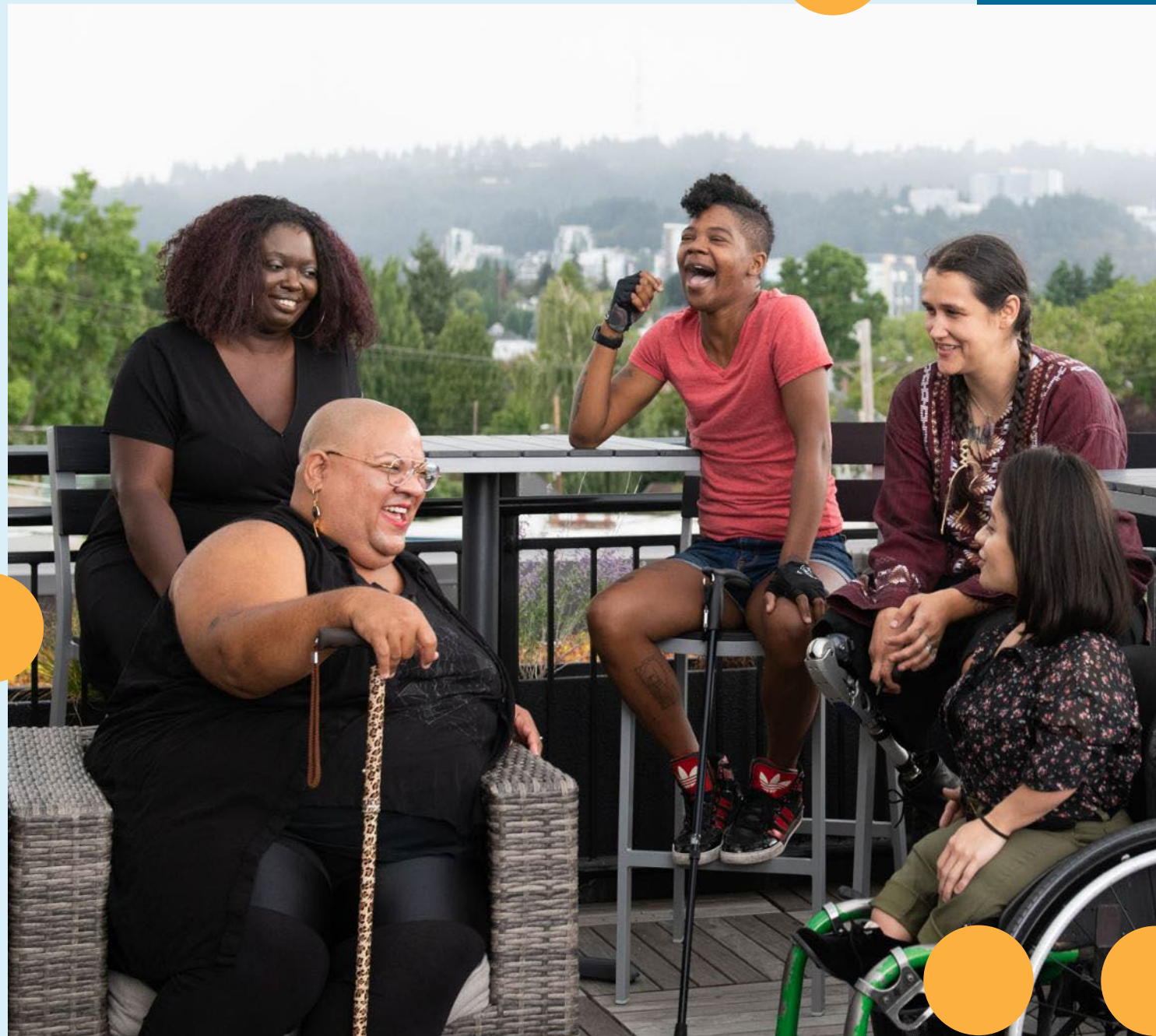
The Self-Determination Program

Financial Management Services Vendor Standards

November 23, 2026

Department of Developmental Services

Photo by Chona Kasinger, from Disabled and Here



Before We Start



Interpretación en español: haga clic en el globo blanco en la parte inferior de la pantalla con la etiqueta "Interpretation." Luego haga clic en “Spanish” y seleccione "Mute original audio.”



