



*Protecting Benefits.
Promoting Independence.
Providing Peace of Mind.*

JLA TRUST PROCEDURE GUIDELINES 2017

**TRUST SERVICES PROVIDED BY:
JEWISH LOS ANGELES SPECIAL NEEDS
FINANCIAL SERVICES, INC.**

**IN PARTNERSHIP WITH:
TRUE LINK FINANCIAL SERVICES**

Table of Contents

Welcome Letter	4
Disclaimer	5
Eligibility & General Information about the Trust	5
True Link Financial Advisors	6
Establishing an Account / Items Required.....	6
Fees.....	7
Additional Optional Services and Fees	9
Changes to Beneficiary Information.....	10
Joinder Agreement	10
Minimum Opening Amount / Making Deposits	10
Distributions	11
General Guidelines	11
Spending Plans, Short and Long-Term.....	11
Allowable Distributions	12
Examples of Allowable Distributions.....	12
Examples of Non-Allowable Distributions.....	12
SSDI Beneficiaries Only	13
Distributions Frequently Asked Questions (FAQs)	13
Purchasing a Car or Other Vehicle.....	14
Purchasing a Home	15
Quarterly Statements	15
Reporting to Government Agencies	15
Reporting to the IRS	15
Death of the Beneficiary.....	16
Contacts / Customer Service	16
Appendices	17
Appendix 1 – How to Get to \$20,000 and How to Fully Fund a Sub-Account.....	17
Appendix 2 – Paid Agent Agreement (Person authorized to spend money on behalf of the Beneficiary such as a paid caregiver).....	19
Appendix 3 – Spending Plan Forms	20
Appendix 4 – Request for Distribution (RFD)	22
Appendix 5 – SSI Release and Acknowledgement Form	24

Appendix 6 – Purchasing a Vehicle Form through JLA Trust 25
Appendix 7 – Purchasing a Home Pre-Application 26
Appendix 8 – True Link Financial Spending Categories for True Link Card 27
Appendix 9 – Investment Profile Options 29
Appendix 10 – Sample Beneficiary Statement 30

Welcome Letter

November 2016

Dear Beneficiary and Beneficiary Advocates,

Welcome to the Jewish Los Angeles Special Needs Trust!

As a Beneficiary or Beneficiary Advocate, you are very important to us at JLA Trust, a nonprofit dedicated to ensure that children and adults with disabilities are able to obtain a high quality of life by leveraging the power of community to assist with financial security and peace of mind.

This Policies and Procedure Guide was developed to help both the Beneficiary and the Beneficiary Advocate represent the best interests for yourself or the Beneficiary, under policies and procedures developed by our Board of Directors whose leadership guides our efforts.

Please take the time to read over these guidelines carefully—we hope they will be able to answer many of your questions. We update our website www.jlatrust.org on a regular basis, and post topical articles and videos as part of our Blog page. You can also contact me or our staff and volunteers by phone (424) 341-3344 or by email at customerservice@jlatrust.org.

It is truly a privilege to be of service to you, the Beneficiary and Beneficiary Advocate as together we *Protect Benefits, Promote Independence and Provide Peace of Mind.*

Sincerely,

A handwritten signature in blue ink that reads "Michelle K. Wolf". The signature is written in a cursive, flowing style.

Michelle K. Wolf
Founding Executive Director
JLA Trust

Disclaimers and Definitions

Jewish Los Angeles Special Needs Financial Services, Inc. is not a law firm and beneficiaries and their advocates are strongly encouraged to seek independent legal counsel. We recognize that there is an inherent conflict of interest with individual account remainders (see section “Death of a Beneficiary”) but aim to always uphold the mission of JLA Trust to improve the quality of life of the beneficiary over his/her lifetime.

Definitions:

- JLA Trust: Jewish Los Angeles Special Needs Financial Services, Inc.
- SNT: Supplemental Needs Trust
- The Trust: Jewish Los Angeles Third Party Pooled Special Needs Trust
- Beneficiary: The sole (only) person who will benefit from the funds in the Trust
- Settlor: A person who puts their own money into the Trust for the benefit of a Beneficiary
- Irrevocable: Cannot be cancelled or stopped

Eligibility & General Information about the Trust

Jewish Los Angeles Special Needs Financial Services, Inc. is an independent nonprofit corporation created to provide Pooled Special Needs Trust services to persons with disabilities who receive government benefits, or who are eligible for such benefits in the future, and who meet Federal and State definitions of disability. We currently provide first party (self-settled) pooled trusts with or without court supervision and will be adding pooled third party special needs trusts in the fall of 2016.

These pooled trusts hold funds for the benefit of individual Beneficiaries in individual sub-accounts. These funds are pooled together only for investment and management purposes.

The Master Trusts provide a mechanism through which payments for personal expenses (disbursements) are made from each Beneficiary’s sub-accounts to enhance quality of life and promote independence without causing a loss of eligibility for needs-based government benefits such as SSI, Medi-Cal or In-Home Supportive Services (IHSS). All funds are invested by an outside expert wealth manager, and Beneficiaries and/or Beneficiary Advocates can choose from three different investment portfolios.

Disbursements are made under the oversight of a Trustee for all individual sub-accounts. The Trustee will either be a corporate trustee, private professional trustee, attorney licensed to practice law in California and/or a person/entity authorized to serve as Trustee under the provisions of the California Professional Fiduciaries Act. Each sub-account is held and distributed for the sole benefit of the Beneficiary during his/her lifetime.

The Trustee cannot make disbursements that supplant or replace public assistance benefits from any governmental program that may be available to the Beneficiary, unless the Trustee determines, in the Trustee’s sole and absolute discretion that the advantage of those distributions outweighs the loss of a Beneficiary’s benefits.

Please note that in order to meet government benefits eligibility, JLA Trust must use its sole and absolute discretion to determine if any requested distribution of the principal and income in a JLA Trust sub-account is in the best interest of the Beneficiary, with an overall goal of promoting a high quality of life and keeping funds available throughout the Beneficiary’s lifetime.

True Link Financial Advisors

Jewish Los Angeles Special Needs Trust has partnered with San Francisco-based True Link Financial Advisors as our wealth manager and trust administrator. Founded in 2013, True Link Financial is committed to increasing the independence and financial well-being of individuals with disabilities. The two main services that True Link will be providing to JLA Trust clients are outlined as follows:

Investment Manager

True Link's wealth management process is specifically built for individuals with special needs who rely on trust assets to enable their long-term quality of life and well-being. This focus allows True Link to guide cash flow projections and manage investments to optimize performance while limiting exposure to market volatility and mitigating liabilities inherent in the Trust related to magnitude and duration.

