DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING

WELCOME TO HSH

Provider Contracts Manual

Updated October 2025

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SAN FRANCISCO DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING
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DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

Dear Valued Provider,

This manual contains comprehensive information on how to do business with the Department of Homelessness and Supportive Housing (HSH) and provides an overview of the process and procedures we follow and their associated timelines.

For new providers, we understand that the process of onboarding can be confusing and challenging, which is why we have created this manual to demystify and simplify the process.

For our existing providers, we realize that you already have some working knowledge and familiarity with our processes, but we believe that reviewing this manual will provide you with additional insight and guidance on how to navigate our agreement/contracting process. As you experience staffing changes, you can use this as an additional resource when onboarding new employees.

We encourage you to review this manual carefully, share it with your team, and refer to it often, as it will provide you with the information you need to work with us effectively. If you have any questions or concerns, please do not hesitate to contact your assigned contract analyst. We are always here to support you and ensure that you have a smooth and successful experience working with HSH.

Thank you for your continued support and partnership. Together we can make homelessness rare, brief, and one-time.
Best regards,

DocuSigned by:
4B7B67F2B08B49A...

Edilyn Velasquez
Contracts Director, HSH

440 TURK STREET
SAN FRANCISCO, CA 94102
415.252.3232
http://hsh.sfgov.org

Purpose

For new Grantees and Contractors to be able to enter into an agreement with HSH, please ensure the following tasks have been completed. Providers are expected to maintain compliance with the below requirements throughout the duration of their agreement with HSH.

	Task	Description and When Needed
☐	Obtain City Supplier ID	Before HSH can enter into an agreement with an entity, the entity must obtain a City Supplier ID. For more information on how to obtain an ID, refer to this guide.
☐	Register with SAM.gov and Maintain Active Status	For any entity receiving federal funding through an HSH agreement, the entity must maintain an active registration status on SAM.gov and not be on the federal disbarred/suspension list, as verified through the SAM database.
☐	Obtain UEI Number	Per Section 16.23 of the grant agreement, any entity receiving federal funds through an HSH agreement must obtain a Unique Entity Identifier Number. Visit this website for more information.
☐	Maintain current or probationary status with the CA OAG Charity Registry	For any non-profit entity receiving City funds, the entity must be in compliance with the California Office of the Attorney General's (CA OAG) Charity Registry, which reports on charitable organizations authorized to operate in California. More information about the Registry and a copy of the reports are located at https://oag.ca.gov/charities/reports
☐	Maintain good standing with California Secretary of State	Provider is in good standing with the California Secretary of State (i.e., SOS, FTB, Agent, VCFCF). The provider's legal entity name must exactly match the agreement documents unless they are using a DBA.
☐	Review Boilerplates and Appendices	Before entering into an agreement with HSH, Grantees and Contracts should carefully read the City agreement boilerplate templates: Sample Grant and Sample Contract; view the Sample Method of Payment Appendix to ensure they can fulfil their agreement obligations.
☐	Maintain Current Insurance Requirements	Service providers under contract or grant agreement with the City are required to carry the minimum level of insurance coverage included in the agreement. Insurance requirements are program specific. Please review the Insurance provisions under Article 10 in the Sample Grant or Article 5 in the Sample Contract, for typical minimum coverage amounts per insurance type. A copy of the current Certificate of Insurance (COI) for each agreement and associated endorsements must be provided to HSH prior to entering into agreement and annually, thereafter, before the coverage expires.
☐	Review ONE System Requirements and sign HMIS Participation Agreement	The ONE System is HSH's Homelessness Information Management System (HMIS). Records entered into the ONE system must meet or exceed the ONE System Continuous Data Quality Improvement Process standards. Providers new to HSH must complete the HMIS Participation Agreement and submit the signed form to their assigned Contract Analyst. Only one form is needed for each agency.
☐	Paymode-X® Registration	The City and County of San Francisco's Accounts Payable department utilizes the Paymode-X service to replace paper check payments. We ask our vendors and suppliers to enroll in Paymode-X so that all future payments are made electronically. Please reach out to your assigned Contracts Analyst to register.

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Provider Point of Contact Information

Introduction

This section contains instructions on how providers can update their contact information as it changes. Contract Analysts will be reaching out to providers quarterly to request updated contact information.