American Sign Language (ASL) interpreters have been “Spotlighted.” Zoom's live captions are on.



This meeting is being recorded.

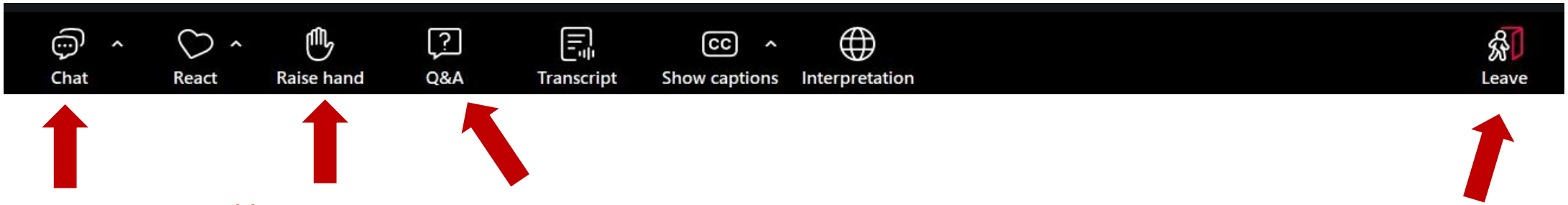


Materials are available online at: DDS Events Webpage (https://www.dds.ca.gov/dds-events/)



Email written comments to: SDP@dds.ca.gov.

Zoom Tips



Chat is not available

You can use "raise your hand" to share

Type your questions/ comments in the Q&A

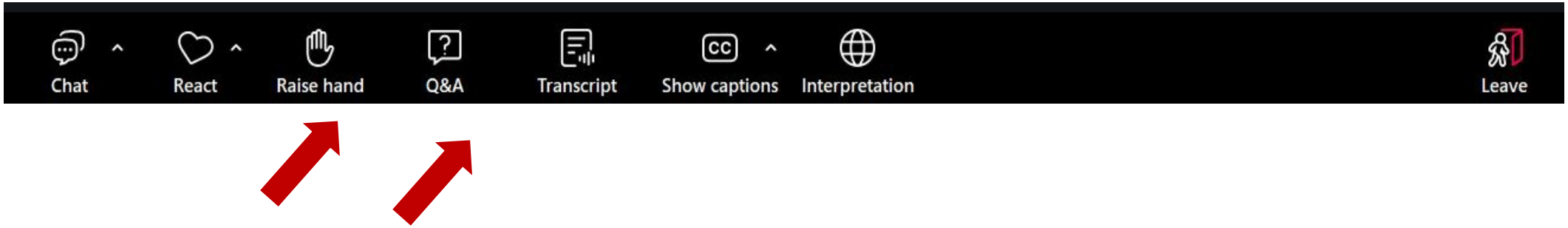
Leave the webinar at the end of the meeting

For attendees:

- Video and microphones will be off
- You will only see and hear Department staff and presenters
- Features will vary based on the version of Zoom and device you are using
- Some features are not available if joining by phone only

Using Q&A or Raising Your Hand

Attendees: Please use "Q&A" or "Raise hand" Zoom buttons to share comments or ask questions



- **We will call on you in the order you raise your hands**
  - Zoom will ask you to unmute
- **Say your name before sharing comments or questions**
- **Speak slowly for the interpreters**

Agenda



Self-Determination Program Financial Management Services Vendor Standards

- What to Know
- What is Changing?
- Process Summary
- Notices and Letters (Attachments C and D)
- The Standards (Attachment A)
- Review Tool (Attachment B)
- Resources
- Questions and Answers

What to Know



What to Know

The Department of Developmental Services (Department) set statewide rules for vendors that provide Financial Management Services (FMS) in the Self-Determination Program (SDP).

- These rules are called the **SDP FMS Vendor Standards.**
- The rules were set on October 14, 2026.

Words to Know

Participant

A person who uses the SDP.

SDP FMS Vendor

The entity you choose to pay your workers and providers from your individual budget and track your spending.

Vendorization

A regional center's approval for an entity to provide services.

