Question: What is a trust?
Answer: A trust is a legal agreement through which money or assets are given by one party to another person or entity — called a “trustee” — to hold and manage for the benefit of a specified person called the “beneficiary”. A “supplemental needs” trust is a type of trust used to assist people with disabilities that also can be used as an estate planning tool.

Question: Why consider the Center for Disability Services’ Pooled Supplemental Needs Trusts?
Answer: These types of trusts are used to supplement the needs of a beneficiary throughout his or her lifetime while maintaining eligibility for means-tested government benefits or support programs.

Question: How does the beneficiary access the funds held in trust?
Answer: The beneficiary or his or her representative may request a disbursement from the trust. The trustees will approve any eligible request.

Question: Who are the trustees?
Answer: There are 7 trustees, including designees of the Center for Disability Services.

Question: Are the funds in the Trust invested?
Answer: Yes, the funds are invested and professionally managed by KeyBank in accordance with an investment policy.

Question: What happens to any remaining trust funds at the end of the beneficiary’s lifetime?
Answer: For the third party trust, a minimum of 50% of the remaining assets go to the Center. For the self-settled trust, all of the remaining assets stay in the trust for use/distribution to individuals with disabilities receiving services from the Center.

Question: Will I receive a tax deduction if I establish an account in the trust?
Answer: No, a contribution to the trust does not constitute a charitable contribution for tax purposes because all of the funds potentially can be used to benefit the beneficiary, with no remaining assets passing to a charity. However, the donor of funds to the third party trust may be eligible for a tax deduction for the 50% of any remaining funds that go to the Center after the beneficiary’s death.

Question: How do I establish an account with the trust?
Answer: The Center will provide a Joinder Agreement, which allows you to establish a trust account by agreeing to a minimum contribution of $10,000 over a three year period. The minimum initial contribution is $5,000 upon acceptance of the Joinder Agreement with the balance of the $5,000 to be paid within three years.

Question: May a family member add to the trust account in the future?
Answer: Yes.

Question: Will I be provided statements regarding my account?
Answer: Yes.

Question: Are there any fees to establish and maintain a trust account?
Answer: Yes, but the fees are minimal and designed only to cover the costs of operating the trust. There is a $250 fee to establish a trust account (this fee is waived for self-settled trust accounts that are being used to “spend down” excess income). For trust accounts with a value below $25,000, there is a 3% annual administrative fee, with a $50 minimum. The administrative fee increases to an additional 2% for the next $75,000, and 1% for amounts over $100,000. There is a monthly $50 transaction fee for any deposits into, or withdrawals from, the trust account, with a $500 annual cap for such fees. In addition, there are other ancillary fees, such as preparation of annual tax returns.
CENTER FOR DISABILITY SERVICES - Pooled Income Trust(s)

The trust can be funded by:
- A parent
- A relative
- Any other person
- The beneficiary with a disability

The trust can be funded with:
- A lump sum Social Security payment
- A lawsuit award or settlement
- An inheritance
- Excess income (i.e., “spend down”)

We offer two trust options:
A “third party” trust established by someone else to supplement the needs of the beneficiary throughout his or her lifetime, even after the donor is no longer living.

OR

A “self-settled” trust established by the individual with a disability to protect his or her assets and maintain eligibility for means-tested government benefits or support programs.

CONTACT INFORMATION

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POOLED SUPPLEMENTAL NEEDS TRUST

MISSION STATEMENT
To enable and empower people, primarily those with disabilities, to lead healthy and enriched lives.

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