In its role as investment manager for JLA Trust, True Link provides three portfolio options from which designated Beneficiaries can choose. The options are chiefly comprised of broad-based, highly liquid Exchange Traded Funds (ETFs), and are designed to meet the diverse needs, goals, and risk preferences of a wide array of investors. Investments are held in custody at Charles Schwab, with asset monitoring and rebalancing provided by True Link. Please see Appendix 9 for a summary of options.

Trust Administrator

True Link has developed proprietary software and operational processes that address multiple aspects of JLA Trust's management and administration, including:

- Disbursement execution via check, electronic funds transfer and restricted debit card
- Disbursement tracking and records maintenance
- Sub-account administration
- Spending plans and cash management at the sub-account level
- Court accounting
- Trade requests and execution
- Tax information and documentation
- Portfolio monitoring
- Asset and liability management

As part of this partnership, True Link provides many of the "behind-the-scenes" services for JLA Trust beneficiaries but JLA Trust will be your first point of contact for most needs. For more information about True Link, please visit www.TrueLinkFinancial.com.

Establishing an Account / Items Required

Setting up a pooled special needs trust account for a beneficiary can be a straightforward process which does not necessarily require the assistance of an attorney. However, the process does require filling out key legal and long-term planning documents some of which, such as the Letter of Intent, will need to be updated on an annual basis,

on the anniversary of the enrollment. Before a Beneficiary or Beneficiary Advocate decides to enroll in the trust, it is highly advisable for them to consult with a legal and/or tax expert to determine if this is the best path forward. A representative from JLA Trust is also available to discuss the different options that may be available to you as you think about your long term planning.

The required documents to enroll in the pooled special needs trust can be accessed online at www.JLATrust.org/Enrollment or can be printed and filled out by hand and submitted in person or mailed to:

Office Address:

Jewish Los Angeles Special Needs Trust
c/o Jewish Family Services Freda Mohr Multipurpose Center
330 N Fairfax Ave, Los Angeles, CA 90036

Mailing Address:

Jewish Los Angeles Special Needs Trust
6230 Wilshire Blvd #1178
Los Angeles, CA 90048

If possible, please use the online system, as this will save considerable time and effort, and allow the Beneficiary to be enrolled as quickly as possible.

Required Forms: The following forms need to be completed and submitted in order to enroll in the trust:

- Joinder Agreement
- Letter of Intent (can be submitted later)
- 12 Month and Long Term Spending Plan
- Paid Enrollment Fee

Supporting Documentation: A copy of the following needs to be submitted in conjunction with your application:

- Copy of Current Government issued Photo ID or Birth Certificate
- Copy of Certification of Disability or Age (such as letter of awards, physician's statement, Regional Center correspondence or Consumer number)
- Copy of Health Insurance ID Cards
- Copy of Social Security Card
- Copy of Power of Attorney, Guardianship, or Conservatorship Paperwork
- Copy of IRS W-9 Forms for a paid caregiver or aide

Optional Forms:

- Jewish Family Service Care Coordination Application

Fees

We are partnering with True Link Financial to provide special needs trust services. An overview of the fees required to open and maintain a subaccount are below or you can use the fees calculator on our website: www.JLATrust.org/Fees.

First Year Enrollment Fees

These fees, paid to JLA Trust and True Link Financial, cover the establishment of the subaccount and the first year of administration. An additional discount of \$400 for the first year is available for setting up accounts that will be open and hold accounts with no disbursements.

Enrollment Fee Paid to JLA Trust.....				\$900
--OR--				--OR--
Discount Enrollment Fee for Inactive Accounts <i>with only the minimum \$20,000 in assets and no disbursements</i>				\$500
Annualized Financial Services Fee Paid to True Link.....	1% of all assets *	_____ =	+	_____
Effective Expense Ratio *	0.2% of all assets *	_____ =	+	_____
Total First Year Fees				_____

Annual Fees

The flat annual fee is paid to JLA Trust, and the other fees are paid directly to True Link Financial, our wealth manager and financial system provider. All fees are based in part on the size of the assets in the subaccount.

If you invest between \$20,000.00 - \$60,000.00

Annual Trustee Fee Paid to JLA Trust ¹				\$750
Annualized Financial Services Fee Paid to True Link.....	1% of all assets *	_____ =	+	_____
Effective Expense Ratio *	0.2% of all assets *	_____ =	+	_____
Total First Year Fees				_____

If you invest between \$60,000.01 - \$150,000.00

Annual Trustee Fee Paid to JLA Trust ¹				\$1,250
Annualized Financial Services Fee Paid to True Link.....	1% of all assets *	_____ =	+	_____
Effective Expense Ratio *	0.2% of all assets *	_____ =	+	_____
Total First Year Fees				_____

If you invest between \$150,000.01 - \$350,000.00

Annual Trustee Fee Paid to JLA Trust ¹				\$3,000
Annualized Financial Services Fee Paid to True Link.....	1% of all assets *	_____ =	+	_____
Effective Expense Ratio *	0.2% of all assets *	_____ =	+	_____
Total First Year Fees				_____

If you invest between \$350,000.01 +

Annual Trustee Fee Paid to JLA Trust ¹				\$3,600
Annualized Financial Services Fee Paid to True Link.....	1% of all assets *	_____ =	+	_____
Effective Expense Ratio *	0.2% of all assets *	_____ =	+	_____
Total First Year Fees				_____

¹ *JLA Trust Fees* are subject to changes on an annual basis and will be subtracted from the individual's sub-account on the anniversary date of enrollment unless other arrangements are made. If you wish to pay for the annual fees separate from the individual sub-account, those arrangements can be made as well.

² *True Link Fees* are based on daily assets and charged monthly in arrears.

³ *Effective Expense Ratio* represents the aggregate operating expenses of each Exchange Traded Funds (ETFs) expressed as a percentage of total fund assets. Such expenses are deducted directly from the ETF and impact its valuation on the public exchanges on which it trades. The 0.2% fee is an approximation of actual aggregated fees for the account which will vary due to portfolio and investment composition. Current model portfolios range from an estimated 9 bps – 12 bps. Expense ratios are deducted from the underlying security.

Examples: This chart will give you a better idea of what our fees look like at different asset sizes

Asset Size	Annual Fee	True Link Admin Fee	Expense Ratio	Total
\$20,000	\$750	\$200	\$40	\$990
\$50,000	\$750	\$500	\$100	\$1,350
\$100,000	\$1,250	\$1,000	\$200	\$2,450
\$200,000	\$3,000	\$2,000	\$400	\$5,400
\$400,000	\$3,600	\$4,000	\$800	\$8,400

Additional Optional Services and Fees

We have partnered with Jewish Family Service of Los Angeles to provide additional optional services for beneficiaries as they choose. Additional fee-for-service programs with additional nonprofits are in development. Fee-for-service programs are available for an additional charge and fees can be paid directly from the beneficiary's sub-account.

