

CDSS Invoice Processing Policies

This document details the process by which invoices are processed and paid out to vendors that are contracting with the California Department of Social Services (CDSS). This is provided to CDSS vendors as a resource. Vendors are encouraged to review the most current versions of State manuals, laws, regulations and policies regarding payment.

- State Contracting Manual, revised January 2014
http://www.documents.dgs.ca.gov/ols/SCM%202014/SCM_Jan_2014_Complete.pdf
- California Prompt Payment Act; Summary (2010)
<http://www.documents.dgs.ca.gov/pd/smallbus/PromptPaymentAct.pdf>.

Invoice Processing Timeline: 45 Calendar Days

According to the Prompt Payment Act, the state agency has 45 calendar days to pay a vendor once an invoice has been received.

- The vendor shall submit an accurate invoice to CDSS with all required information and appropriate documentation.
- When CDSS receives the invoice, it is date stamped to show the exact date it was received at CDSS.
- CDSS has 30 calendar days to review, approve and submit the claim schedule to the State Controller's Office (SCO).
 - CDSS program processes the invoice and submits to CDSS Accounting.
 - CDSS Accounting will process the invoice and submit the claim schedule to SCO.
- SCO has 15 calendar days to issue the warrant to the vendor.

Incorrect or Incomplete Invoices

The purchase of cell phones is typically an unallowable expense. There are some exceptions allowed by USDA. If you are considering the purchase of cell phones, contact your program analyst to determine whether the purchase would be allowed.

- If an invoice contains errors the vendor will need to submit a revised invoice. CDSS will notify the vendor of the error(s) and issue an [Invoice Dispute Notification form \(STD 209\)](#), via email, to the vendor within 15 calendar days.
- Once the STD 209 is created, this stops the clock on the invoice processing time.
- When CDSS receives a new, corrected invoice, the timeline to process invoice begins again from the date it was stopped.
 - For example, if an invoice was received on the 1st of a month and an STD 209 was sent to the vendor on the 3rd, then 3 calendar days have elapsed. Upon receipt of the revised vendor invoice, CDSS will now have 27 calendar days to submit the claim schedule to SCO.

Late Payment Penalties

If the warrant is issued after more than 45 calendar days, then a late payment penalty may be paid to the vendor, according to the provisions of the California Prompt Payment Act.

- Please note that state agencies are not included in the Prompt Payment Act and are therefore not eligible to receive late penalty payments.