Purpose

The purpose of maintaining an updated list is to track changes in provider staffing and to ensure that questions and official notifications are routed to the appropriate provider contact.

How to Update Contact Information

Instructions

Please update your organization's contact information at least once per quarter, and every time there is a change in staffing.

To do so, please fill out the Provider Contact Information form by clicking here. ***For first-time users filling out the form: Select 'Yes' for each question and complete all required fields.***

HSH Fiscal Year

Quarter	Months
Q1	July – September
Q2	October – December
Q3	January – March
Q4	April - June

Organization Leadership Changes

Introduction

This section will outline the process for providers to notify HSH when a change in leadership occurs at their organization.

Purpose

HSH communicates with the organization's leadership to provide agreement updates, and to send official notifications. As a result, it is important that HSH has the most up-to-date contact information for the provider's leadership and that we are notified as soon as the change in leadership occurs.

Leadership Change Instructions

Leadership Change Instructions

1. Draft a "Transfer of Authorization Letter."Please note that the letter should be:
    a. On your organization's official letterhead
    b. Directed to HSH's Contract Director (refer to sample letter for most updated information)
2. If applicable, draft a "CARBON Update Request Letter." See section CARBON User Set-up for more information.
3. Email both the Transfer of Authorization Letter and CARBON Update Request Letter to your assigned HSH Contract Analyst
4. Once received, the analyst will review and make any necessary changes in CARBON

Transfer of Authorization Sample Letter

LETTER MUST BE ON OFFICIAL LETTERHEAD

[Date]

Edilyn Velasquez
Contracts Director
440 Turk Street
San Francisco, CA 94102

Re: Transfer of Agreement Authorization Letter

Dear Ms. Velasquez,

Please notify the appropriate department that [insert full name of new authorizer] has assumed the position of [insert title of new authorizer] effective [insert date] with the authority to sign and execute HSH agreements.

If applicable *add language that this person can designate carbon user roles*

A signature sample is provided below.

Sincerely,

[Insert signature of Board Chair or C-Level Executive]

[Full name of former Authorizer]
[Title of former Authorizer]

Signature Sample:

[Insert signature sample of new authorizer]

[Full name and title of new authorizer]

Introduction

All Department of Homelessness and Supportive Housing (HSH) contractors and grantees are required to use the web-based Contracts Administration, Reporting, and Billing Online (CARBON) system for invoicing.

Per City requirements, all contractors and grantees who use the CARBON system are required to submit a letter of authorization designating users to access CARBON to electronically submit and sign for invoices, view budget and program reports, and view other information in the system.

- Please also note that the contact information in CARBON will be used to email important updates regarding agreement, procurement notices, as well as other HSH communications. It is important that providers keep this information up to date.
- CARBON invoice submittal access cannot be granted to subcontractors. Only the primary contractors/grantees will be granted CARBON access.
- For existing providers, it is important to request CARBON updates to remove employee access for those no longer with your organization.

Purpose

1. Provide necessary information to develop a new agreement or update necessary information (e.g., change in legal entity name, change in authorized signatories); and/or
2. Request new authorization or update authorization for the CARBON invoicing system.
3. Encourage providers to update their CARBON user accounts on a regular basis.

Instructions

1. Ensure all applicable tasks in the Doing Business with HSH Section are completed.
2. Familiarize yourself with the different user roles as each role has a different access level
3. Draft the CARBON account request letter on your organization's official letterhead that includes the "Provider Acct. Information"
4. Ensure that the letter is signed by the Executive Director or Financial Officer
5. Email the signed letter, on official letterhead, in **searchable** pdf format, to your assigned contracts analyst. **(Scanned letters will not be accepted.)**
6. Once received and processed, each individual listed on the letter will receive a separate email with their CARBON login credentials. Our CARBON administrator will send an email to the requestor, confirming all changes have been made.