Jewish Family Service – This nonprofit with decades of experience providing services for children and adults with disabilities is offering to JLA Trust beneficiaries **Care Coordination Services**. These services provide beneficiaries enrolled in the pooled special needs trust a trained professional to coordinate care in the areas of health and safety, Regional Center services, benefits analysis, employment / day programs and social /recreational / spiritual opportunities as appropriate. All services will be reimbursed at **\$130 per hour of direct service time**. Direct service time includes in-person and phone communication with the client, their significant other, or on behalf of the client. Necessary travel time and mileage expenses are included in this rate.

Service options include:

- **Standard Quarterly Care Management** consisting of quarterly check-ins (up to 8 hours of direct client services) with or on behalf of the beneficiary, residential manager (or relative) depending on their current living arrangements, work/day program supervisor, and Regional Center Service Coordinator and any other case manager such as from the LA County Department of Mental Health or a Managed Care CCI Coordinator. Reimbursement for Standard Quarterly Care Management will be discounted to **\$950 per year of service**.
- **Initial Case Management** upon enrollment of beneficiary to include bio-psychosocial assessment, mutual goal setting, discussion with significant others, linkages to appropriate resources and benefits and a written report.
- **Crisis Intervention** consisting of a one-time comprehensive assessment or re-assessment when a crisis such as a hospitalization or significant life transition occurs for the person which might require a change in care plan, additional resources, or a change in living situation.

Changes to Beneficiary Information

Once a year, on the anniversary date of enrollment, we will email the Beneficiary and Beneficiary Advocate on record and ask if there are any changes to the Letter of Intent and also update spending plans. If the Beneficiary moves or passes away, we must be notified in email or in writing within 10 days.

Joinder Agreement

In order to join and benefit from a JLA Special Needs Master Trust, all beneficiaries (or their legal representatives if a minor or adults if not capable) and Grantors (person(s) providing the funds) are required to sign a corresponding Joinder Agreement.

By signing the Joinder Agreement and all related enrollment documents listed in the section above, the Beneficiary and Legal Representatives agree to all the terms of the Trust, and upon funding the Beneficiary's individual sub-account, relinquish and release all control over the assets in that account. **As required by law, all assets and income in the Beneficiary's sub-account are irrevocably transferred, and may only be used for the sole benefit of the beneficiary, as set forth in this Policy and Procedures Guide. Special Needs Trusts must be irrevocable according to law so that funds are prevented from being counted as income under SSI and other government program rules.**

Although not mandatory, it is highly advised for Beneficiaries and their families to meet first with an California-based attorney in developing a full estate plan prior to signing a Joinder Agreement, in order to ensure that all aspects of their family's estate planning are covered such as creating a will and making other key legal decisions. JLA Trust is able to provide a list of estate attorneys with experience in special needs care if you need help with a referral.

Please note that JLA Trust cannot and does not provide any legal advice. We are not a law firm.

Minimum Opening Amount / Making Deposits

Along with signing the Joinder Agreement and submitting the other required enrollment forms, Beneficiaries (or their legal representatives) and their Grantors (people providing the funds) must transfer to the JLA Trust the minimum sum of \$20,000 and a separate enrollment fee (see Fee section above).

Once the individual sub-account is open, Beneficiaries/Legal Representatives and their Grantors can make additional contributions in cash at any time, along with any person acceptable to the Trustee, such as other family members or family friends who wish to give a gift to the beneficiary. Deposits can only be made by check, online or as an electronic funds transfer, and should be sent directly to our financial Institution, Charles Schwab, as follows:

Checks for the initial deposit should be made payable to: **Jewish LA Special Needs Trust 3901-5896**

Please put the **Name of the Beneficiary** of the in the memo line.

Send check to: **Charles Schwab & Co. Inc.**

1945 Northwestern Drive

El Paso, TX 79912

Please allow 5 business days of clearing for deposits before requesting a distribution of the funds if deposit is made by check.

For information and ideas on how to reach the minimum deposit amount of \$20,000 and for how to full fund the trust after the initial deposit, please see Appendix 1 or visit our website.

Distributions

A distribution is a payment from a JLA Trust sub-account for goods or services provided to the trust beneficiary.

General Guidelines

In order to protect public benefits, it is very important to note the following:

1) No cash will ever be distributed to a beneficiary, regardless of the circumstances.

2) By law, all distributions of the JLA Trust must be for the sole benefit of the beneficiary during his/her lifetime, and cannot be used for other family members.

3) All payments must go directly to third party vendors, with the option of using a preloaded debit card for specified stores and/or spending categories.

4) A third party who purchased the good or services for the beneficiary can be reimbursed. For a third party to be reimbursed, an agent agreement is absolutely required. See **Appendix 2** for the form.

5) Public Benefits Law mandates that all disbursements from a Trust must be at the sole discretion of the Trustee who will take into consideration the best options given the beneficiary's circumstances.

6) Beneficiaries will not have unlimited access to Trust funds because the overall goal is to maintain funds for the beneficiary for as many years as possible, and to ensure the safety and well-being of the beneficiary. Funds should be expended according to spending plan created by the Beneficiary and/or Beneficiary Advocate.

Spending Plans, Short and Long-Term

As part of the enrollment process, beneficiaries and their Grantor (person(s) providing the money, and often also the beneficiary advocate) are required to fill out a 12-month spending plan and a long-term spending plan, based on the amount of money invested in the Beneficiary's individual sub-account. See Appendix 3 for the Spending Plan forms.

In order for us to better understand your unique situation and needs, please fill out Spending Plan in Appendix 3. This document allows us to collect helpful information about recurring expenses and anticipated needs that you would like the trust to pay for. We can set up recurring payments for such items as in-home help, cell phone / internet service and cable TV at the beginning of the year.

It is the trustee's job to manage and protect your funds, to make money available for approved expenses, and to ensure that you remain eligible for government benefits. Please note that certain expenses, if paid for by the trust, may negatively impact your benefits or even make you ineligible to receive benefits.

The trustee will review your Spending Plan and may choose to discuss it further with you, if there are any outstanding questions or if you have requested that the trust pay for items that may affect your benefits. All disbursements will be made at the discretion of the trustee.

Other expenses not on the Spending Plan can be requested using the Request for Distribution Form (RFD), found in Appendix 4.

Allowable Distributions

Because of complicated government benefits rules and regulations, it can be difficult to know which disbursements are permissible and therefore won't jeopardize government benefits. **All disbursements from a JLA Trust sub-account are subject to the discretion of the Trustee and must be pre-approved.** If you opt in for a True Link Card, a reloadable, customized debit card, spending categories and/or specific businesses can be preset.

