

Exhibit B
Budget Detail and Payment Provisions

1. Invoicing and Payment

- A. For services satisfactorily rendered and upon receipt and approval of the invoices, the CDPH/WIC Division agrees to compensate the Contractor for actual expenditures incurred in accordance with the costs specified herein.
- B. Contractor shall submit one (1) original invoice, in arrears, not more frequently than monthly, unless an alternative period has been approved in writing, in advance, by the CDPH/WIC Division. Each monthly invoice shall include the Contractor's Agreement Number and shall be submitted for payment no more than forty-five (45) calendar days following the close of each billing period. Invoices are to be submitted to:

California Department of Public Health
WIC Division
Attention: Local Operations Section, **Contract Manager**
3901 Lennane Drive
Sacramento, CA 95834

- C. Contractor shall request reimbursement on an invoice form provided by the CDPH/WIC Division for allowable WIC Program costs incurred. Invoices not submitted on this form (Exhibit B, Attachment IV – Invoice Sample) shall be returned unpaid.
- D. Contractor shall continuously submit completed invoice packets including:
 - 1. A completed invoice;
 - 2. A Nutrition Services Administration (NSA) operating worksheet for the corresponding billing period;
 - 3. A NSA operating expenses summary (to date).
- E. The invoice shall be signed by the Contractor's invoice preparer **WIC Director** and the Agency Director (or designee). If a designee signs an invoice for the Agency Director, a letter signed by the Agency Director shall be on file to identify and authorize the designee. The designee shall not be the preparer of the invoice.
- F. The CDPH/WIC Division reserves the right to deny, disallow, claim, cut, withhold, or recover payments or charges for noncompliance for any outstanding invoice. Upon receipt of the invoice, the CDPH/WIC Division will review the invoice within 5 working days. If payment of an invoice is denied, the unpaid invoice with an invoice dispute notice will be returned to the Contractor. The Contractor will correct the invoice and return to the CDPH/WIC division within 5 working days.
- G. Submission of Final Invoice
 - 1) If applicable, the Contractor shall submit a complete and accurate list of unliquidated obligations (ULO) following the end of each FFY by November

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- 15th. (Refer to Exhibit B, Attachment V – ULO Sample). All obligations must be liquidated no later than December 1st with submission of the final invoice.
- 2) The Contractor shall submit, no later than December 1st following the end of each FFY of this Agreement, a final invoice. The final invoice of each FFY shall be clearly marked "Final," indicating that all payment obligations of the State under this Agreement have ceased and that no further payments are due or outstanding for that FFY. If a final invoice for the FFY is not received by December 1st, the last invoice received from the Contractor for that FFY shall be considered the final invoice even if not marked with the words "Final Invoice." The CDPH/WIC Division may, at its discretion, choose not to honor any delinquent final invoice submitted after December 1st if the Contractor fails to obtain prior written CDPH/WIC Division approval of an alternative final invoice submission deadline.
 - 3) The Contractor shall submit a "Contractor's Release (Exhibit F)" with the final invoice of the last FFY of this Agreement.

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year, and/or any subsequent years, covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to the Contractor or to furnish any other considerations under this Agreement and the Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement amendment to the Contractor to reflect the reduced amount.

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

4. Amounts Payable

- A. The amounts payable under this Agreement shall not exceed:

- 1) \$4,800,000 \$XX,XXX,XXX for the budget period of 10/01/2015 through 09/30/2016
- 2) \$4,800,000 \$XX,XXX,XXX for the budget period of 10/01/2016 through 09/30/2017
- 3) \$4,800,000 \$XX,XXX,XXX for the budget period of 10/01/2017 through 09/30/2018
- 4) \$4,800,000 \$XX,XXX,XXX for the budget period of 10/01/2018 through 09/30/2019