

## Appendix C – Method of Payment

- I. In accordance with Article 5 of the Grant Agreement, payments shall be made for actual costs incurred and reported for each month. Under no circumstances shall payment exceed the amount set forth in Article 5.1, Maximum Amount of Grant Funds.
- II. Grantee will submit all bills, invoices and related documentation in the format specified by SFHSA within 15 days after the month of service to SFHSA's web-based Contracts Administration, Reporting, and Billing Online(CARBON) system at: <https://contracts.sfhsa.org>  
  
Grantee may submit bills, invoices and related documentation in the format specified by SFHSA via paper or email only upon special permission by their assigned Contract Manager.
- III. Grantee must sign up to receive payments electronically via Automated Clearing House (ACH). Remittance information will be provided through Paymode-X. Additional information and sign up is available at: <https://sf.gov/get-paid-your-vendor-services>
- IV. The Executive Director or CFO must submit a letter of authorization designating specific users who will have access to CARBON to electronically submit and sign for invoices, budget revision requests, program reports, and view other information that is in CARBON.
  - A. Submittal of the invoice by designated authorized personnel with proper login credentials constitutes an electronic signature and certification of the invoice.
  - B. Authorized personnel with CARBON login credentials shall not share or internally reassign logins.
  - C. Grantee shall notify SFHSA Contract Manager immediately regarding any need for the restriction or termination of a previously authorized CARBON login.
- V. The invoice supplied shall include the total number of meals served, total dollar amount claimed for the month, and total project income received from participants. Supporting documentation required to be included in the invoice shall include:
  - A. Daily meal log sheet; and
  - B. Purchase order or invoice for approved equipment purchases, if applicable.
- VI. Supporting Documentation, except as discussed below need not be submitted with the invoice. However, Grantee must keep and make available as requested such supporting documentation for all expenditures for which reimbursement is requested for all costs so claimed. Invoices from subcontractors (if any) for the period of service regardless of dollar amount must be submitted. All charges incurred shall be due and payable only after services have been rendered, except as stated otherwise. Supporting documentation must be uploaded into CARBON and submitted along with the invoice. Qualifications for meals reimbursement include but are not limited to the following:
  1. Valid and current menu certification; and
  2. Valid and current health and safety certification; and.
  3. Valid daily meal counts log sheet.
- VII. The invoice shall also include other program funding sources and expenditures to allow HSA and the California Department on Aging (CDA) to determine the total costs of operating the program. The invoice shall allocate, on a monthly basis, any cash and in-kind revenues and expenditures.

- VIII. Following SFHSA verification of submitted documentation and that claimed services are authorized and delivered satisfactorily, SFHSA will authorize payment within 30 calendar days after receipt of the invoice and all billing information set forth above submitted via CARBON.
- IX. Within 45 days after the end of the grant period, Grantee shall submit a final report reflecting actual expenditures, which will be supported by the Grantee's accounting records. If a refund is due SFHSA, it will be submitted with the final report.
- X. Advances or prepayments are allowable in order to meet the Grantee cash flow needs in certain unique circumstances. The Agency, at its sole discretion, shall make available to the Grantee upon written request an advance amount not to exceed two (2) months or 1/6<sup>th</sup> of the total annualized grant award, or as mutually agreed upon. The advanced sum shall be deducted from the Grantee's monthly invoices at an equal rate each month that will enable repayment by the tenth month of the fiscal year. For a twelve-month grant the rate of repayment of the advance will be 1/10<sup>th</sup> per month from July to April. Requests for advance payment will be granted on a case-by-case basis and are not intended to be a regular "automatic" procedure. Approval will be a consensus of Program and Contract Staff.

Once the grant is certified, the Grantee, prior to distribution of any advanced payment, must fulfill the following conditions:

1. All contractual compliance requirements must be current, i.e., reports submitted and approved, corrective actions resolved, business tax and insurance certificates in place, prompt and fully documented billings.
  2. The Grantee shall submit a written request with a narrative justification that fully describes the unique circumstances to the Program Manager and Contract Manager for review and approval.
  3. Final invoice from the preceding fiscal year must be received prior to advance distribution.
- XI. Timely Submission of Reports – Grantee shall submit required reports prior to submitting invoices. Failure to submit required reports/documents in CARBON by specified deadlines may result in withholding of grant payments.