

II.	FISCAL SECTION
600	Reimbursement Process and State Share Documentation Report

601 General Information

The following process applies to Contractors seeking reimbursement and submitting State Share Documentation Reports and Invoices under a *Network* contract. A contract must be fully executed before State Share Documentation Reports and Invoices can be processed. Prompt and consistent reporting helps to insure that a Contractor will not experience a delay in payment. Contractors must provide the CM with all payment process information detailed in this Local Incentive Award (LIA) Program Guidelines Manual to ensure timely reimbursement.

602 State Share Documentation Reports and Invoices

Contractors must submit a State Share Documentation Report detailing State Share contribution expenses and an Invoice for reimbursement of the expenses for Scope of Work (SOW) activities supported by the **Federal** Share Budget for each quarter of the contract year. **(Unless another timeframe has been approved by the CM, the State Share Documentation Report and Invoice should be submitted on a quarterly basis.)**

A State Share Documentation Report should accompany each Invoice for the same period covered by the Invoice. If a State Share Documentation Report is not submitted, an invoice may not be processed until the State Share Documentation Report is received.

The State Share Documentation Report and Invoice must be based on actual expenses incurred within the quarter specified on the submitted document **and must be from a contractor's approved Budget Justification or Budget Adjustment Request (BAR).** Expenses claimed for both State Share and Federal Share activities must be substantiated by supporting documentation as described in Subsection 700, Fiscal Documentation/Record Keeping. The *Network* requires that supporting documentation, for both State and Federal Share expenses, be kept on file for a period of three years after the end of the contract term and submitted for review when requested. Payment of Invoices is contingent upon compliance with these documentation requirements. Because *Network* contracts are cost reimbursement contracts, under no circumstances will USDA allow CPNS to approve reimbursement prospectively.

603 Invoices with Subcontract Expenses

When an Invoice contains expenses related to a subcontract agreement that exceeds \$5,000, the *Network* must review the agreement **before** reimbursement of those expenses can be made. If the agreement has not been approved prior to expenses being claimed, the *Network* may withhold payment of the Invoice subcontract line item amount until a copy of the agreement is received and approved.

604 Invoices with Equipment Expenses

When an Invoice contains expenses in the equipment line item, Form A16, entitled Contractor Equipment Purchased with CDPH Funds, must be submitted to the CM in order for the Invoice to be processed. If the form has not been submitted, Invoice processing will be delayed.

Please see Section 905 for additional information about reimbursements for computers and mobile device equipment.

Quarterly State Share Documentation Reports and Invoices must be received within 30 days of the last day of the quarter in which expenses were incurred with the exception of the final Invoice for the fiscal year, which must be received within 90 days of the last day of the quarter. Contractors may submit Supplemental Invoices to the *Network* for expenses that were incurred during the term of the contract but have not been previously billed. Refer to subsection 605, Supplemental Documents, for instructions.

Blank copies of the State Share Documentation Report (Form A5) and Invoice (Form A6) are located in the appendix section and online at: <http://www.cdph.ca.gov/programs/CPNS/Pages/FiscalGMAppendix.aspx>.

Following are due dates for submitting Invoices and State Share Documentation Reports:

Invoices (Quarterly)

<u>Quarter</u>	<u>Period</u>	<u>Due Date</u>
1 st	October 1, 200_ through December 31, 200 _	January 31, 200_
2 nd	January 1, 200_ through March 31, 200 _	April 30, 200_
3 rd	April 1, 200 _ through June 30, 200 _	July 31, 200_
4 th	July 1, 200 _ through September 30, 200 _	December 30, 200_

State Share Documentation Reports (Quarterly)

<u>Quarter</u>	<u>Period</u>	<u>Due Date</u>
1 st	October 1, 200_ through December 31, 200 _	January 31, 200_
2 nd	January 1, 200_ through March 31, 200 _	April 30, 200_
3 rd	April 1, 200 _ through June 30, 200 _	July 31, 200_
4 th	July 1, 200 _ through September 30, 200 _	December 30, 200_

603 Mailing Documents

When mailing State Share Documentation Reports, Invoices, and **all other contract-related materials**, please use one of the following addresses:

If sending regular mail:

(Assigned CM's Name here)
 California Department of Public Health
 Cancer Prevention and Nutrition Section
 Mail Station 7204
 P.O. Box 997377, Suite 74.516
 Sacramento, CA 95899-7377

Note: Regular mail can take up to two weeks for delivery.

