

4004-E SAFEGUARDING MEMBER FUNDS

REVISION DATE: 09/30/2020, 8/30/2013

EFFECTIVE DATE: January 15, 1996

Purpose

This policy establishes the Division of Development Disabilities (the Division, DDD) responsibilities as the Representative Payee Management of Accounts.

Separate Accounts

- A. A separate accounting must be maintained for each member. The accounting must show all funds received or disbursed, and remaining balances.
- B. Transactions posted to a member's Client Funds account must be traceable to an original source document, such as a *Request for Client Funds (DDD-1833A)*, a receipt, invoice, or bill, etc.
- C. Electronic transfers to withdraw funds from member accounts are not allowed. An electronic transfers to deposit funds from the member's earned income source(s) must have prior authorization from the Client Fund Unit

Fund Transactions

- A. All funds received must be documented through the Client Fund System.
- B. Checks and other negotiable instruments received must be logged on a daily basis and endorsed with the restrictive statement, as follows:
 - AZ DEPARTMENT OF ECONOMIC SECURITY, DIVISION OF DEVELOPMENTAL DISABILITIES
 - ACCOUNT NUMBER
 - FOR DEPOSIT ONLY
- C. Funds received must be deposited in the designated bank account in a timely manner. Appropriate safeguards must be present while funds are transported between the Division's facility and the bank.
- D. The same person must not handle a transaction from beginning to end. If personnel and other resources permit, deposits, cash/check logging, client funds duties, and administrative functions will be separated.
- E. The Client Fund System Manager acts in a fiduciary capacity, which includes responsibility to account for all funds in the Client Fund System.

Insurance purchased for members in the Client Fund System such as life or burial insurance must not list as beneficiary any of the following: any of the following as a beneficiary:

1. The Division
2. An employee of the Division
3. A paid contracted provider
4. An employee of a provider.

However, a family member who is also an employee of the Division or a provider may be listed as a beneficiary. Additionally:

- Any policy purchased must be of no cash value.
 - Any policy purchased must show that the member is the sole owner of the policy.
- F. All transactions and record keeping must be done confidentially. Only those who have been approved by the Division are allowed to review and to work with member records.
- G. The Client Funds Unit will only release information directly to DDD Support Coordination, Social Security, Revenue Desk, ALTCS, and Office of Inspector General.