Examples of Allowable Distributions

The following are examples of expenses that JLA Trust can pay for a person with a disability who receives SSI:

Medical Care - Most out of pocket expenses not covered by private insurance or Medi-Cal such as dental care, vision care, insurance co-pays, over the counter medications, durable medical equipment such as wheelchairs not covered by another source, glasses/contacts, hearing aids, and massage/physical therapy

Personal/Recreational - Clothing, toiletries/cosmetics, hair care, vacations, subscriptions, entertainment including tickets to concerts, movies, sporting events, electronics/software, hobby supplies, pets and their supplies, veterinarian bills, cable TV, cell phones and personal aides

Educational/Vocational - School tuition, job training programs, music/art lessons, computer training, and attending seminars or conferences for educational purposes, including travel and lodging expenses

Household - Renter's insurance, deposit or full payment for purchase of a residence, home maintenance, major and minor appliances, furniture including a mattress/box spring, household supplies and equipment, household cleaning service, gardener, and home modifications/improvements including improving accessibility

Transportation - Bus, taxi, Uber/Lyft, purchase of a car only if Beneficiary is using it, or if the aide or family member is using it for the sole benefit of the beneficiary, vehicle modifications to make it accessible, auto insurance, gasoline, auto repair and maintenance

Professional Services - Attorney, Accountant, Financial Planner, Life Coach, Career/Job Counselor, etc.

Examples of Non-Allowable Distributions

The following items are not allowable as distributions for beneficiaries who receive SSI without possibly jeopardizing benefits:

- Food, including groceries
- Rent / Mortgage (including property insurance)
- Real Property Taxes (less any tax rebate/credit)
- Heating Fuel, Gas, Electricity

- o Water Sewer
- o Garbage Removal
- o Also the value of a gift care/gift certificate is income in the month it is

received if the gift card/certification can be used to purchase food or shelter or can be resold

However, JLA Trust is not absolutely prohibited from making a distribution that reduces or disqualifies a Beneficiary from SSI , if, in the Trustee’s sole discretion, such distribution is in the interest of the Beneficiary and will increase his/her comfort and happiness. In order for the JLA Trust to pay for any Non-Allowable Expenses, the Beneficiary/Legal Representative and Beneficiary Advocate must sign an SSI Release form (Appendix 5).

SSDI Beneficiaries Only

For beneficiaries who receive SSDI only, and not SSI:

JLA Trust distributions can pay for other, additional categories of expenses, such as

- o Rent/Mortgage payments and property taxes
- o All utilities
- o Groceries/Eating out
- o Home Owner’s Insurance

If the beneficiary is a minor, the trust can only pay for items directly related to the individual’s disability.

Distributions Frequently Asked Questions (FAQs)

Who can Request a Distribution?

Either the Beneficiary (if over age 18 and has legal capacity) or the Grantors or the Beneficiary Advocate if the beneficiary does not have legal capacity, are allowed to request a distribution. If a professional, such as a Regional Center Service Coordinator, has a suggestion for a distribution, that request needs to come from the Beneficiary or Beneficiary Advocate.

How long does it take for a distribution to be completed?

If the Request is part of the Annual Spending Plan (see Appendix 3), we will be able to process your request within one week (5 business days, excluding National and Jewish Holidays). Requests need be emailed or submitted online by 5 pm on Tuesdays for payment by the next Tuesday. If you don’t have access to the Internet, requests can be made over the phone. Expedited payments (within 2-3 days) are possible, but require an additional \$25 fee. The Request for Distribution Form (RFD) can be found on the True Link website at <https://www.truelinkfinancial.com/other/distribution-request-form-jla>.

What should be submitted along with the RFD form?

Along with the completed, signed and dated form, you will need to provide bills/invoices that record and itemize what you specifically would like to have paid and receipt copies (can be scanned in and emailed/submitted digitally as a JPG, PDF, Word or Excel Document).

Please keep in mind that if you submit many bills/invoices at the same time, this can add to the time in the approval process. Please group together expenses (examples: medical vs household goods) whenever possible.

Please note that if any one item costs \$3,000 or more, the Board of Directors of JLA Trust will need to review the request and will make a decision within 30 business days of the requested submission.

How can we avoid getting a distribution rejected by the Trust?

It is very important to follow the guidelines and rules of JLA Trust, which are designed to support quality of life, maximize government benefits and also extend the amount of money in a Beneficiary's individual sub-account over the course of their lifetime. Please keep in mind that any major purchase over \$3,000 will require the approval of the Board of Directors, in addition to the approval of the Trustee.

Purchasing a Car or Other Vehicle

Pre-approval by JLA Trust is required for ALL vehicle purchases. A special form, **Purchasing a Vehicle Form**, in Appendix 6 must be filled out, and a number of verifications must be provided including proof of a valid CA Driver's license and an automobile insurance quote. Purchasing a car can be a time consuming process and should not be taken lightly. When deciding whether to purchase a vehicle, a decision must be made about how much money from the trust will be spent, and how to pay for ongoing expenses including gas, taxes, maintenance, and repairs. The Beneficiary will also be responsible for maintaining auto insurance coverage to comply with state requirements. Based on what funds are available, the Beneficiary may also need to decide whether to pay in full or finance the vehicle over time. Prior to taking possession of a vehicle that has been approved for purchase, payment must be made to the dealer.

Lien Requirement

JLA Trust will typically place a lien on vehicle purchases from a trust. A lien ensures that if the vehicle is sold, the funds from the sale will be returned to the special needs trust to be used for the benefit of the Beneficiary. See suggested language for a lien below and contact JLA Trust with any questions. Please fill out the form first, before securing a Bill of Sale from a Dealer, which must include the VIN#, Make, Model and Purchaser's address.

- A. The JLA Trust will be listed as the first lien holder whenever a sub-trust account is used to purchase a vehicle for transportation for a trust beneficiary. The Trust will not authorize a disbursement to pay for a vehicle without being listed as first lien holder. A lien ensures that if the vehicle is sold, the funds from the sale will be returned to the special needs trust to be used for the benefit of the Beneficiary.
- B. When the beneficiary of a beneficiary funded subaccount is deceased, the car must be sold and proceeds returned to JLA Trust prior to distribution of the remainder funds.
- C. When/if a sub-trust account is depleted, the lien will be released and forwarded to the owner of the vehicle.
- D. Beneficiary must provide proof of insurance and have a valid driver's license in order to use subaccount assets to purchase a vehicle.
- E. Prior to authorizing the purchase, appropriate consideration will be given to the beneficiary's ability to pay for the ongoing maintenance, gas, insurance, and general upkeep of the vehicle.
- F. The Trust may require proof that the beneficiary does not already own another vehicle that will not be replaced with the requested purchase.