Vendoring Regional Center

The regional center that approves and oversees the SDP FMS vendor. For SDP FMS vendors, this will be San Diego Regional Center (SDRC).

Your Regional Center

The regional center where you get services. The directive calls it the "user regional center."

Correction Period

30 days for an SDP FMS vendor to fix problems SDRC finds.

What the Standards Achieve

The SDP FMS Vendor Standards:



Same Protections and Support

Participants get the same protections and level of support no matter where they live.



One Set of Rules

SDP FMS vendors meet one set of rules instead of several.



One Way to Monitor

SDRC uses the same standards to approve and monitor every SDP FMS vendor.

What to Know

Every participant must use an SDP FMS vendor of their own choosing. The SDP FMS vendor helps track the participant's individual budget and checks that there is money available to carry out the Individual Program Plan (IPP).

SDP FMS vendors may also help with:



Paying bills and running payroll



Following employment laws



Tax withholding and accounting



Checking provider qualifications and background checks

What to Know

All SDP FMS vendors must follow:



The SDP law: Welfare and Institutions Code (WIC) section 4685.8



The SDP Waiver, the federal approval for the SDP



Title 17 of the California Code of Regulations



Department directives, like this one

How SDP FMS Vendors Work Today

Today, different regional centers approve SDP FMS vendors. Many SDP FMS vendors support participants in more than one regional center.

What's not working: SDP FMS vendors are approved and monitored in different ways, so participants may not get the same protections and level of support everywhere. Not all SDP FMS vendors have provided participants with adequate support, timely payments, and clear budget information.

What is Changing?



SDRC's New Role at a Glance

San Diego Regional Center (SDRC) is the vendoring regional center for all SDP FMS vendors across the State. SDRC will:

- Review applications, tools, supporting documents, and program designs, and approve or deny each SDP FMS vendor
- Monitor and enforce the SDP FMS Vendor Standards
- Do audits and quality assurance checks

What stays the same for participants: Your regional center still pays for your services and handles individual billing and payment problems. Each SDP FMS vendor keeps one vendor number to use statewide.

What is Changing?

SDRC and Existing SDP FMS Vendors

Existing SDP FMS Vendors

SDRC checks each existing SDP FMS vendor against the new standards. If an SDP FMS vendor meets the standards, SDRC takes over as its regional center.

What this means:

- SDRC will approve and oversee all SDP FMS vendors, no matter where they are located in California
- Participants' SDP FMS vendor keeps serving them if it meets the standards
- Participants will be told if anything about their SDP FMS vendor's status changes

Applications Already Started

If an application to become an SDP FMS vendor was started at another regional center, it moves to SDRC to finish.

What this means:

- The application keeps its place in line; nothing already submitted is lost
- SDRC picks up the application where it left off
- The regional center that started it will help move it to SDRC

What is Changing?

New SDP FMS Vendors and Vendor Numbers

Entities Seeking to Become an SDP FMS Vendor

Starting now, any entity that wants to become an SDP FMS vendor applies directly with SDRC.

What this means:

- An entity applies with SDRC through the Provider Directory
- SDRC checks the entity against the standards before approving it as an SDP FMS vendor
- This process applies statewide, not just in the SDRC area

Vendor Numbers

Each SDP FMS vendor keeps one vendor number and uses it statewide.

What this means:

- SDP FMS vendors do not need a new vendor number when SDRC takes over oversight responsibilities
- Extra vendor numbers for the same service are discontinued

Responsibilities

Roles and responsibilities of SDRC and user regional centers:

Responsibility	SDRC	User Regional Center*
Monitor and enforce the SDP FMS Vendor Standards	✓	
Audits and quality assurance checks	✓	
Reviewing individual billing activities		✓
Handle individual issues, such as payment problems		✓
Reimburse services purchased for participants		✓

* A **user regional center is any regional center other than SDRC**. SDRC also acts as the user regional center for its own SDP participants.

Process Summary



Key Dates



Oct 14, 2026

Directive issued

The new standards begin.

Nov 13, 2026

Regional centers

Move started applications to SDRC. Tell SDRC and the Department about extra insurance their board requires.