User Roles

Each CARBON user must be assigned a vendor role. Please review the definition access level for each role, below:

Role	Access Level
Signatory	The user has full access to the system. They can edit and submit most forms, including all invoices and program reports. They have read-only access to the Scope of Services form.
Fiscal/Program	Under Contract Documents, this user has read-only access Scope of Services. The user can edit but not submit invoices. They can also edit and submit program reports.
Fiscal	They have read-only access to Contract Information and Scope of Services forms. The user can edit but not submit invoices.
Program	Under Contract Documents, the user has read-only access to the Scope of Services page. The user can edit and submit program reports. The user is unable to view any invoices.
View Only	The user has read-only access to all parts of CARBON.

Sample Letter - New Providers - Page 1

In order to properly set up your agreement and CARBON account, please provide information in a letter of authorization on your organization's letterhead with signature from the Executive Director or Financial Officer. Use the below sample letter as a guide.

LETTER MUST BE ON OFFICIAL LETTERHEAD

[Date]

To: [Contract Analyst Name]
Contract Analyst
San Francisco Department of Homelessness and Supportive Housing

This letter authorizes [Provider Signatory: Name, Title] to request access to the Contracts Administration, Reporting, and Billing Online (CARBON) system on behalf of [Agency name] to view and submit documents and information regarding our contracts and associated invoices.

Our vendor information should be entered into the CARBON system as follows:

Legal Entity Name	
Doing Business As Name	
Headquarter Address	
City Supplier ID	
Federal Tax ID	
Federal Unique Entity Identifier (if receiving federal funds)	
Chief Executive Officer Name, Email, and Phone Number	
Chief Financial Officer Name, Email, and Phone Number	
Board Director Name, Email and Phone Number	
Name, Title, Email of Contact Person (this person will be listed in the Agreement)	
Name, Title, Email of Authorized Signatory on the Agreement (if more than one, please provide names, titles and emails of all authorized signatories)	

Sample Letter - New Providers - Page 2

The people listed below should have the following access levels:

Name	Title	Email	Signer	Fiscal & Program	Fiscal	Program	View Only
			◯	◯	◯	◯	◯
			◯	◯	◯	◯	◯
			◯	◯	◯	◯	◯
			◯	◯	◯	◯	◯

Full justification and backup records for any information submitted electronically, including supporting documents for invoices and program reports, are maintained in our office.

Sincerely,

[*Signature*]

[Signatory Name]
[Title]
[Organization Address]
[Telephone]
[Email Address]

Instructions

1. Familiarize yourself with the different user roles as each role has a different access level
2. Draft the CARBON user update request letter on your organization's official letterhead that includes a section for accounts to be added and another section for accounts to be removed
3. Ensure that the letter is signed by the Executive Director or Financial Officer
4. Email the signed letter, on official letterhead, in **searchable** pdf format, to your assigned contracts analyst. **(Scanned letters will not be accepted.)**
5. Once received and processed, individuals with new accounts will receive a separate email with their login credentials. Our CARBON administrator will send an email to the requestor, confirming all changes have been made.

User Roles

Each CARBON user must be assigned a vendor role. Please review the definition access level for each role, below:

Role	Access Level
Signatory	The user has full access to the system. They can edit and submit most forms, including all invoices and program reports. They have read-only access to the Scope of Services form.
Fiscal/Program	Under Contract Documents, this user has read-only access Scope of Services. The user can edit but not submit invoices. They can also edit and submit program reports.
Fiscal	They have read-only access to Contract Information and Scope of Services forms. The user can edit but not submit invoices.
Program	Under Contract Documents, the user has read-only access to the Scope of Services page. The user can edit and submit program reports. The user is unable to view any invoices.
View Only	The user has read-only access to all parts of CARBON.

LETTER MUST BE ON OFFICIAL LETTERHEAD

[Date]

To: [Contract Analyst Name]
Contract Analyst
San Francisco Department of Homelessness and Supportive Housing

This letter authorizes [Provider Signatory: Name, Title] to request access to the Contracts Administration, Reporting, and Billing Online (CARBON) system on behalf of [Agency name] to view and submit documents and information regarding our contracts and associated invoices.

Please update our CARBON user accounts as listed below:

Name	Title	Email	Signatory	Fiscal & Program	Fiscal	Program	View Only
			○	○	○	○	○
			○	○	○	○	○
			○	○	○	○	○
			○	○	○	○	○

Please remove the following users from CARBON:

Name	Title	Email

Full justification and backup records for any information submitted electronically, including supporting documents for invoices and program reports, are maintained in our office.

