
INTERNAL CONTROLS

All local Michigan Department of Health and Human Services (MDHHS) offices must have procedures in place to assure the fiscal integrity and accountability of donations and expenditures. The community resource coordinator (CRC) must follow established State of Michigan and MDHHS accounting policies and procedures to assure adequate administrative controls. These include the following practices:

- Documentation is necessary for volunteer reimbursement. Use one of the following as documentation:
 - MDHHS-5628, Travel Voucher for Non-State Employee.
 - DHS-4684, Volunteer Services Referral.
 - DHS-4687, Volunteer Services Travel Log/Hours Report.
 - Local office forms which must have a form listed above, correctly filled out, attached.
- The local office director, or designee other than the CRC, must sign volunteer travel vouchers of more than \$500 for a month or \$250 semi-monthly.
- CRCs must verify volunteer's signatures on reimbursement requests.
- When a volunteer driver uses a state car, the CRC must review the state car log for destination, date of transport and point-to-point mileage.
- If a procurement card is not used, vendor payments (Meijer, Target, Ace Hardware, etc.) require a MDHHS-5602, Payment Request Form. Attach verification of the purchase.

See [Administrative Policy Accounting manual \(APA\) 230, Travel and Employee Expense Reimbursement, for more information.](#)

DONATIONS

There are cash and non-cash donations.

Cash

Cash donations are those with absolute cash value. Use this type of donation for a variety of purchases or designated for a specific

project. For reporting purposes, checks, gift cards, money orders, gift certificates and grants are cash donations.

Non-Cash

Non-cash donations are items that have an estimated value. For reporting purposes, clothing, furniture, books, cleaning supplies, free admission to an event, and camp scholarships are examples of non-cash donations. Report in-kind donations, such as free use of a storage locker or use of a rental truck, as non-cash donations.

Management of Donations

Record all donations on the DHS-4682, Community Resource Donor Log, Volunteer Works, or local office form. Include the following information:

- The date of the donation.
- The purpose (outcome) for the donation.
- The description of the donation. List each item. Group items if there is more than one item that is alike (such as 6 bottles of shampoo, eight pairs of men's socks, etc.).
- The estimated value of the donation is based on the going rate in your community for a similar item. Value new at cost of the item in retail stores. Value used items as the cost at a garage sale or thrift shop. Do not give a dollar value to items that are damaged, stained or torn.
- Donor's name and address (if given). If not given, make a notation that the donor wishes to remain anonymous. Upon request, give donors a statement describing the item(s) given to the agency. Do not place a specific dollar value on the statement for the items. Give a DHS-4118, Donation Receipt, to the donor. IRS regulations specify certain limits above which a donor must be given a written acknowledgement and specifies what things should be included in that receipt; see Publication 526, Charitable Contributions Records to Keep sections p. 17-19, and see Publication 1771, Charitable Contributions: Substantiation and Disclosure Requirements, at www.irs.gov.
- The recipient of the donated item(s) whenever possible. If the recipient is known at the time the donation is received, the

person's name should be listed on the donation log. If a MDHHS unit, food pantry, clothing center or another group will be the temporary or permanent recipient of the donation, note this on the donor log. If storing the items until a need for them occurs, note the name of the recipient when the item is given away. Use a sign out sheet for tracking the disbursement of donations that includes date, worker name, client name, case number, etc.

Cash Donations and Disburse- ments

Submit all cash donations within 24 hours to:

MDHHS Cashiering
PO Box 30802
Lansing, MI 48933

Send a DHHS-5460-A, Deposit of Donated Funds, form with the check.

When the Community Resource Program is ready to use or distribute the cash donation, the CRC makes a written request to the Expenditure Operations Division (EOD) using the MDHHS-5602, Payment Request. The EOD will issue the payment.

The Bureau of Finance and Accounting can provide balance and transaction detail in the 491 Gift Request Donation BSC sub-fund.

Reporting Donations

Report only those donations over which CRCs have direct control. Count a donation if the CRC or local Community Resource Program solicited it, received it, or controls how it is used. If CRCs are working with collaborative groups that collect donations, but the CRC does **not** receive or control the disbursement of the donation, the donation is **not** reported. Internal Revenue Service requires records of all donations to be retained for three years.

VOLUNTEER RECORDS

Following is information about Community Resource Program files.

Note: Do **not** remove volunteer records from the office unless authorized by the CRC or county director or local office manager.

Individual Volunteer File

Maintain an individual file for each volunteer providing a service. The file must contain the following items:

- DHS-1181, Community Resource/Volunteer Services Agreement, signed.
- DHS-1182-A, Volunteer Registration Record - Ongoing Volunteers, pages one and two, signed.
- Documentation of background checks: ICHAT, PSOR Central Registry/Bridges, and Secretary of State.
- Documentation of three references from non-related persons if the volunteer's placement falls under the child welfare licensing rules.
- Proof of a current driver's license, vehicle registration, DHS-1181-A, DHS Volunteer Driver Agreement, and auto insurance if the volunteer is transporting MDHHS clients.
- Placement information/service position description. Plus, copies of volunteer activity reports for three years and copies of volunteer evaluations, if completed during their assignment.

Note: If the volunteer is a client of the agency, maintain his/her case record or services record **with other local office confidential files** to prevent unsupervised access to his/her own case record.

Group Volunteer File

Maintain one volunteer file to reflect the activities of a registered group. The file is to contain the following items:

- The contact person's name, address and phone number.
- The approximate number in the group.
- The nature of the service to be provided/service description.

Requests for Information from Volunteer Files

Requests for information included in a volunteer's file may be received from various individuals such as those listed below. Requests can be either oral or written. The request must sufficiently describe the information that is needed:

- A volunteer who wishes to review or ask for copies of information in his/her own file.
- Individuals within the organization may request records to assist in monitoring the Community Resource Program and/or other agency programs that use volunteers.

Example: A request from a representative from the Bureau of Child & Adult Licensing (BCAL) while reviewing the child Foster Care Program.

- Requests for information may be received from non-MDHHS persons, organizations, corporations, partnerships or associations. An example would be a request for a reference from a possible employer or other volunteer services agency.

The volunteer is entitled to receive a copy of any information in the file. In other instances, information may be released which is not an unwarranted invasion of the volunteer's privacy. Typically, this includes things such as name, dates of volunteer service, type of activity, and performance ratings. A volunteer may consent to the release of any other information.

Record Retention

Maintain Community Resource Program activity and program records for three years. Maintain volunteer records for five years from the date of inactivity. Maintain all fiscal records and documentation for seven years.

Review Records Management policy on the [MDHHS-Net/Toolbox/Records Management](#).

Public Access to Records under Freedom of Information Act (FOIA)

The Community Resource Program sometimes receives requests for information. Do **not** automatically assume that the requester has the right to the information. The request for information is under the guidelines of the Freedom of Information Act (FOIA). These requests require special handling under Freedom of Information Act (FOIA) guidelines.

FOIA Liaison

Each local office must designate an individual as the FOIA Liaison. Forward the FOIA request to the FOIA Liaison in the MDHHS county office. The FOIA Liaison is responsible for logging the request and gathering the information. All requests are to be forwarded to the liaison for disposition.

Handling FOIA Requests

If it is a FOIA request, a response is due within five business days or there may be financial penalties assessed to MDHHS; see [Administrative Policy Legal \(APL\) 410, Freedom of Information Act \(FOIA\)](#).

CONTACT

For more information contact the CRC coordinator at MDHHS-CRC@michigan.gov.