

**PERSONAL FUNDS OF PATIENTS POLICY**

1. **REASON FOR ISSUE:** Attached is a total revision of VA Manual MP-4, Part I, Chapter 3, which has been divided into VA Directive 4020 and VA Handbook 4020.
2. **SUMMARY OF CONTENTS/MAJOR CHANGES:** This directive revises VA Personal Funds of Patients policy to incorporate new titles and department names.
3. **RESPONSIBLE OFFICE:** Fiscal Policy Service (047GC), Office of the Deputy Assistant Secretary for Financial Management.
4. **RELATED HANDBOOK:** VA Handbook 4020, Personal Funds of Patients Procedures.
5. **RESCISSION:** MP-4, Part I, Chapter 3.

CERTIFIED BY:

**Nada D. Harris**  
**Deputy Assistant Secretary for**  
**Information Resources Management**  
**Distribution: RPC 0444**  
**FD**

BY DIRECTION OF THE SECRETARY  
OF VETERANS AFFAIRS:

**D. Mark Catlett**  
**Assistant Secretary for Finance and**  
**Information Resources Management**

**PERSONAL FUNDS OF PATIENTS POLICY**

**1. PURPOSE.** The purpose of this directive is to define the policy relative to the financial management of Personal Funds of Patients' accounts.

**2. POLICY**

a. VA is charged with the safekeeping of personal funds of hospitalized patients. Procedures for the maintenance of these accounts are published in VA Handbook 4020. Additional references are found in VHA Manual M-1, Part I, Chapter 8 and 38 CFR Part 12. Legislative references are contained in 31 U.S. Code, Sections 1321 and 1322, and 38 U.S. Code, Chapters 55 and 85.b.

b. The Fiscal Officer will prescribe administrative accounting procedures in accordance with VA Handbook 4020, to maintain fiscal controls and accountability for all patients' funds and will provide for the safekeeping of funds voluntarily submitted by patients whose Personal Funds of Patients accounts are not restricted.

**3. RESPONSIBILITIES.** All Personal Funds of Patients received for deposit to restricted accounts will be under the trusteeship of the Director and subject to the Director's personal action. However, a subordinate may be designated in writing, by name, to perform any or all actions for the Director.