Date October 8, 2020
To Department of Homelessness and Supportive Housing (HSH) Providers
From Gilda Kemper, Manager, Contracts
Through Gigi Whitley, Deputy Director, Administration and Finance
Cc Thomas Chen, Manager, Budget and Finance
HSH Budget and Finance, Contracts, and Programs Teams
Re New Fiscal Year Updates and Reminders

Welcome to fiscal year (FY) 2020-21! HSH would like to provide important updates and reminders as we begin another year together. Please read this letter carefully and share with relevant staff within your organization.

**June Estimates**
When HSH formed, it utilized many of the procedures followed by the Human Services Agency (HSA). One such practice was the June estimate provided during the May invoicing period.

After four years as a department, HSH has determined that allowing invoicing of June estimates cause complications and delays in closing out the year, which ultimately lead to interruptions in amending and creating new agreements for the following year. Furthermore, providers often do not have enough costs to recoup the estimates with June actuals, which have resulted in providers needing to pay back funds.

Therefore, beginning this fiscal year, HSH will no longer allow HSH providers to submit June estimates with May invoices. It is important to note, since HSH still shares its invoicing system (CARBON) with HSA, agencies may still receive communications from HSA about the June estimate. Please disregard those communications for any HSH funded programs.

We believe that closing out the fiscal year and receiving final and actual invoices will prevent delays during year-end close and allow HSH staff to focus on renewing agreements so that providers may continue to invoice for delivered services. In practice, HSH will be able to pay invoices more quickly through this change.

**Cash Advances**
As you may recall, HSH updated its Cash Advance policy and has been incorporating the new language into agreements. Per the policy, approvals for Cash Advances are at the sole discretion of HSH. The policy includes instructions on how to obtain an advance. HSH will only consider an advance on ongoing General Fund dollars to nonprofits, which must be recouped through invoicing in ten or less installments, due before the close of the fiscal year. Please note that HSH plans to review the current Cash Advance policy this year and will update HSH providers on any changes.
COVID-19 Costs
Per the Contracts Memos dated March 13, 2020 and June 17, 2020, HSH is continuing to provide flexibly for actual costs to provide services within the scope of agreements and for reasonable items related to COVID-19 to help individuals continue to shelter in place, such as additional janitorial services, cleaning supplies, personal protective equipment (PPE), and meals.

For costs that exceed the total budget, please contact the assigned Contract Analyst and Program Managers, as listed in CARBON, to describe the need and estimates. The Contract Analyst and Program Manager will evaluate the request and if necessary, seek further approval. Any approved COVID-19 related increases will require submittal of the COVID-19 Cost Categorization Spreadsheet with each applicable invoice. Please see the Updated HSH COVID-19 Invoicing Requirements sent August 2020 Memo for details and instructions.

Congregate Settings and COVID-19 Cost Categorization Spreadsheet
Existing and re-purposed existing congregate sites are not required to submit a Cost Categorization Spreadsheet as of July 1, 2020.

Safe Sleep and COVID-19 Cost Categorization Spreadsheet
Please also note that the COVID-19 Cost Recovery Spreadsheet is no longer required for Safe Sleep programs after September 15, 2020 due to changes in FEMA reimbursement guidance. Please include a spreadsheet along with appropriate documentation for the costs incurred up until September 15, 2020 with your invoice for the month of September. Please do not include a spreadsheet after September 2020 billing.

Timely Invoices
It is extremely important the providers submit invoices as specified in their Appendix C, Method of Payment. Per the Appendix, providers must submit invoices on a monthly basis on the 15th of each month following the month of service, unless otherwise noted in the Appendix C.

On-time submittal of invoices are required and help to normalize the invoicing review cycle to provide swift payment. Additionally, on-time submittal allows the Department to track the true cost of services throughout the year and prevents the scramble to close out the fiscal year. Contract Analysts will be proactively following up on missing and late invoices, as well as to better understand over/underspending. We ask that you promptly respond to such reminders and inquiries and keep your Program Manager and Contract Analyst abreast of any issues that may impact timely invoicing.

Appendix A, Services to be Provided
Per the Contracts Memo dated March 13, 2020, HSH often receives requests to modify Appendix A, Services to be Provided, including the percentages in objectives. It is HSH’s goal to develop Appendix As that are standardized within and across the Homelessness Response System with the activities HSH has outlined in its Strategic Framework, and not based on a provider’s unique service delivery model or desired objectives. At this time, HSH will not be modifying Appendix As per provider request, other than to correct errors.

Reports and Other Requirements
Per the updated Appendix C, Method of Payment, for HSH to conduct monthly, quarterly, and year-end processes in a timely manner, HSH asks that providers review their agreements carefully to ensure that
all requirements and reports are delivered within the specified timeline. Questions regarding reports should be directed to the assigned HSH Program Manager, as listed in CARBON.

Providers are strongly encouraged to visit the Provider Updates page on the new HSH website: https://hsh.sfgov.org/get-information/provider-updates/. Please do not hesitate to contact the assigned HSH Contract Analyst, as listed in CARBON, or me directly at gilda.kemper@sfgov.org with any questions.

Thank you on behalf of HSH,
Gilda Kemper, Contracts Manager