Nov 28, 2026

Existing SDP FMS vendors

Send documents to SDRC. SDRC reviews begin.

Next

SDRC reviews

Groups of 6 or more SDP FMS vendors. Up to 45 days per group.

After Approval

Move to SDRC

On the 1st of the month at least 30 days after the decision.

Dates count calendar days from the directive date.

Process Summary: Existing SDP FMS Vendors

1. Send documents to SDRC within 45 days
2. SDRC reviews SDP FMS vendors in groups of 6 or more
3. Each review takes up to 45 days
4. SDRC decides and sends a letter
5. If needed: 30 days to fix problems

Process Summary: Existing SDP FMS Vendors SDRC Determination

Compliance

- Approval moves to SDRC on the first day of the month that starts at least 30 days after SDRC decides.
  - Example: SDRC determines on January 15. February 1 is less than 30 days away, so the move happens March 1.
- Keeps its vendor number (extra numbers for the same service end)
- SDRC tells the SDP FMS vendor and the original regional center in writing

Non-Compliance

- The original regional center tells the SDP FMS vendor what to fix
- The SDP FMS vendor has 30 days to fix the problems
- Participants' regional center sends them a letter (Attachment C)

Process Summary: Existing SDP FMS Vendors SDRC Determination

SDP FMS Vendor Termination or Appeal

- If problems are not fixed in 30 days, the original regional center sends a notice by registered mail. Approval ends 30 days after that notice.
- Approval does not end if the SDP FMS vendor fixes the problems or files an appeal in time.
- The SDP FMS vendor can appeal within 30 days: the finding to the original regional center and SDRC's denial.
- If approval ends, the SDP FMS vendor can no longer serve SDP participants and must help them move to another SDP FMS vendor.

Process Summary: Entities Seeking to Become an SDP FMS Vendor

If an entity started its application with a regional center other than SDRC, that regional center must:

- Email SDRC at FMS.vendorization@sdrc.org within 30 calendar days of the directive date (by November 13, 2026)
- Move the application to SDRC in the Provider Directory

The application stays at the same step. Nothing already sent is lost.

Regional centers that need help moving an application can email providerdirectory@dds.ca.gov

Process Summary: Entities Seeking to Become an SDP FMS Vendor

1. Meet the three preliminary requirements
2. Apply with SDRC through the Provider Directory
3. Submit the Review Tool (Attachment B)
4. SDRC reviews the application
5. SDRC approves or denies the application

Notices and Letters



Notice to Participants

If your SDP FMS vendor does not meet the SDP FMS Vendor Standards, your regional center must:

- Send you a letter within five business days after the 30-day correction period starts (Attachment C)
- Tell you the SDP FMS vendor must make changes and the date the changes must be made

Early notice gives you time to decide. If you want a new SDP FMS vendor, your regional center will help you find one with support from the Department.

Notice to Participants

This directive **does not change any participant's rights.** Participants:

- Keep all rights in WIC sections 4646 to 4646.6
- Can change SDP FMS vendors at any time
- Can get help from their regional center to find another SDP FMS vendor

If you are changing to a new SDP FMS vendor, the SDP FMS vendor you are leaving must keep paying for approved services in your spending plan, including services already given, until your last day with them.

Correction Period Letter (Attachment C)



Who sends it
Your regional center

When
Within five business days after the 30-day correction period starts.

What the letter tells participants

1. Your SDP FMS vendor did not meet one or more standards and must fix them by a set date.
2. Your SDP FMS vendor must keep providing services and paying your workers and providers.
3. What happens if the problems are not fixed.
4. You may change SDP FMS vendors at any time or stay. It is your choice.
5. Your service coordinator can help.

Approval Ending Letter (Attachment D)



Who sends it
Your regional center

When
Within five business days after the regional center is told the SDP FMS vendor's vendorization will end.

What the letter tells the participants

1. The date your SDP FMS vendor can no longer provide services.
2. You need to choose a new SDP FMS vendor. The choice of the new SDP FMS vendor is yours.
3. Call your service coordinator as soon as you can so there is no gap in your services.
4. Your SDP FMS vendor must give you what you need to move and keep paying until you move.
5. If the SDP FMS vendor fixes the problems or appeals, approval may not end. You will get a letter.