JLA Trust requires the following documentation BEFORE approving a vehicle purchase:

- Copy of valid driver's license

- Copy of insurance quote
- Copy of the Buyer's Agreement, including Warranty information
- Copy of vehicle history available from Car Fax or a similar company (for used vehicles)
- Copy of independent mechanic inspection (for used vehicles)
- Signed Payment Request Form

**Suggested language for Lien: Jewish Los Angeles Special Needs Financial Services, Inc. "[Beneficiary's name] [Special Needs Trust]"*

Please note that once all information is received and approved by JLA Trust, it may take up to 2 weeks for a disbursement to be processed.

Purchasing a Home

To begin this process, a separate form called the Purchasing a Home form must be filled out. See Appendix 7. Due to the complicated legal and government benefit programs requirements that are part of purchasing a home, a lien may be necessary. JLA Trust requires that the Beneficiary or Beneficiary Advocate hire an attorney to draft the necessary documents. The lien requirement is determined on a case-by-case basis.

Quarterly Statements

With True Link Financial, all of your statements are available on-line at any time. If you wish to receive hard-copy statements on a quarterly basis, those will be mailed out on the 5th of each month following the end of the quarter. The Beneficiary and Beneficiary Advocate will automatically receive Quarterly Statements, and other persons can be added as specified in the Joinder Agreement form. Please note – JLA Trust fees will be determined based on the balance of the account on the annual anniversary date of enrollment. See Sample Beneficiary Statement in *Appendix 10*.

Reporting to Government Agencies

In order to assure that the Beneficiary remains eligible for government means-tested programs, please contact us ahead of their re-certification. We have the necessary documentation to supply to these agencies. You **must declare** the pooled special needs account when going through the recertification. Please give us at least five (5) business days to get you the documents needed. Upon enrollment, a copy of the Joinder agreement will be sent to government agencies as relevant, notifying them that the beneficiary has opened a special needs trust.

Reporting to the IRS

We will provide the required tax forms to the Tax Preparer as indicated in your Joinder Agreement. The Beneficiary or Beneficiary Advocate is responsible for notifying the Trust if this information changes at any point. Tax liability is the sole responsibility of each individual sub-account holder.

Changes to Beneficiary Information

All changes must be made in writing, either by email or hard-copy mail, and need to be dated and signed by the Beneficiary and/or Beneficiary Advocate.

Death of the Beneficiary

Due to government regulations, trust assets may be used only for a) prepayment of funeral and burial expenses prior to the beneficiary's death and b) payments allowed by the Joinder after the beneficiary's death can only be paid after any required payback to Medi-Cal (first part trusts only) has taken place on behalf of the beneficiary. Please note that most first party self-settled trusts will have no assets available to pay for funeral and burial expenses because of that required payback, so prepayment for funeral and burial expenses is strongly recommended.

Upon the passing of the beneficiary, the current Beneficiary Advocate must notify JLA Trust as soon as possible, especially if the individual sub-account has pre-purchased burial expenses. If other arrangements have been paid outside of the individual sub-account, we must still be notified within 10 days so we can notify all the appropriate governmental benefit agencies and begin to close the account, including making arrangements for any remainders to be distributed to JLA Trust and the designated heirs, in accordance with our Master Trust and individual Joinder Agreements. The Joinder agreement should be updated over time, to ensure that the family heirs listed are still accurate.

Contacts / Customer Service

If you have any questions about your enrollment, or need to get information about the impact of a possible distribution on government benefits, contact JLA Trust by phone at (424) 341-3344 or email at customerservice@jlatrust.org.

As of 10/01/16, the offices of JLA Trust are located at:

Office Address:

Jewish Los Angeles Special Needs Trust
c/o Jewish Family Services Freda Mohr Multipurpose Center
330 N Fairfax Ave, Los Angeles, CA 90036

Mailing Address:

Jewish Los Angeles Special Needs Trust
6230 Wilshire Blvd #1178
Los Angeles, CA 90048

If there are any updates to JLA Trust's contact information, we will inform you within 30 days of said change.

Telephone: (424) 341-3344

Email: customerservice@jlatrust.org

Staff:

Michelle K. Wolf, Founding Executive Director
Adynna Swarz, Chief Operating Officer
Denise Klein, Licensed CA Fiduciary
Intern

mwolf@jlatrust.org
accounting@jlatrust.org
denisek@jlatrust.org
intern@jlatrust.org

Appendices

Appendix 1 – How to Get to \$20,000 and How to Fully Fund a Sub-Account

How to get to \$20,000 to Enroll

We know it may seem challenging to have the required \$20,000 in cash to open an individual account with our Jewish Los Angeles Special Needs Pooled Trusts. Here are some ideas to help out:

1. Check out all your existing **Savings, Checking and Brokerage Accounts**

While stocks and bonds cannot directly be used to fund the trust, they can be liquidated in order to do so.

2. Get a free loan from the **Jewish Free Loan Association** through the **Ruth B. Ziegler Loan Fund for Families of Children with Autism and Special Needs**

You will need to have two people with good credit ratings to co-sign for you, up to \$10,000, with easy repayment options. Visit www.jfla.org/loan-programs/children-with-special-needs/ or call Shelly Meyers at 323-761-8830 x107.

3. **Retirement Savings**

If you are over 70 ½ and are required to take mandatory IRA withdrawals, you can use those funds to deposit in the Pooled Trust. 401(k)s may be another option to consider. Please speak with a tax advisor on whether you qualify and any possible tax implications.

4. Ask **Relatives** and **Close Friends**

It may be awkward to ask for funds, but family members and close family friends often want to help out with a loved one with a disability but may not know the best way(s) to do so. If they have resources, you could reach out with a simple email or written letter as follows:

Dear _____,

As you know, we are all concerned about securing a good future for _____ and want him/her to have a high quality of life. This means having access to all eligible government benefits such as SSI and Medi-Cal but unfortunately these programs set an asset ceiling at \$2,000 at any one time preventing savings in _____'s name. We are also interested in having a professional trustee manage those funds for oversight and simplifying the complicated administration of the trust.

The most affordable option that will address all of these concerns is a Pooled Special Needs Trust, available from a trusted community nonprofit, JLA Special Needs Trust (www.jlatrust.org).

In order to open an individual account under one of their Master Trust programs, we need \$20,000, and that's where you can help out. If you were planning to leave money for _____, please consider doing so now, when we can best plan ahead for the future.

