

**EXHIBIT B**  
**BUDGET DETAIL AND PAYMENT PROVISIONS**

**A. Invoicing and Payment**

1. The maximum amount payable under this agreement shall not exceed \$ Amount to be Determined. Shown below are the amounts that cannot be exceeded for each of the Federal Fiscal Years:

2015	\$ Amount to be Determined
2016	\$ Amount to be Determined

2. For services satisfactorily rendered, and upon receipt and approval of the invoice(s), CDSS agrees to pay the Contractor for said services in accordance with the rates specified in Exhibit B, Attachment 1 and Exhibit B, Attachment 2.
  - a. For the purpose of this agreement, "services satisfactorily rendered" is defined as total approved CalFresh applications at or above 75% of the Scope of Work (SOW) target detailed in Exhibit A.
  - b. If the total approved applications fall below satisfactory service levels (as defined in this exhibit, Section A, Paragraph 2.a above), CDSS will withhold 10% of the invoiced amount until service levels are met.
  - c. Contract withholdings shall be:
    - i. Enforceable for all invoices effective January 1, 2015.
    - ii. Cumulative until satisfactory service is restored.
    - iii. Forfeited if satisfactory service levels have not been met by the end of a contract fiscal year.
    - iv. Restored and fully paid to Contractor once satisfactory service has been reestablished.
  - d. If service levels remain below satisfactory for 180 days, CDSS may elect to terminate this agreement and is not obligated to pay withheld amounts.
3. Contractor shall charge against the Budget only those costs allowable for reimbursement and for activities directly related to CalFresh outreach in conformance with the United States Department of Agriculture *State Outreach Plan Guidance*, which is incorporated herein by this reference (see Section L in this exhibit entitled, "Additional Incorporated Documents"). If the Contractor is unsure whether a cost is allowable, Contractor shall contact the assigned CDSS Program Analyst for clarification. Receipts shall be required for certain allowable costs as specified under applicable federal and state regulations.
2. Reimbursement for necessary travel expenses and per diem shall be made from funds within this Agreement and shall be set in accordance with the rates of the California Department of Human Resources for comparable classes. Travel expenses must be itemized and submitted, along with supporting receipts and expense documentation, in a format approved by CDSS. The Program Contract Manager agrees to certify and maintain the documents substantiating travel and per diem for a period of three years after final payment of this Agreement. No travel outside the State of California by Contractor shall be reimbursed unless there is prior written authorization from CDSS.

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4. Original, accurate paper invoices signed by two authorized officials, employees or agents shall be mailed or delivered monthly in arrears to:

California Department of Social Services  
CalFresh Outreach Unit  
744 P Street, MS 8-9-32  
Sacramento, CA 95814

Attn: \_\_\_\_\_

Each invoice shall be submitted timely and be bundled with the following supporting documentation:

- a. A copy of the SOW summary page showing cumulative SOW totals.
- b. A copy of the SOW monthly activity page showing activity corresponding to the invoice period.
- c. Copies of CalFresh Outreach Time and Effort Reports indicating each employee's time worked on CalFresh outreach activities.
- d. Line item detail documentation equivalent to what is documented in the Invoicing Spreadsheet publically available at <http://www.cdss.ca.gov/calfreshoutreach/PG3302.htm>.
- e. State Share documentation demonstrating State Share expenditures which meet or exceed amounts required to fulfill Section D, Paragraph 2 in this exhibit entitled, "Contractors State Share Requirements".

Invoices shall also include the following information:

Agreement Number:	_____
Time Period Covered:	Month and Year
Invoice Creation Date:	Month and Year
Index Code:	1252

**Pursuant to the Office of Management and Budget (OMB) Circular A-133, the Contractor shall provide the sub-recipients with the Catalog of Federal Domestic Assistance (CFDA) Number and Program Title. Invoices shall also include the following CFDA Number and Program Title:**

CFDA Number:	10.561
CFDA Program Title:	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program

Any invoices submitted without the above referenced information may be returned to the Contractor for re-processing.

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5. CDSS reserves the right to withhold payment of monthly invoices and/or the final invoice should any reports or information not be received as specified by CDSS.
6. State Share Documentation and Federal Share Invoices shall be submitted in the format provided in Exhibit B, Attachment 3. CDSS reserves the right to modify the Claim for Reimbursement form and/or require additional invoicing information from Contractor.
7. For a period of three years from the end of the contract term, Contractor shall maintain and supply to CDSS or USDA upon request adequate fiscal documentation for review and audit of all expenses claimed pursuant to this agreement to permit a determination of expense allowability.

**B. State Budget Contingency Clause**

1. 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, CDSS shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
2. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, CDSS shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

**C. For Contract with Federal Funds**

1. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of Congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.
2. This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the term of this Agreement for the purposes of this program. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms, or funding of this Agreement in any manner.
3. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
4. CDSS has the option to invalidate the Agreement under the 30-day cancellation clause or to amend the Agreement to reflect any reduction of funds.