If sending overnight mail:

(Assigned CM's Name here)
 California Department of Public Health
 Cancer Prevention and Nutrition Section
 1616 Capitol Avenue, MS-7204
 Sacramento, CA 95814

604 Payment Time Frames

The *Network* strives to process Invoices in an expeditious manner. In anticipation of inherent delays in the department's accounting section and the State Controller's Office (SCO), the *Network* staff attempts to review, approve and forward an Invoice to accounting for payment within 5-10 working days from receipt (10-20 days for last quarter invoices of the contract term). If there are problems with the Invoice, *Network* staff will contact the Contractor either by telephone or in writing during this period. The accounting section processes an Invoice into a payment schedule within approximately 25-30 calendar days. The payment schedule is sent to SCO where a payment warrant (check) is prepared and generally mailed within 15 calendar days. Total Invoice processing time can take approximately 45-60 days. All Invoices are processed on a first-come, first served basis. This process is outlined in the Invoice Process flow chart included in subsection 610.

605 Supplemental Documents

Supplemental Invoices or Supplemental State Share Documentation Reports are necessary when expenses incurred during a given quarter were not included on a previously submitted Invoice or State Share Documentation Report. For example, in January, a Contractor incurred an additional \$150 in Operating Expenses during October that was not included on the first quarter Invoice previously submitted. Contractors should not include this additional expense on the second quarter Invoice. Contractors **must** submit a supplemental Invoice claiming **only the additional expense** and clearly label the Invoice as "Supplemental" in the heading next to the Invoice period. Cumulative expenses on Supplemental Invoices should include all expenses incurred on all prior invoices submitted to-date.

606 Address Changes

Contractors are required to submit written notification to the *Network* of any changes in the organization's address. The information must be placed on organization letterhead and include the following:

1. Old address.
2. Complete new address (including any changes in phone numbers).
3. The effective date of the change.
4. Staff that are affected.
5. Signature of an authorized manager or executive.

A revised Contractor Information Form will also be requested.

607 Processing Guidelines

Contractors can help prevent delays in Invoice and State Share Documentation Report processing by following these guidelines:

1. If in doubt, Contractors should contact the CM regarding questions or potential problems **before** submitting an Invoice and State Share Documentation Report. This will help prevent errors and delays in processing and payment.
2. The Invoice and State Share Documentation Report must have original signatures using a pen color other than black ink. Do not use black ink to sign the documents because black ink often resembles a photocopied signature. An Invoice and State Share Documentation Report signed in black ink may be rejected for payment.

3. Do not use whiteout or correction tape. An Invoice and State Share Documentation Report containing correction tape or whiteout may be rejected for payment. To correct errors, draw a line through the incorrect amount or information (e.g., address), initial each change and enter the correct amount or information next to it. Corrections that increase the Invoice total are not allowable. You must submit a new Invoice for such corrections.

608 Final Invoice

The *Network* will withhold payment of the Contractor's last quarter Invoice for the contract period (i.e., July through September) until the final comprehensive Progress Report and other contract deliverables have been received and approved by the PM.

Final Invoices should be submitted for payment no more than 90 calendar days following the 4th quarter reporting period or the contract expiration/termination date unless the Contractor has obtained prior written approval from the *Network* for an alternate deadline date. **The *Network* reserves the right not to honor final Invoice payment if these guidelines are not adhered to.**

A final Invoice may or may not be the last quarter Invoice. For example, a final Invoice may be a Supplemental Invoice that captures expenses that were not included in Invoices from prior quarters. Remember to mark the final Invoice with an "X" next to "Check for Final Invoice Contract Term" on the top of the Invoice form.

609 Contractor's Release Form

In accordance with the contract terms and conditions, Contractors are required to submit a Contractor's Release form to the *Network* with the final Invoice. This form serves as the Contractor's acknowledgment that final payment has been requested. **Remember to mark the final Invoice for the contract with an "X" next to "Check for Final Invoice Contract Term."**

An original and two copies of the form must be submitted. A blank copy of the Contractor's Release Form is located in the Appendix Form A7 and online at <http://www.cdph.ca.gov/programs/CPNS/Pages/FiscalGMAppendix.aspx>.

610 Invoice Flow Chart