5. **Crowdfunding**

If you don't have many family members, or they lack the resources to help out, another option is use an internet-based crowdfunding site such as www.gofundme.com, www.fundanything.com or www.youcaring.com. Make sure to read the instructions closely to understand how these campaigns work.

How to Fully Fund a Trust Account

Once you get to the required \$20,000 to open an individual account with our Jewish Los Angeles Special Needs Pooled Trust, the next challenge is figuring out how to fully fund it. The younger the beneficiary is when you open the account, the more money you will need to invest. There are several free online calculators to help you figure out how much you should be putting aside, including this one from Merrill Lynch <http://specialneedscalc.ml.com/sncstep1.jsp> and this one from Met Life at www.metlifeeasier.com/specialneedscalculator/.

Here are some ideas to help out:

1. Look at the Ideas for How to Get to \$20,000

If you have not used all the resources mentioned in getting to the first \$20,000 or if there are still opportunities to explore, definitely continue to take advantage of all of them.

2. Inheritance

Look at your own expected or current inheritances or those of relatives and close friends. Often times, beneficiaries refuse inheritances because of concern about interfering with SSI benefits but as long as the trust is the one to receive the funds and not the beneficiary, this can be a great source of income for the individual's account.

3. Life Insurance

Life insurance can be another good way of further funding a trust but there are a lot of differences between how term, whole and universal life insurance would work with regards to this. Some experts recommend that a second-to-die life insurance policy is the most realistic option to fund a special needs trust because the premiums are often lower and the trust is funded when it is most needed, after both parents have passed away. In short, how much you fund your special needs pooled trust account and how large an insurance policy to purchase will be a question of balance among your current needs, your retirement funding, the needs of your other children, if any, and the anticipated needs of your child with special needs. This article can provide further guidance on the different options: <http://specialneedsanswers.com/life-insurance-offers-a-way-to-fund-a-special-needs-trust-without-financial-strain-15475>.

4. Real Estate or Other Assets

Either your own home, other properties you may own or those of grandparents and other relatives and friends can be put into a living trust where the sale proceeds upon death would go into the special needs trust account. While there is no way to know exactly how much money this will yield, housing often appreciates over time.

Please consult a tax advisor and financial planner to understand the full implications of any of these investment options.

Appendix 2 – Paid Agent Agreement (Person authorized to spend money on behalf of the Beneficiary such as a paid caregiver)

Appointment of Trustee’s Disbursement Agency

Agent of the JLA Trust Designated Trustee

The person below is appointed as the Agent of the JLA Trust designated Trustee for Recurring Purchases:

Benefit of _____ (NAME OF SUB-ACCOUNT BENEFICIARY)

Name of Agent: _____

Address of Agent: _____

Phone: _____

Social Security Number or EIN# of Agent: _____

Date of Birth of Agent: _____

Agent's Authority

Option 1: Agent's funds used to purchase items

A. The Agent is authorized to be reimbursed by the Trustee for Agent's payment of telephone, cable and internet services and products, house wares and small appliances, laundry and cleaning supplies and other household products, postage and stationary, apparel, footwear and related products, bus and cab fares, gasoline and vehicle cleaning and maintenance supplies, personal care and grooming products, reading materials, fees and admissions, pet supplies and related services, hobby expenses, and other recreational or social interaction services, and the like for the Beneficiary.

B. Agent may be reimbursed upon submission of a Request for Distribution with supporting receipts and proof of payment by Agent.

Agent's Compensation The Agent shall not be entitled to any compensation for services rendered under this instrument.

Effective Date and Term of Appointment

This instrument shall first be effective immediately upon the earliest date of execution by JLA Trust, Inc. and shall remain in full force or until revoked.

Signed by Beneficiary or Legal Representative this day of _____ 20 ____.

Beneficiary or Legal Representative: _____

Signed by Trustee Disbursement Agent's this day of _____ 20 ____.

Agent's Signature: _____

Signed on behalf of JLA Trust, Inc. this day of _____ 20 ____.

Executive Director Signature: _____

Appendix 3 – Spending Plan Forms

Spending Plan: Monthly Recurring Expenses

Please include any recurring monthly expenses that you would like the trust to pay for. Please note that some items may affect your eligibility for government benefits if paid by the trust.

MONTHLY RECURRING EXPENSES – NO EFFECT ON BENEFITS

Utilities	
Phone / Cell Phone	\$
Cable / Internet	\$
Household Expenses	
Repairs	\$
Supplies	\$
Furnishings	\$
Appliances	\$
Gardening services	\$
Housekeeping services	\$
Personal / Medical Care	
Medications	\$
Personal hygiene	\$
Other personal / medical care	\$
Insurance	
Life	\$
Medical	\$

Transportation / Auto	
Gas	\$
Repairs	\$
Tolls	\$
License and registration	\$
Insurance	\$
Public transportation	\$
Taxis, etc.	\$
Loan payment	\$
Other	\$
Clothing	
Clothes	\$
Entertainment	
Movies, concerts, museums, etc.	\$
	\$
Travel	
Air, train, etc.	\$
Other	
Other	\$

TOTAL: \$ _____

MONTHLY RECURRING EXPENSES – MAY AFFECT BENEFITS IF PAID BY TRUST

Housing	
Rent	\$
Mortgage	\$
Insurance	\$
Taxes	\$
Food	
Groceries	\$
Restaurants	\$

Utilities	
Heating	\$
Electricity	\$
Trash/Garbage	\$
Water	\$
Sewer	\$

TOTAL: \$ _____

Appendix 4 – Request for Distribution (RFD)

Request for Distribution forms should be sent to JLA Trust by email, fax or hard copy. In special circumstances, a Request for Distribution can be made by phone.

Office Address:

Jewish Los Angeles Special Needs Trust
 c/o Jewish Family Services Freda Mohr Multipurpose Center
 330 N Fairfax Ave, Los Angeles, CA 90036

Mailing Address:

Jewish Los Angeles Special Needs Trust
 6230 Wilshire Blvd #1178
 Los Angeles, CA 90048

BENEFICIARY INFORMATION	
Beneficiary name	
Trust account #	

FOR OFFICE USE ONLY	
Date received	
Reviewed by	

REQUESTOR INFORMATION	
Requested by	
Requestor signature	
Phone number	
Date	

BENEFITS - CHECK ALL THAT BENEFICIARY RECEIVES

- Supplemental Security Income (SSI)
- Medicaid
- Social Security Disability Insurance (SSDI)
- Section 8 Housing

TYPE OF REQUEST - SELECT ONE

- Request for reimbursement for item already purchased (advocates only)
- Request for funds prior to purchase (True Link Card only)
- Request for trust to pay merchant / service provider directly
- Request for trust to order item