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**D. Contractor's State Share Requirements**

1. The contractor shall contribute qualifying state share dollars from its own resources as detailed in the Contractor's Budget Justification signed and approved as final by both parties. These State Share Budgets have been incorporated into this agreement and made a part hereof (see Section L in this exhibit entitled, "Additional Incorporated Documents"). The Contractor's State Share contribution must be from non-Federal sources unless the use of Federal funds for this purpose is specifically authorized by the Food and Nutrition Service.\* The Contractor's State Share contribution cannot be used as match or reimbursement under any other Federal program.

\*Exception: Indian Tribal Organizations can use federal grant funds that are designated as an allowable source of State Share dollars directed toward CalFresh awareness and access activities.

2. The Contractor is responsible for maintaining verifiable records of all State Share contributions. The Contractor shall submit State Share reports documenting State Share contributions with each invoice. The State Share documentation report shall be submitted in a form and format prescribed by CDSS. The Contractor shall be reimbursed for services satisfactorily performed at a rate of not more than 75% of every allowable state share dollar Contractor contributes and for which contractor provides adequate documentation.
3. The Contractor shall return any funds necessary to repay CDSS for any CDSS or Federal audit exceptions resulting in the disallowance of agreement funds in which the Contractor has not complied with the requirements of this agreement and applicable Federal requirements.
4. The Contractor's State Share Budget represents the minimum support the contractor agrees to provide in exchange for the payments received. Any changes to the Contractor's State Share Budget as referenced in Section L in this exhibit entitled, "Additional Incorporated Documents" may be proposed by the Contractor. All changes are subject to prior written approval by CDSS. Changes to the State Share Budget do not require a formal amendment.

**E. 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.

**F. Review**

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CDSS reserves the right to review service levels and billing procedures as they impact charges against this Agreement.

### **G. Supplemental Invoices**

The Contractor may submit up to a maximum of eight (8) supplemental invoices covering a period no less than three (3) months to the CDSS Program Analyst (PA) if it has been determined that there are expenses incurred during the term of the contract that have not been previously billed. The Contractor must submit a written justification to accompany the supplemental invoice(s) and shall submit the documents to the PA for approval.

Supplemental invoices for the first, second, and third quarter are due no later than 90 days after the end of each quarter. A supplemental invoice for the fourth quarter is due no later than before a final invoice is submitted for the fiscal year as referenced in Section I in this exhibit entitled, "Final Billing". If Contractor is seeking an exception to these requirements, submit a written request to the PA and provide justification for an exception. Exceptions may only be granted after CDSS management has reviewed the request and has made a determination.

### **H. Advance Payment**

No advance payment is allowed under this agreement.

### **I. Final Billing**

Invoices for services must be received by CDSS within 90 days following each state fiscal year, or 90 days following the end of the contract term, whichever comes first. The final invoice for the contract term must be marked "Final Report for Contract Term".

### **J. Budget Modification Without Written Contract Amendment**

Subject to the prior review and approval of the contract manager, line items shifts of up to \$20,000 or ten percent (10%) of the annual contract total, whichever is less, may be made up to a cumulative maximum of \$20,000 or ten percent (10%), whichever is less, for all line item shifts over the life of the contract. Any line item shifts exceeding this amount must be executed in a written contract amendment and if required by law or State policy, submitted to DGS OLS for review and approval. There must be a substantial business justification for any shifts made. Fund shifts which increase Indirect/ Overhead or General/Operating Expense line items are prohibited. Line item shifts may be requested by either the State Agency or the Contractor in writing and must not increase or decrease the total contract amount allocated. Any line item shifts must be approved in writing by the Deputy Director of Welfare to Work Division, or his or her designee, and must be sent to Contracts Bureau, MS 8-14-747, within 10 days of approval for inclusion in contract folder. If the contract is

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formally amended, any line item shifts agreed to by the parties must be included in the amendment.

**K. Additional Incorporated Documents**

The following documents and any subsequent updates are not attached, but are incorporated herein and made a part hereof by this reference. These documents may be updated periodically by CDSS and the USDA as required by program directives, but not require a formal contract amendment. CDSS will maintain on file, all documents referenced herein and any subsequent updates.

1. Contractor Combined Annual Budget Detail signed and approved as final by the Contractor.
2. All Subcontractor (if any) Annual Budget Detail.
3. United States Department of Agriculture *State Supplemental Nutrition Assistance Program (SNAP) Outreach Plan Guidance* available at:  
[http://www.fns.usda.gov/sites/default/files/Outreach\\_Plan\\_Guidance.pdf](http://www.fns.usda.gov/sites/default/files/Outreach_Plan_Guidance.pdf)

**L. Nonresident Tax Withholdings**

Payments to all nonresidents may be subject to withholding. Nonresident payees performing services in California or receiving rent, lease, or royalty payments from property (real or personal) located in California will have seven percent of their total payments withheld for state income taxes. However, no withholding is required if total payments to the payee are \$1,500 or less for the calendar year.