Sincerely,

[*Signature*]

[Signatory Name]
[Title]
[Organization Address]
[Telephone]
[Email Address]

CARBON Desk Guides

The Desk Guides below contain step-by-step instructions on how to:

- **Submit an invoice:** User guide explaining how to fill out and submit an invoice
- **Submit a program report:** User guide explaining how to enter data into program reports

For any questions regarding invoicing, please contact your assigned Contract Analyst. For questions regarding program reports, contact your assigned Program Manager.

CARBON Help Desk

If the issue is due to a website error, they may refer you to the Help Desk, information below:

(866) 469-6884 (toll free)
Mon-Fri, 8AM-5PM, Pacific Time

Introduction

This section includes information about invoicing, such as invoicing schedule, acceptable documentation, approval process, and timeline.

Purpose

Purpose: The purpose of this section is to provide an overview of the invoicing process at HSH, and to serve as a reference whenever general questions arise.

Note: Some invoicing requirements are agreement/contract-specific. Providers should reference the program specific Appendix C, Method of Payment for more specific information

Purpose

Beginning with the July 2024 invoice submission, with each month's invoice submitted in CARBON, Providers are required to upload an HSH Invoicing Template.

The Invoicing Template breaks down the individual expense transactions that make up each line item billed in the CARBON invoice. By following this process, we can ensure accurate invoice submissions, enable HSH staff to review invoices more quickly, reduce the number of rejected invoices, and facilitate quicker payment to our providers.

The invoice template does not replace the requirement to upload supporting documents but will reduce the number of supporting documents required.

Required Documentation
Salaries: Payroll registers are required for **all** Invoice submissions.

Operating: In general, **single** expenses that equal $10,000 or greater must include supporting documentation. Expense **line items** that equal $10,000 or greater do **not** require supporting documentation **unless** they include a single expense item over the $10,000.

Supporting documentation is always required for direct client assistance, approved capital, or one-time funding costs.

HUD Funded Grants: All supporting documentation must be uploaded for HUD-funded programs.

Please reference the Appendix C, Method of Payment for more detail.

Process

With each monthly invoice submission, providers submit a completed HSH Invoicing Template. The template contains two tabs: Salary and Operating.

Salary Tab

Please ensure to do the following for each salary section:

1. In the "Position Title" column, enter the position title to be billed.
2. List each staff member under that position title under "Staff Name."
3. Enter the corresponding monthly payroll amounts under "Total Payroll Amount".
4. In the "Invoiced to HSH" column, specify the portion of the staff's payroll billed to HSH, making sure that the total amount for each position title matches the entry in CARBON.
5. Repeat this process for each position title.
6. Additionally, enter the total "Employee Fringe Benefits" dollar amount below the Total Salary line.
7. The total of "Salaries & Benefits" should match the CARBON total.

Note: The salary tab includes three position titles and three rows below each position title. Providers may add additional position titles and additional rows under each position title but must ensure the total of each section sums correctly.

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Salary Submission Example

In this example, the Desk Clerk staff were invoiced in CARBON for $11,988.14.

CARBON Invoicing - Salary Detail

Salary Detail

Position Title	Annual Full Time Salary for FTE	Tot FTE	% FTE Funded by HSA	Adj FTE	Budgeted Salary	Vendor Inv.	FB Inv.	CM Inv.	Invoice YTD	% of Bdgt	Balance
Desk Clerk	$45,760.00	1.50	100.00%	1.50	$68,640.00	$11,988.14	$11,988.14	11988.14	$74,424.88	108%	-$5,784.88

In the Desk Clerk section of the HSH Invoicing Template, the provider lists the individual staff that comprise the entire Desk Clerk line item, which totals $11,988.14 and matches the amount entered in CARBON.

