



## The Arc of New Mexico Master Trust Policies and Procedures

A Special Needs Trust is established to enhance the quality of life for the Trust Beneficiary. Disbursements from the trust can cover the expenses of goods and services that are supplemental to the trust beneficiary's basic needs. Basic needs are food and shelter are covered by Supplemental Security Income (SSI), Medicaid covers medical needs. When receiving these benefits there are restrictive regulations that must be followed. Individuals receiving SSI and Medicaid may not have more than \$2000 in resources. Items which are exempt from the resource limitation include a house, a car and personal items, household items, clothes and other basic that enhance our daily lives.

Understanding which expenditures may be permitted from a beneficiary's trust can be complicated. In this packet is a list of generally permitted expenditures and another list of expenditures NOT permitted. All disbursements from a trust are subject to the discretion of the Trustee. A Trustee takes into consideration many aspects affecting the beneficiary such as how much is in the trust, age, special circumstances of the beneficiary, SSI and Medicaid regulations.

Request for trust expenditures may only be requested as payment to third party vendors. All expenditures must be verified by an invoice or receipts, no exceptions.

When requesting a trust distribution, the following are required:

**♦A request form must be completed. All requests must be written.**

\*Forms that are incomplete, unclear, illegible will not be processed and will be returned to requestor.

\*Requests for vehicles, house, travel, have specific procedures and forms for processing, please use the appropriate forms for these requests.

**♦Funds must be disbursed for goods and services to a third party, someone other than the beneficiary or a relative of the beneficiary.**

\*Under no circumstances can funds be disbursed directly to the beneficiary.

**♦Disbursements must be for the sole benefit of the beneficiary.**

\*Address changes of phone numbers, email address, guardianship or benefits require written notice. A form is included in this information packet.

Requests for disbursement from a trust will be approved or disapproved **within 10 business days** of receipt of the completed request form. Requests for vehicles, houses and travel have specific procedures and require more time for processing. **Forms that are incomplete, unclear, illegible will not be processed and will be returned to the requestor.** If approved, payment will be processed within three business days following the approval of the disbursement. All disbursements will be mailed and you must allow 7-10 business days for payment by check, processing by vendors also requires extra time. Following these procedures will ensure that all disbursement requests are handled in a timely manner.

*By executing a joinder agreement, it is understood that the beneficiary has no entitlement to the income or corpus of the trust except as the Trustee, The Arc of New Mexico, in its complete and unfettered discretion, elects to make any disbursement.*

**DISCLAIMER:** The Arc of New Mexico reviews each request considering individual situations and impact on preservation of benefits. Supplement Security Income (SSI) and other government benefits are received by the trust beneficiary to cover basic needs such as food and shelter and medical costs. In addition, we take into consideration the amount of funds that are held in trust for the beneficiary when making disbursements from the trust in addition to individual situations, age an impact on preservation of benefits and purposes consistent with Social Security and Medicaid Regulations.

Disbursements made from a special needs trust that are not in compliance with Social Security and Medicaid Regulations will result in loss of benefits. Please keep in mind that the Trustee, by law, has absolute discretion in approving requests for distributions. *Trustee decisions are made by The Arc of New Mexico Trust Department committee.*