



NEW ZEALAND FEDERATION OF
FAMILY BUDGETING SERVICES (INC.)
TE RŌPŪ PENAPENA PŪTEA
WHĀNAU O AOTEAROA

TOTAL MONEY MANAGEMENT – Minimum Standards

November 2006

TOTAL MONEY MANAGEMENT

MINIMUM STANDARDS FOR

AN AFFILIATED BUDGET ADVICE SERVICE

(Revised November 2006)

DEFINITION

In the context of the Federation, the term Total Money Management means:

“That type of budgeting assistance where the client assigns all or part of their income to the budget service which manages the account according to the agreed budget”.

Budget services offering this type of assistance must have special procedures set up, including banking procedures, office systems and reporting. The client is to be provided with the opportunity to learn to be responsible for handling their own financial affairs. The following items are the minimum standards agreed by District Representatives on 4 May 2002 after feedback from interested members.

ANNUAL REVIEW OF BUDGET SERVICE POLICY

1. Every affiliated budget service shall make a policy relating to its position on total money management and shall review its policy at least once a year. Such policy may prescribe:
 - (a) that Total Money Management will not be available
 - (b) maximum number of clients to whom the budget service will offer Total Money Management concurrently
 - (c) signatories for financial transactions
 - (d) the persons to conduct the internal audits
 - (e) when and how a dispensation to any part of the policy shall be sought and given.
2. Every Total Money Management case is to be managed by certificated budget advisers as assigned by the budget service’s management committee

CLIENT PARTICIPATION

3. Each client is initially assessed and periodically reassessed on their ability to make reasoned decisions relating to their financial affairs. An appropriate care-giver is identified if there is an assessed inability.
4. Each client offered Total Money Management is to be contracted in writing with the respective responsibilities of the parties documented.
5. Where there is an (re)assessed ability, the client is to:
 - (a) participate in the preparation of a budget plan,
 - (b) be involved in any reviews of that plan,
 - (c) be involved in implementing that plan, and
 - (d) have a reviewable deadline by which time the need for Total Money Management is reassessed.

TRANSACTIONS

6. A separate ledger (manual or computerised) shall be maintained for each client.
7. No finances received in trust or paid on a client’s behalf are to be deposited into or taken from the budget service’s business operational accounts. All

clients' monies are to be managed in separate account or accounts for that purpose

8. The client, or in the case of client inability, the client's care-giver is to be given in person at least three-monthly or on request a statement and an oral explanation of all transactions since the last report and debt balances.
9. The client's financial records are to be open for inspection by the client (or the client's care-giver), the budget service Co-ordinator, the Treasurer and the Auditor.
10. Every ledger, whether currently open or closed, is to be internally audited at least six monthly. The budget service management committee will prescribe who will conduct the internal audit and that person will be other than the case manager.
11. All monies received shall be receipted and no payments to creditors shall be made in cash.
12. Signing of all cheques and all equivalent banking transfers must conform to the registered rules of the legal entity that operates the budget service. The budget service management committee will decide if the signatories need be independent of the client case management.
13. All financial records, including relevant correspondence, are to be retained securely for a period of seven years from last audit.
14. All financial transfers are reconciled to bank statements at least monthly.

SUPERVISION

15. At least three monthly the Co-ordinator or other designated senior certificated budget adviser in consultation with the assigned budget adviser will review each client's case and the review will involve all documentation and may be conducted in the presence of the client.

TRAINING

16. All budget services offering or considering offering Total Money Management must arrange for every-one intending to be involved in operating Total Money Management cases plus representation of its decision-making body to complete the Federation's Training module on Total Money Management. This module covers:
 - (a) TMM principles
 - (b) An explanation of the risks of TMM
 - (c) TMM minimum standards
 - (d) Guidance on how to apply the minimum standards
 - (e) Practical exercises or scenarios to test the ability of trainees to apply the minimum standards

QUALITY ASSURANCE

17. The budget service's policy statement made in accordance with Standard # 1 and its implementation are to be available for inspection by a representative of the Federation.