Position Title/ Pay Period	Staff Name	Total Payroll Amount	Invoiced to HSH
Desk Clerk			
5/4/24 -6/4/24	Rhihannon McCarthy	5,929.12	2,371.65
5/4/24 -6/4/24	Katherine Declan	7,022.71	2,839.08
5/4/24 -6/4/24	Amanda Holmes	9,744.52	3,897.81
5/4/24 -6/4/24	Gerald Carrera	7,198.99	2,879.60
			11,988.14

Operating Tab

Please ensure to do the following for each expense section:

1. In the "Posted Date" column, enter the date shown on the expense receipt or invoice.
2. Briefly describe the expense in the "Memo/Description" column.
3. Enter the vendor's name in the "Vendor Name" column.
4. Enter the total expense amount in the "Vendor Invoice Amount" column.
5. Enter the portion billed to HSH in the "Invoiced to HSH" column, ensuring it matches the amount in CARBON.
6. The total of all expenses in the "Invoiced to HSH" column should match the total operating costs in CARBON.

Note: The operating tab is prepopulated with the expense types listed in the CARBON budget. Providers may add lines within each expense type to allow for additional expenses to be listed but must ensure the total of each section sums correctly.

Operating Submission Example

In this example, Rental of Property was invoiced in CARBON for $1,226,62.

Operating Detail	Budget	Vendor Inv.	FB Inv.	CM Inv.	Invoice YTD	% of Bdgt	Balance
Rental of Property	$258,655.00	$1,226.62	$1,226.62	1226.62	$126,919.80	49%	$131,735.20
Utilities (Elec, Water, Gas, Phone, Scavenger)	$12,789.00	$1,813.05	$1,813.05	1813.05	$12,259.44	96%	$529.56
Office Supplies, Postage	$4,272.00	$919.27	$919.27	919.27	$6,655.69	156%	-$2,383.69
Building Maintenance Supplies and Repair	$25,000.00	$228.17	$228.17	228.17	$10,405.00	42%	$14,595.00
Printing and Reproduction	$0.00	$0.00	$0.00		$0.00	n/a	$0.00
Insurance	$39,220.00	$0.00	$0.00		$28,264.63	72%	$10,955.37
Staff Training	$2,500.00	$0.00	$0.00		$66.32	3%	$2,433.68
Staff Travel-(Local and Out of Town)	$6,401.00	$0.00	$0.00		$4,280.77	67%	$2,120.23
Rental of Equipment		$0.00	$0.00		$0.00	n/a	$0.00

In the Rental of Property section of the HSH Invoicing Template, the provider lists the individual costs that comprise the entire Rental of Property line item, which totals $1,226,62 and matches the amount entered in CARBON.

Posted Date	Memo/Description	Vendor name	Vendor Invoice Amount	voiced to HSH
Rental of Property				
2/29/2024	Feb '24 Extra Space Storage-$619	Storage Solutions	619.00	619.00
2/29/2024	Feb '24 Extra Storage B-$173.72	Storage Solutions	173.72	173.72
2/29/2024	Feb '24 Extra Storage C-$211	Storage Solutions	211.00	211.00
2/29/2024	Feb '24 Extra Storage-$222.9	Storage Solutions	222.90	222.90
				1,226.62

For more information, please review the following training materials:

- HSH Invoicing Templates with Examples
- Provider Invoicing Training Video

Invoicing Schedule

Providers shall submit all invoices and any related required documentation by the deadlines outlined below, after costs have been incurred, and within 15 days after the month the service has occurred. All final invoices must be submitted 15 days after the close of the fiscal year or project period.

Billing Month/Date	Service Begin Date	Service End Date
August 15	July 1	July 31
September 15	August 1	August 31
October 15	September 1	September 30
November 15	October 1	October 31
December 15	November 1	November 30
January 15	December 1	December 31
February 15	January 1	January 31
March 15	February 1	February 28/29
April 15	March 1	March 31
May 15	April 1	April 30
June 15	May 1	May 31
July 15	June 1	June 30

Important: Providers that are behind on invoicing will receive an official Late-Invoice Notification. Consistent late invoicing can lead to non-compliance and may affect a provider's ability to request additional funds and/or apply for new funding opportunities. Please communicate with your Program Manager and Contract Analyst if your organization expects any delays in invoicing.

Purpose

Invoicing is the mechanism that allows providers to be paid for the services outlined in their agreements. HSH makes payments within the [City Controller's Prompt Payment Policy], which states that payments should be made within a maximum of 30 days of an undisputed invoice submission.