ITEM(S) OR SERVICE(S) FOR WHICH DISTRIBUTION IS REQUESTED

	ITEM OR SERVICE DESCRIPTION - PLEASE BE SPECIFIC	AMOUNT (\$)
1		
2		
3		
4		
5		

If more than 5 items, please submit additional request forms

TOTAL:

\$

PAYMENT OPTIONS - SELECT ONE AND PROVIDE INFORMATION BELOW

- True Link Card
- Direct deposit
- Check
- Order item

TRUE LINK CARD	
Cardholder name	
Last four digits of card	

DIRECT DEPOSIT	
Account holder's name	
Checking or savings?	
Routing number	
Account number	
Bank name	
Bank phone	

CHECK	
Payee name	
Optional memo	
Mailing name <i>(if different than payee)</i>	
Mailing address	

ORDER ITEM	
Item name	
Item description <i>(e.g., size, color, number)</i>	
Store name	
Item cost <i>(tax / shipping will be added)</i>	
Shipping or picking up?	
Shipping address <i>(if shipping)</i>	
Store address <i>(if picking up)</i>	

Appendix 5 – SSI Release and Acknowledgement Form

The following should be submitted when requesting a distribution for a payment that may reduce SSI benefit checks.

Dear _____,

This letter is in regards to your distribution request to pay for food and shelter items. As a recipient of SSI, it is important you understand that this request may result in a reduction of your benefit check.

When you use funds in your special needs trust to purchase items that are considered in-kind support and maintenance, the Social Security Administration may consider this as income received and can reduce your benefit check proportionately to what was received in assistance from your trust. The following is a list of applicable items:

- Food
- Mortgage (including property insurance required by the mortgage holder)
- Real Property Taxes (less any tax rebate/credit)
- Rent
- Heating Fuel
- Gas
- Electricity
- Water
- Sewer
- Garbage removal

You are receiving this letter in acknowledgement that the distribution you are requesting fits into one or several of these categories. By signing this letter you acknowledge that this distribution could negatively affect your SSI amount. You also acknowledge that you are responsible for reporting any events that could affect your SSI. This should be reported to your local Social Security Administrative Office within 10 days of the month following the change. Jewish Los Angeles Special Needs Trust and _____ (Trustee) are not responsible for reporting these possible changes to the Social Security Administration.

Finally, **we request that you sign this letter.** If you cannot sign the letter, then we ask that your legal representative sign this letter and provide his or her title. After signing this letter, please send it back to JLA Trust either by email or mail.

Sincerely,

Jewish Los Angeles Special Needs Trust

Date: _____

Beneficiary or Legal Representative Name: _____

Title: _____ Signature: _____

Appendix 6 – Purchasing a Vehicle Form through JLA Trust

The following form is used for purchasing a vehicle from funds from the trust.

**This purchase must be for the sole benefit of the beneficiary, and no other individual may use the car purchased from the trust unless the driver is transporting the beneficiary.

**Owning one car is allowable under SSI/Medi-Cal rules, however if you sell this car, then the money from that sale will be countable as income.

**All insurance payments must be made directly to the Insurance Company from the Beneficiary's individual sub-account, and cannot be reimbursed to family members or caregivers.

**JLA Trust is not available to pay for any debts if the car is used as collateral to obtain a Title Loan. We do not have an ownership interest or liability for this car.

Note: In order to complete the purchase, we will need the following:

- Copy of valid driver's license
- Copy of an insurance company quote for the desired vehicle
- Copy of the Buyer's Agreement, including Warranty information
- Copy of vehicle history available from Car Fax or a similar company (for used vehicles)
- Copy of independent mechanic inspection (for used vehicles)
- Signed Payment Request Form

Name of Beneficiary: _____ Date: _____

Email: _____ Cell #: _____

Name of Beneficiary Advocate: _____

Email: _____ Cell #: _____

Type of vehicle requested:

- Standard car (sedan)
- Van
- Truck
- Other: _____

Make/Model/Year desired:

First choice: _____

2nd choice: _____

3rd choice: _____

Price range of desired vehicle: _____

To whom will the vehicle be registered? (Circle one)

Beneficiary Beneficiary Advocate Caregiver Other

If not Beneficiary/Beneficiary Advocate, please provide the following information:

Name: _____ Relationship to Beneficiary: _____

Email: _____ Cell #: _____

Who will be driving the car the majority of the time? _____

When do you want to purchase the vehicle? _____

Does the Beneficiary currently own a vehicle? If yes, please provide details below on Make/Model/Year, and under whose name is it registered?

Signature of Beneficiary: _____ Date: _____

Signature of Beneficiary Advocate: _____ Date: _____

Appendix 7 – Purchasing a Home Pre-Application

In Development.

Appendix 8 – True Link Financial Spending Categories for True Link Card

This is a list of all spending categories and sub-categories that can be used when customizing a True Link Card. Each of these categories can be blocked or allowed, based on the individual needs of the Beneficiary. For those who want to sign up for a True Link Financial Card, instructions and a handbook can be accessed at <https://www.truelinkfinancial.com/other/compliance-guide>.

TRUE LINK SPENDING MONITOR CATEGORIES - GENERAL	
Category	Examples
Bars and Liquor Stores	Bars, liquor stores, wineries, nightlife
Auto Repair and Dealers	Ford, Toyota, Autozone
Beauty	Barbers, salons, spas
Charitable Donations	Red Cross, American Cancer Society, Make a Wish Foundation
Cleaning Services	Maid services, laundromats, carpet cleaners
Dating Services	J-Date, Match.com, eHarmony
Direct Sales	Avon, Mary Kay, Tupperware
Discount And Variety Stores	Walmart, Costco, Kmart, Dollar General, Michaels
Education	Universities, vocational schools, childcare
Fees And Taxes	Bails and bonds, alimony/childcare, tax payments
Financial Transactions	ATM withdrawals, wire transfers, security brokers
Food (Grocery)	Safeway, supermarkets, bakeries
Food (Restaurant)	McDonalds, restaurants, caterers
Gambling and Casinos	Casinos, lottery tickets
Gas Stations	Chevron, Shell, gas stations
Hearing Aids	Hearing aids stores, hearing aids suppliers
Home Repair	Heating contractors, landscaping services, roofing contractors
Insurance	Insurance sales, underwriting, and premiums
Local Transit	Bus Passes, Uber/Lyft, Greyhound or Amtrak, Parking Garages, and Toll Roads, etc.
Medical And Care	Doctor and Dentist Offices, Hospital Visits, Ambulances, Medical Equipment, etc.
Magazine Subscriptions	Time, People, Entertainment Weekly

