

Financial Statements Contract Compliance Reviews

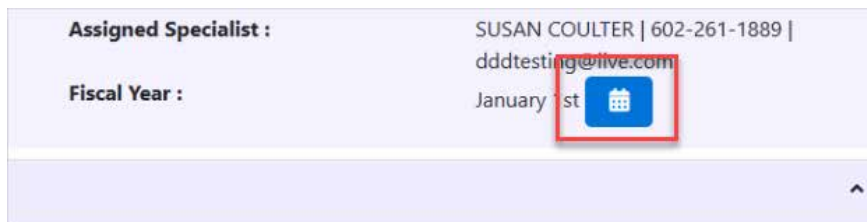
Target Audience - Qualified Vendors and Providers

Transmittal Date - 07/17/2026

Qualified Vendors (QVs) must comply with DDD's financial viability standards, including financial statement reporting as outlined in section 5.4 of the [RFQVA DDD-2024, September 1, 2025](#). Financial statements at a minimum include:

- A balance sheet
- Income statement, and
- Statement of cash flows.

Qualified Vendors must ensure the fiscal year for their Agency is accurate in the Contract Administration System (CAS) because financial statement reporting is based on the QV's fiscal year, not the state or federal fiscal year. The frequency and level of financial statement reporting depend on the total payments the QV received from DDD in the previous state fiscal year (July 1 through June 30). As an example, if the Qualified Vendor's fiscal year is January 1 to December 31, they would be responsible for reporting January 1 through June 30 for one state fiscal year and July 1 through December 31 for the following fiscal year. Qualified Vendors can update their fiscal year through the Dashboard tab in CAS, as illustrated in the following image. Click the "calendar icon" to update the date.



The following table summarizes Qualified Vendor financial statement reporting requirements.

Financial Statements Tier	Payments from DDD	Financial Statements Due Dates
Annual Financial Statements (F/S)	<\$1 million	120 days after QV's Fiscal Year
Annual F/S Compiled by Independent CPA	\$1 million < \$4 million	30 days after Compilation
Semi-Annual F/S + Annual F/S Reviewed by Independent CPA	\$4 million < \$7 million	Semi-Annual: 60 days after Quarter 2 Annual: 30 days after Review
Quarterly F/S Unaudited + Annual F/S Audited by Independent CPA	>\$7 million	Quarterly: 60 days after the Quarter Annual: 30 days after Audit

Financial statements must be submitted to DDD via email, DDDFinancialStmts@azdes.gov. Qualified Vendors must submit any financial statements that have not been submitted to DDD in accordance with the above outlined timeframes to resolve noncompliance. Screenshots or images of financial statements are not acceptable. Additionally, the Division may refer non-compliant contract concerns to the Contract Action Unit, which may include enrollment suspense, payment withhold, and/or contract suspension.

Qualified Vendors with questions about financial statements should email them to DDDFinancialStmts@azdes.gov.