Timeline

INVOICE APPROVAL TIMELINE		
Action	**Timeline**	**Procedure**
Provider submits invoice	By the 15th of the following month services are provided	Provider submits the invoice within15 days after the month the services were provided and paid
Fiscal Biller(FB) receives and forwards to Contract Manager (CM)	1-3 Days	FB receives the invoice and forwards to CM for eligibility review
Program Manager (PM) Review***	1-3 Days	PM reviews as needed
Contract Analyst Review	5-7 Days	Reviews to ensure that expenses are allowable and that documentation provided is acceptable per the Appendix C, Method of Payment.
Supervising CM Review	5-7 Days	Provides a final review
FB Review	5-7 Days	Reviews documentation for accuracy to ensure invoice amount matches supporting documentation.
FB submits for payment	2-3 Days	Processes the voucher in F$P and issues payment to the provider, then updates CARBON to add the voucher #.

*** Only specific programs and certain categories of expenses (e.g., CoC Rental Assistance Programs, Extraordinary Expenses) require Program Manager review. For these designated programs or expense types, providers will be informed of the specific documentation and review process by either the Contract Analyst or Program Manager.

Additional Notes:
Invoices may be rejected at any stage. If an invoice is rejected, the provider will receive an email with the detailed reasons, which will also be available in the 'Notes' section in Carbon. Once issues are addressed, the provider resubmits the invoice, which reinitiates the review process, beginning with the FB.

Please note that the FB or CM might request additional documentation at any time, including invoices with
...tailed in Appendix C, Method of Payment.
...ent.

Acceptable Documentation

Providers are to submit required documentation as outlined in the Appendix C, Method of Payment. However, please keep in mind these general guidelines:

- Documentation should be as specific as possible to support submitted expenses
- Payroll registers and/or Payroll Ledgers are required for staff salaries
- Providers should invoice to the appropriate line-items and reach out to their assigned Program Manager and Contract Analyst with any questions
- All client and identifiable information should be redacted prior to submitting in CARBON

Note:

- HSH reserves the right to request the organization's cost allocation and accounting processes at any point.
- Organizations should include the distribution of expenses across different programs in the budget narrative section of the Appendix B, Budget.

General Expenses

For a list of all allowable expenses, please refer to the Guidelines for Cost Categorization in Non-Profit Contracts and Grants. For agreement specific expenses, please reference your program's Appendix B, Budget.

CoC and ESG Agreements

The CoC and ESG Desk Guide ("Guide") is a comprehensive resource for San Francisco grantees and sub-recipients funded under the federal Continuum of Care (CoC) and the Emergency Solutions Grants (ESG) programs, as administered by the U.S. Department of Housing and Urban Development (HUD). The CoC and ESG Programs are governed under the McKinney-Vento Homeless Assistance Act, as amended by the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act).

Please reach out to your assigned Program Manager and Contract Analyst with any additional questions

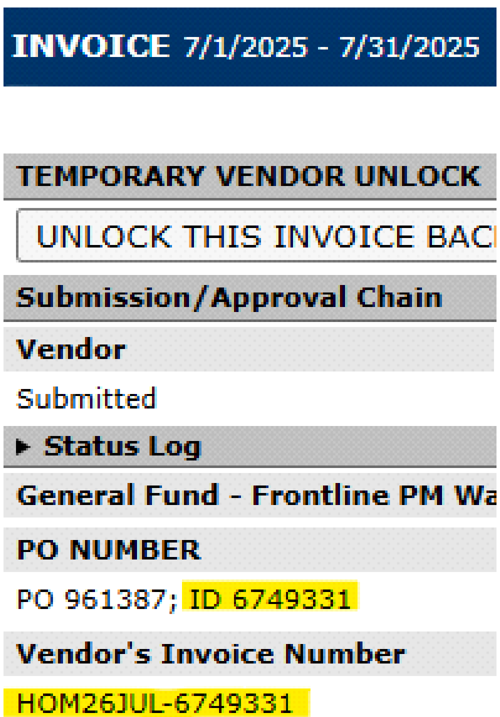
The information consistent in Appendix C, Method of Payment

Vendor Invoice Number

Providers must enter a predefined Vendor’s Invoice Number with their monthly invoice submission in CARBON. The Vendor’s Invoice Number is a 16 character unique identifier for each invoice.