The Standards



SDP FMS Vendor Standards

16 standards in 4 groups. **SDRC uses them to check every SDP FMS vendor.**

Who can be an SDP FMS vendor

1. Eligibility
2. Financial Solvency
3. Qualifications
4. General Compliance

How they serve participants

5. Grievances and Complaints
6. Customer Service
7. Enrolling and Service Agreement
8. Individual Budget and Spending Plan

Helping participants hire

9. Participant-Employer
10. Service Providers
11. Employees
13. Workers' Compensation

Money, records, and moving

12. Transferring or Ending Services
14. Payments
15. Billing
16. Taxes

SDP FMS Vendor Standards

Who can be an SDP FMS vendor

1. Eligibility

Approved to provide Medicaid services, at least 12 months of experience, and not on fraud or exclusion lists. Charges no more than the Department's rate.

What this means for participants:

- **An SDP FMS vendor you can trust.** No SDP FMS vendor on a state or federal fraud or exclusion list can serve you.
- **Experienced help.** Every SDP FMS vendor has done this work for at least 12 months.
- **Fair fees.** The SDP FMS vendor cannot charge more than the Department's set rate.

2. Financial Solvency

At least $500,000 in credit or reserves, enough money for 4 weeks of payroll and bills, insurance, and a yearly independent audit or review.

What this means for participants:

- **Your workers and providers keep getting paid.** The SDP FMS vendor must have enough money for at least 4 weeks of pay and bills.
- **Your services keep going if something goes wrong.** The SDP FMS vendor keeps at least $500,000 in credit or reserves.
- **An outside check every year.** The SDP FMS vendor gets an independent audit or review.

SDP FMS Vendor Standards

Who can be an SDP FMS vendor

3. Qualifications

Qualified staff. New staff are trained within 30 days of hire on SDP rules, person-centered practices, and reporting special incidents.

What this means for participants:

- **FMS staff who understand your program.** Staff must know the SDP, the Lanterman Act, and how the program works.
- **Trained help from the start.** New staff are trained within 30 days of being hired.
- **FMS staff who can spot problems.** Staff keep learning SDP rules and how to spot problems.

4. General Compliance

Follows privacy, labor, and abuse-reporting laws. Reports special incidents within 24 hours, with a written report within 48 hours. Avoids conflicts of interest.

What this means for participants:

- **Your privacy is protected.** The SDP FMS vendor must follow privacy, labor, and abuse-reporting laws.
- **Fast action on serious incidents.** The SDP FMS vendor must tell your regional center within 24 hours.
- **Advice that puts you first.** The SDP FMS vendor cannot have a financial stake in services paid from your individual budget.

SDP FMS Vendor Standards

How they serve you



5. Grievances and Complaints

Has a grievance process and resolves grievances within 60 days. Keeps participants' grievances confidential, and reports grievance totals to the Department every six months.

What this means for participants:

- **Your concerns are taken seriously.** The SDP FMS vendor must resolve your complaint within 60 days.
- **You can speak up safely.** Your complaint stays confidential.
- **Added oversight.** The SDP FMS vendor reports complaint totals to the Department every six months.



6. Customer Service

Toll-free phone line, email, and secure online system. Interpreters, translation, and Video Relay Service for people who are Deaf, Hard of Hearing, or Deaf Blind.

What this means for participants:

- **Several ways to get help.** You can use a toll-free phone line, email, or a secure online system.
- **Communication that works for you.** Interpreters, translation, and Video Relay Service are available.
- **Service you can count on.** The SDP FMS vendor checks its customer service every six months.

SDP FMS Vendor Standards

How they serve you

7. Enrolling and Service Agreement

Follows participants' IPP and spending plan. Gives them an enrollment packet and a plain-language service agreement before services start.

What this means for participants:

- **You know what to expect.** You get a plain-language written agreement before services start.
- **You know your rights.** The agreement explains them, and how to raise concerns or end services.
- **Time to plan.** The SDP FMS vendor must give you 60 days' notice before ending services, unless there is a safety concern.

8. Individual Budget and Spending Plan

Checks that the spending plan covers all costs. Sends a monthly budget statement and tells participants within five business days about overspending or underspending.