Pharmacy	CVS, Rite Aid, Walgreens
Professional Services	Accountants, attorneys, courier services
Recreation And Entertainment	Amusement parks, movie theaters, golf courses, sport clubs
Shopping	Sears, Target, Best Buy, Macy's
Travel And Transportation	United Airlines, Enterprise Rent-A-Car, Hyatt, Carnival Cruise lines
Utilities	Utilities, cable television, telecom services
Wire Transfers and Money Orders	Western Union, USPS Money Orders, Money Gram

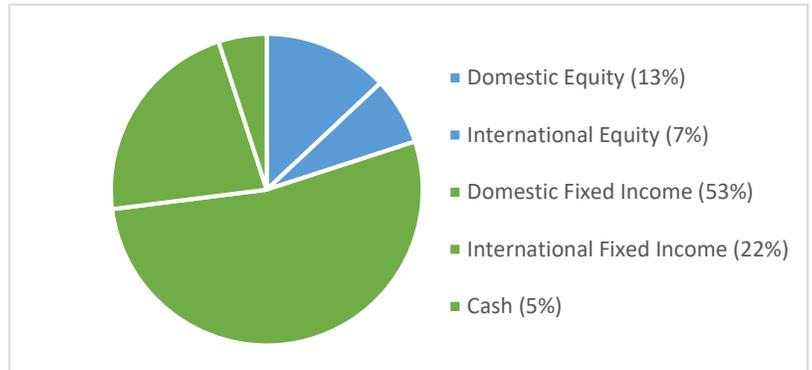
Appendix 9 – Investment Profile Options

As of July 1, 2016 (subject to change)

Conservative

Objective: to provide current income and stability of principal through a diversified allocation strategy

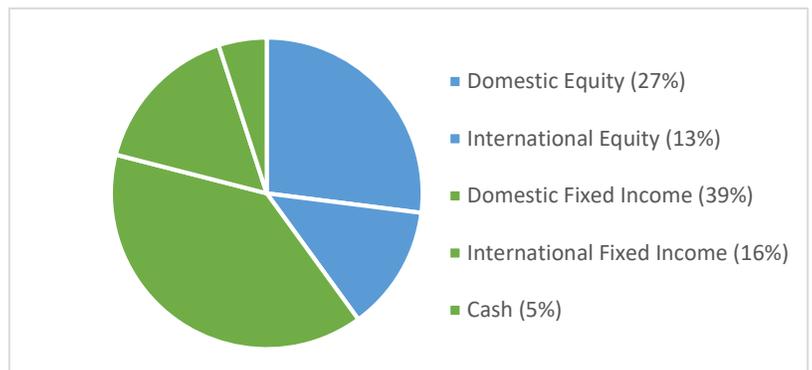
Equity:	20%
<i>Domestic Equity:</i>	13%
<i>International Equity:</i>	7%
Fixed Income:	80%
<i>Domestic Fixed Income:</i>	53%
<i>International Fixed Income:</i>	22%
<i>Cash</i>	5%



Conservative Growth

Objective: to provide current income and low to moderate capital appreciation through a diversified allocation strategy

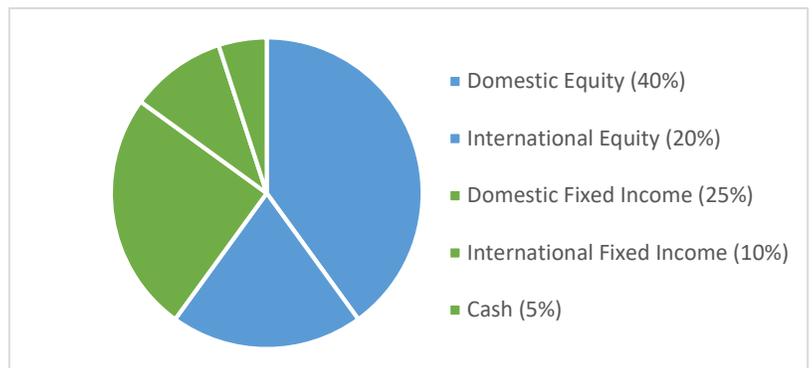
Equity:	40%
<i>Domestic Equity:</i>	27%
<i>International Equity:</i>	13%
Fixed Income:	60%
<i>Domestic Fixed Income:</i>	39%
<i>International Fixed Income:</i>	16%
<i>Cash</i>	5%



Moderate Growth

Objective: to provide capital growth through a diversified allocation strategy

Equity:	60%
<i>Domestic Equity:</i>	40%
<i>International Equity:</i>	20%
Fixed Income:	40%
<i>Domestic Fixed Income:</i>	25%
<i>International Fixed Income:</i>	10%
<i>Cash</i>	5%





For the quarter ending September 30, 2016
XXXX-XXXX

Avidan Rappaport

Questions?
Call us at (424) 341-3344
JLA Trust
6230 Wilshire Blvd, #1178
Los Angeles, CA 90048
customerservice@jlatrust.org

Subaccount Value Summary

Total Investments	32,929.51
Cash	4,325.33
Subaccount Value on 9/30/2016	37,254.84

Change in Subaccount Value

Subaccount Value on 6/30/2016	36,737.07
Transactions	474.33
Income	43.44
Subaccount Value on 9/30/2016	37,254.84

Summary of Holdings

Invested Assets	Units	Unit Value	Market Value
Conservative Growth	324.21	101.567325	32,929.51
Total Invested Assets			32,929.51

Cash Account

Cash			4,325.33
Total Subaccount Value			37,254.84

Summary of Activity (units)

Invested Assets Units on 6/30/2016			319.117820
Units Purchased			
Buy - Conservative Growth	7/14/2016		9.860713
Units Sold			
Sell - Conservative Growth	8/5/2016		-3.954866
Disbursements			
Advisory Fee	7/3/2016		-0.042961
Walgreens	8/5/2016		-0.210992
Comcast	9/11/2016		-0.493166
True Link Card	9/23/2016		-0.492723

Income		
Dividends credited	7/3/2016	0.273506
Dividends credited	8/5/2016	0.154042
Interest credited	8/15/2016	0.002268
Invested Assets Units on 9/30/2016		324.213641

Summary of Activity (\$)

Invested Assets on 6/30/2016		36,737.07
Units Purchased		
Buy - Conservative Growth	8/14/2016	1,000.00
Units Sold		
Sell - Conservative Growth	8/5/2016	-400.00
Disbursements		
Advisory Fee	7/3/2016	-4.34
Walgreens	8/5/2016	-21.34
Comcast	9/11/2016	-49.99
True Link Card	9/23/2016	-50.00
Income		
Dividends credited	8/1/2016	27.63
Dividends credited	8/7/2016	15.58
Interest credited	8/15/2016	0.23
Invested Assets on 9/30/2016		37,254.84