Providers must use the following naming convention:
HOM <2 digit fiscal year-end number> <first 3 characters of the invoice month> - <budget ID>

Note: The Budget ID is an identification number unique to each fiscal year budget in CARBON. It is located immediately next to the PO number in the invoice (see highlighted below).



Using the example above, the Vendor’s Invoice Number for the invoice is: **HOM26JUL-6749331**

Enter the Vendor Invoice Number in the Vendor’s Invoice Number field located directly below the PO Number in the invoice.

Invoices without the Vendor’s Invoice Number or an incorrect Vendor’s Invoice Number will be rejected back to the provider for correction.

Invoicing Frequently Asked Questions

1. **Why can't I submit my invoice?**

   Invoices can only be submitted when one of two of the following conditions is met:

   a. The previous month's invoice must be submitted before the current month's invoice can be submitted. If the provider does not have any expenditures during the invoice month, the invoice must be submitted with a total amount of $0.00.
   b. The budget must be "Approved". If the budget is in a "Working" state, invoices within the budget term will be inaccessible.

2. **I am unable to edit my invoice and I need to make corrections. How do I edit my invoice?**

   If the provider has submitted an invoice and needs to make edits, they should contact their HSH Contract Manager to unlock the invoice.

3. **Can I submit past month's expenses in the current month's invoice submission?**

   Expenses should be invoiced in the month they are incurred. For example, July expenses should be invoiced in the July invoice that is submitted on August 15th.

4. **Can I submit expenses after the budget term has closed.**

   Expenses cannot be invoiced after the budget term has closed.

Introduction

Budget Revisions and Budget Modifications are two transactions that the Department of Homelessness and Supportive Housing (HSH) uses to adjust a program budget within a fiscal term. Outlined below are the differences between the two and examples of when each will be used.

What's the difference?

	Budget Revision	**Budget Modification**
Definition	The reallocation of funds from one budget line item to another. i.e. A cost-neutral change to a budget.	An increase or decrease to the total budget amount without changing contract terms and not-to-exceed amount.
Approval Process	Program Manager & Contract Analyst Approval	Requires HSH leadership approval. Longer approval and processing time required.
Amendment Requirement	Given that budget revisions are cost-neutral, they do not trigger an amendment.	Budget modifications that require funding beyond the available contingency* will require an amendment.

About Budget Revisions:

Providers may need to revise their budget during the fiscal year to adjust for immediate and/or emerging program needs. Budget revisions occur when a provider must reallocate funds from one budget line item to another that is cost neutral. When submitting a revision request, it is important to ensure that line items are not decreased below the amount that has already been spent.

For example, a provider may realize that due to an unfilled staff position, there is savings in salaries and that those funds could be transferred to an operating line item for an unforeseen expense.

Providers are strongly encouraged to use the CARBON invoicing system to track their unspent line items, especially throughout the first three quarters of the fiscal year.

Budget Revision Types:

HSH will allow three types of budget revisions that do not increase the overall budget:

1. Movement of unspent funds from one budget type to another (e.g. Operating to Salaries);
2. Movement of unspent funds within a budget type (e.g. one operating expense line to another operating expense line); or
3. Movement of unspent funds to new program-related costs that were not included in the originally approved budget. (e.g. Funding a new salaried position or new operating expense by reducing the budget within another expense type).

Budget Revision Process:

Providers should try to avoid budget revision requests during the last quarter of the fiscal year (April - June) to avoid any delays in processing the request due to the busy contract renewal season.

Budget Revision Request Process[1]:

1. **Request Initiated via Email:** The provider requests a budget revision by sending an email to both their assigned Contract Analyst and Program Manager that clearly outlines the changes requested. The clearer the request, the more quickly it will be processed. The Contract Analyst determines the number of revisions the program has had per the fiscal year, and together with the Program Manager, may initiate a follow up phone call for more information.