What this means for participants:

- **No gaps in your plan.** The SDP FMS vendor checks that your spending plan covers all costs.
- **Clear budget updates.** You get a monthly budget statement.
- **Early warning, so you can adjust.** The SDP FMS vendor tells you within five business days if you overspend or underspend.

SDP FMS Vendor Standards

Helping you hire



9. Participant-Employer

If participants hire their own workers, they get an orientation, training on being an employer, and help registering as an employer with the federal Internal Revenue Service and the State.

What this means for participants:

- **Ready to be an employer.** If you hire your own workers, you get training on being an employer.
- **Help with the paperwork.** The SDP FMS vendor helps you register with the IRS and the State.
- **Help that continues.** You get ongoing support, not just a one-time orientation.



10. Service Providers

Helps check providers' qualifications and rates. Tells participants and their regional center about any conflict of interest within five business days.

What this means for participants:

- **Qualified providers.** The SDP FMS vendor helps confirm a provider is qualified before you hire them.
- **Protection from conflicts of interest.** The SDP FMS vendor tells you and your regional center about any conflict within five business days.
- **Fair pay rates.** The SDP FMS vendor helps check that provider rates are reasonable.

SDP FMS Vendor Standards

Helping you hire



11. Employees

Helps with background checks and hiring forms. Tells participants when a worker is cleared to start. Reports new hires to the state within 20 days.

What this means for participants:

- **Safer hiring.** The SDP FMS vendor helps with background checks before a worker starts.
- **Complete paperwork.** The SDP FMS vendor confirms the required hiring forms are done.
- **A clear go-ahead.** The SDP FMS vendor tells you when a new worker is cleared to start.



13. Workers' Compensation

Confirms workers are classified correctly and covered by workers' compensation before they start. Complies with audits.

What this means for participants:

- **Protection if a worker is hurt.** Your workers are covered by workers' compensation before their first day.
- **Less risk for you as an employer.** The SDP FMS vendor makes sure each worker is classified correctly.
- **Support during audits.** The SDP FMS vendor takes part in workers' compensation audits and answers official questions on time.

SDP FMS Vendor Standards

Money, records, and moving

12. Transferring or Ending Services

If participants change SDP FMS vendors, their records are sent within 30 days, moved within 60 days, and their workers are paid without a gap. Sixty days' notice is provided before services end, with some exceptions.

What this means for participants:

- **Freedom to change SDP FMS vendors.** If you switch SDP FMS vendors, the move must be done within 60 days.
- **Your records follow you.** Your records go to the new SDP FMS vendor within 30 days.
- **No gap in pay.** Your workers keep getting paid during the switch.

14. Payments

Pays complete, correct bills within 30 days. Checks time entries, uses Electronic Visit Verification, and fixes payment errors right away.

What this means for participants:

- **Workers and providers paid on time.** The SDP FMS vendor pays complete, correct bills within 30 days.
- **Accurate pay.** The SDP FMS vendor checks time entries carefully, including breaks and overtime.
- **Mistakes fixed fast.** If there is a payment error, the SDP FMS vendor fixes it right away.

SDP FMS Vendor Standards

Money, records, and moving

15. Billing

Bills your regional center within 30 days and only for services it paid. Keeps records for at least five years.

What this means for participants:

- **Your budget stays up to date.** The SDP FMS vendor bills your regional center within 30 days.
- **Billing you can trust.** The SDP FMS vendor only bills for services already paid.
- **Your records are kept safe.** The SDP FMS vendor keeps your records for at least five years.

16. Taxes

For participants who are employers, the SDP FMS vendor files and pays payroll taxes, sends W-2 and 1099 forms, and answers tax agency requests on time.

What this means for participants:

- **Less tax work for you.** If you are an employer, the SDP FMS vendor files and pays your payroll taxes.
- **Tax forms are taken care of.** The SDP FMS vendor sends W-2 and 1099 forms.
- **Help with tax agencies.** The SDP FMS vendor answers tax agency requests on time.

Review Tool



Review Tool (Attachment B)

The Review Tool is a spreadsheet that lists every standard. Existing SDP FMS vendors and entities seeking to be SDP FMS vendors use it to show how they meet each one.

