental Learning Center, or DLC, started a home-visiting program for infants, the first in Minnesota.

In 1988, the public schools in Minnesota became responsible for direct service to children and Lifeworks, then known as Dakota, Inc., began to directly serve only adults. Never a sheltered workshop, Lifeworks assisted people with developmental disabilities to find jobs in community businesses and then train and support them on the job.

In 1996, Dakota was renamed Lifeworks Services and started providing school-to-work transition services to students in special education. Some of the young adults Lifeworks is supporting today first came to the DLC when they were infants and toddlers. Students use Lifeworks business contacts to explore career options and get real-work experience in a variety of industries while still in school so they are ready for a job, or already hired, at graduation.

In December of 2000, Lifeworks began providing fiscal support services through its Customized Support department. Lifeworks has contracts with many counties and provides services to over 1000 individuals.