2. **Appendix B, Budget Revision Form Created**: The Program Manager and Contract Analyst evaluate the request based on the following:
   - Impact on client services
   - Funding source requirements
   - How the program plans to use the funds
   - Impact on program if denied

3. **Appendix B Revised:** The provider reviews and revises the Appendix B by filling in the "Revision" column(s) in the applicable fiscal years in the appropriate Salary, Operating and/or Capital Detail tabs and provides details on the budget changes in the Budget Narrative tab (including why the funds are being moved) and emails to the Contract Analyst and Program Manager within three business days of receipt.

4. **Appendix B Reviewed/Approved:** Within two days of receipt, the Contract Analyst and Program Manager review the Appendix B revision to ensure the changes are:
   - Cost neutral
   - Clear
   - Accurate (e.g., formulas are working)
   - In accordance to funding requirements and funded activities

   At any point, the Contract Analyst or Program Manager may request additional information.

5. **Appendix B Budget Updated:** Within one business day of receipt, the Contract Analyst saves the final and approved revised Appendix B in the provider's file folder and HSH's invoicing system as the latest Appendix B. The Contract Analyst emails the provider and Program Manager official notice that CARBON has been updated or unlocked, with any required instructions, and attaches the final Appendix B.

[1] The process is subject to change and timelines are goals.

Providers funded through HUD CoC funding and those whose agreement terms do not coincide with HSH's fiscal year, must submit budget revisions before the last three months of their annual term.

> Example: For a HUD budget term that runs January - December, the latest revision request can be made no later than September 30.

For more information regarding budget revisions, please reference The Department of Homelessness and Supportive Housing Budget Revision Policy and Procedure

*Contingency funds are not accessible or guaranteed until approved through the budget modification process.

SAN FRANCISCO DEPARTMENT OF HOMELESSNESS AND SUPPORTIVE HOUSING
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Introduction

Advances or prepayments are allowable on certified annual ongoing **General Fund or Prop C amounts** (in accordance with your executed agreement's Appendix C, Method of Payment) in order to meet non-profit Grantee cash flow needs in certain circumstances. Requests for advance payment **are not guaranteed** and will be granted by HSH on a case-by-case basis. Advances are not intended to be a regular automatic procedure.

Advance Requirements

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

1. All Agreement compliance requirements must be currently met (e.g., reports submitted and approved; corrective actions resolved; business tax and insurance certificates in place; prompt and properly documented invoicing; appropriate spend down);
2. The final invoice from the preceding fiscal year must be received prior to advance distribution; and
3. Advances from the preceding fiscal year must be repaid, in full, prior to any additional advance distribution.

Advance Request Process

1. Grantee shall submit a written request via email with a narrative justifying the request that fully describes the unique circumstances to the assigned HSH Contract Manager, as listed in CARBON, for review and approval.
2. HSH, at its sole discretion, may make available to Grantee up to one month of the total ongoing annualized General Fund or Prop C budget amount, per the Appendix B, Budget(s) of this Agreement. Requests for greater than two months of the ongoing annualized budget amount may be considered on a case-by-case basis.

Advance Repayment Process

1. If approved by HSH, the advanced sum will be deducted from the Grantee's monthly invoices at an equal rate that will enable repayment before the close of the fiscal year. For example, for a twelve-month grant the rate of repayment of the advance will be 1/10th per month from July to April. An alternative period of repayment may be calculated in order to ensure cash flow and repayment.
2. All advance repayments must be recovered within the fiscal year for which it was made.

Contract / Programs Points of Contact

For questions regarding your program/contract, use the table below as a guide for whom to contact.

Budget	**Program Manager**	**Contract Analyst**
Carry Forward Requests	X	Copy
Cash Advance Requests / Status		X
Invoices - Submitting and Approval Status		X
Budget Revision / Modification Requests	X	Copy
Budget Revision / Modification Status	Copy	X
Agreement	**Program Manager**	**Contract Analyst**
Agreement Execution Status		X
Certificate of Insurance Updates / Insurance Requirements		X
CARBON User Additions, Removals, and Role Edits		X
Organization Leadership Change		X
Program	**Program Manager**	**Contract Analyst**
Program Changes and Needs	X	
Capital Expense Requests	X	Copy
Program Reporting	X	

For More Information

For more information please visit the Provider Updates Page under Partner Resources on HSH's website.
There you will find valuable information such as Notices to Providers, Resources, Policies, Procedures & Templates.