The SDP FMS vendor fills in

- Where the proof is in their documents (page number)
- Any additional comments

SDRC fills in

A rating and comments for each standard

- \+ Meets
- – Does not meet
- N/A Does not apply

Existing SDP FMS vendors email the completed tool and documents to FMS.vendorization@sdrc.org

Completing the Review Tool: An Example

Here is what one completed row of the Review Tool (Attachment B) can look like, using Standard 2.1 (Financial Solvency) as the example.

Standard	Where the Proof Is (SDP FMS vendor fills in)	SDP FMS Vendor's Comments (SDP FMS vendor fills in)	Rating and Comments (SDRC fills in)
2.1 Credit or cash/capital reserve of at least $500,000	Bank line-of-credit letter, page 4	Current letter of credit for $650,000, renews each January	(Left blank by the SDP FMS vendor; SDRC completes this column)

Example only. See the directive and Attachment A for the exact documentation each standard requires.

Example: Organizing Your Supporting Documents

Combine your supporting documents into one PDF, in the same order you cite them in the Review Tool, and number every page. Example packet for Standard 2, Financial Solvency:

- Pages 1–3: Cover sheet and table of contents
- Page 4: Bank line-of-credit letter (proof for Standard 2.1)
- Pages 5–9: General liability insurance certificate (proof for Standard 2.3)
- Pages 10–20: Most recent independent financial audit or review (proof for Standard 2.5)

Cite each page number in the Review Tool exactly as it appears in your combined PDF, so SDRC can find your proof quickly.

Tips for Submitting Your Review Tool

Before you submit:

- Make sure every page number you cite in the Review Tool matches your combined PDF
- Fill in your comments for every standard, even if the answer is simple
- Leave the SDRC rating and comments columns blank — SDRC completes those
- Name your files clearly, for example: VendorName_ReviewTool.xlsx and VendorName_SupportingDocuments.pdf

Email your completed Review Tool and supporting documents together to FMS.vendorization@sdrc.org within 45 calendar days of the directive date.

Resources



Resources

SDP FMS Vendor Standards

- Directive D-2026-Self-Determination Program-003
- Plain language summary of the directive
- Attachment A: SDP FMS Vendor Standards
- Attachment B: Review Tool (Excel)
- Attachment C: Correction Period Letter
- Attachment D: Approval Ending Letter

Resources

Resources for Participants

Department's Self-Determination Program

- Webpage: https://www.dds.ca.gov/initiatives/sdp/
- Email: SDP@dds.ca.gov

Self-Determination Program Directives

- Webpage: https://www.dds.ca.gov/initiatives/sdp/program-directives/

Self-Determination Program Law

- Webpage: Self-Determination Program Law page

Self-Determination Program Waiver

- Webpage: https://www.dhcs.ca.gov/services/Pages/Self-Determination-Program-SDP.aspx

Resources

Title 17 Regulations

- Webpage: Title 17 Regulations web page

Regional Center Look-Up

- Webpage: https://www.dds.ca.gov/rc/lookup-rcs-by-county/

Self-Determination Program Financial Management Services (FMS) Contact List

- Webpage: https://www.dds.ca.gov/initiatives/sdp/financial-management-service-contact-list/

The Office of Developmental Services Ombudsperson

- Email: Ombudsperson@dds.ca.gov or Phone: (877) 658-9731

Resources

Resources for Entities, SDP FMS Vendors, and Regional Centers

For technical assistance or support from the SDRC SDP FMS Team

- Email: FMS.vendorization@sdrc.org

For technical assistance or issues accessing the Provider Directory

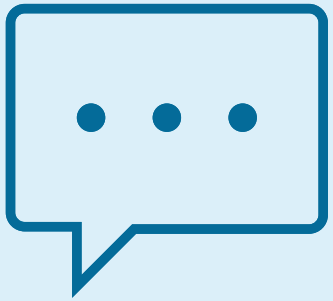
- Email: ProviderDirectory@dds.ca.gov

Vendorization and Provider Information

- Webpage: https://www.dds.ca.gov/rc/vendor-provider/

Questions and Answers





Thank you!