

1    **4004-I       LEDGERS MAINTAINED BY PROVIDERS**

2    REVISION DATE: XXXX, 8/30/2013

3    EFFECTIVE DATE: January 15, 1996

4    REFERENCES: A.R.S. § 41-1345, SSA Guide for Organizational Representative Payees,  
5    Publication No. 17-013

6    A Qualified Vendor, Independent Provider, or Individual/Guardian who receives funds from  
7    the Division of Developmental Disabilities (the Division), family, employment, or other  
8    sources, on behalf of the member, is required to open and maintain a separate ledger for  
9    each member receiving these funds. The ledger is a financial record, composed of a  
10   separate sub-ledger recording all the transactions with a daily balance. The monthly  
11   ending balance must not exceed \$200.00 for each member. The Qualified Vendor,  
12   Independent Provider, or Individual/Guardian is required to return funds in excess of  
13   \$200.00 to the DES/DDD Member Funds Systems office for depositing back into the  
14   member's account.

15   The Division recommends using the following form – *Member Funds Monthly Ledger (DDD-*  
16   *2036A)*, available for download from the Division website *Documents Center*.

17    **Ledgers**

18    A.    The Qualified Vendor, Independent Provider, or Individual/Guardian must account for  
19    **all** funds received and spent in the ledger. The format of the ledger must include:

- 20        1.    The member's full name
- 21        2.    The reporting month and year
- 22        3.    The name of the Qualified Vendor, Independent Provider, or  
23        Individual/Guardian submitting the ledger.
- 24        4.    The beginning or rolled over balance from the previous month; (a "running  
25        All balance")
- 26        5.    The merchant name
- 27        6.    All funds received: Source(s) of the fund(s) and the date(s) received
- 28        7.    expenditures: Memos on what was purchased, date(s), and receipt(s)
- 29        8.    Original Receipts: Receipts must be legible and include the name of the  
30        merchant, date of purchase, total amount of purchase, and description of  
31        items purchased. If receipts are not available the cost must be identified on  
32        the monthly ledger and may be subject to additional scrutiny based on the  
33        amount and circumstances.

34    B.    Ledgers should not have negative amounts listed.

35    C.    Ledgers must be maintained for a minimum of six years ~~seven years~~. The Qualified  
36    Vendor, Independent Provider, or Individual/Guardian must:

- 37        1.    Submit a **monthly ledger**, receipts and excess funds to the DES/DDD  
38        Member Funds Systems office by the 15<sup>th</sup> of each following month.

39 Note: The member’s monthly spending funds will be *suspended* if the  
40 monthly ledgers, receipts and excess funds are not submitted by the 15th of  
41 each following month. (Refer to Calendar.)

Calendar	
At the end of month:	Submit the ledger by:
January	February 15th
February	March 15th
March	April 16th
April	May 15th
May	June 15th
June	July 15th
July	August 15th
August	September 15th
September	October 15th
October	November 15th
November	December 15th
December	January 15th

- 42
- 43 2. Provide the ledger for review at each Planning Meeting or as frequently as  
44 requested by the Division, and/or the member, or the responsible person.
- 45 3. Ensure that the member’s monthly spending funds are used to meet  
46 acceptable day-to-day personal needs as agreed in the planning documents,  
47 including recreation and miscellaneous expenses as required by the Social  
48 Security Administration.
- 49 4. Ensure that the member’s funds are not used to purchase items that are  
50 required to be supplied by the Qualified Vendor, Independent Provider,  
51 Individual/Guardian or the Division.
- 52 a. Transportation for daily activities, including but not limited to day  
53 treatment, employment preparedness and training, employment ,  
54 medical appointments, visits with family and/or friends, and  
55 community activities.
- 56 Room and Board, including three meals daily and snacks and/or as per  
57 service specification, for residential services including group homes,  
58 and developmental homes.
- 59 5. Keep member funds in a secure locked location.
- 60 6. Not allow the member to have direct access to funds.
- 61 7. Ensure that the monthly ledgers are closed, the receipts and unspent funds  
62 are returned, and any required documentation is submitted to the DES/DDD  
63 Member Funds Systems office within 15 days from the date a member  
64 returns home, is no longer receiving services, or is deceased.

65 D. The Support Coordinator will adjust the spending plan to ensure that the member  
66 funds maintained by the Qualified Vendor, Independent Provider, or  
67 Individual/Guardian do not exceed the balances outlined above. Any excess funds  
68 must be returned to the Member Funds System for deposit into the member's  
69 account.

70 **Missing Funds**

- 71 A. If any funds are discovered stolen or missing from the member's ledger or personal  
72 cash, the Qualified Vendor, Independent Provider, or Individual/Guardian must:
- 73 1. Report to the Division:
- 74 a. By close of the next business day following the discovery of the loss or  
75 theft, if under \$1,000.
- 76 b. Within 24 hours, if greater than \$1,000. Member funds, balances, and  
77 ledgers are subject to audit if the loss is greater than \$1000. Any  
78 audit exceptions are the responsibility of the service provider for  
79 resolution and/or repayment.
- 80 2. Replace the funds within 10 working days of the discovery of the theft  
81 or missing funds.
- 82 B. The Statewide Member Fund Manager and/or District Program Manager will  
83 determine whether it is appropriate to refer issues to the Department of Economic  
84 Security (DES), Office of Special Investigations (OSI), and the Social Security  
85 Administration (SSA).

86 **Missing Ledgers**

- 87 A. If a ledger is discovered missing, the funds issued for that month including any rolled  
88 over funds recorded from the previous month, must be returned within 15 days of  
89 discovery.