



Date April 19, 2023

To Department of Homelessness and Supportive Housing (HSH) Providers

From Edilyn Velasquez, Contracts Director

Through Gigi Whitley, Deputy Director, Administration and Finance

Cc HSH Budget and Finance, Contracts, and Programs Teams

Re 2022-23 Fiscal Year End & Other HSH Contracted Provider Updates

Dear San Francisco Department of Homelessness and Supportive Housing (HSH) Providers:

As we prepare to close yet another busy year, I would like to share important timelines regarding upcoming agreements, invoicing due dates, and fiscal year (FY) 2022-23 year-end reminders.

This letter also provides new information and requirements for the new FY. Please share this communication within your organization.

FY 2022-23 Year-end Timelines

April

Expiring Agreements

The Contracts team started to send notification of amendment(s) to providers for agreements that expire on or before June 30, 2022. To authorize continued funding of programs with expiring agreements, the HSH Contracts team will execute an amendment to extend the term *either* through a valid procurement authority or through the Emergency Ordinance 61-19,¹ if the procurement authority has expired.

To ensure timely payment, providers with amended agreements must promptly respond to requests to review, update, allocate, and provide a narrative for funding within the requested timeline.

If you do not receive a notification amendment before the end of April, please contact the HSH Contract Analyst, as listed in CARBON, for information regarding your agreement(s).

FY 22-23 Budget Enhancements

HSH would like to make funds for approved enhancements available to providers for invoicing before the end of this FY. If you have not submitted your budget allocation and/or if programs has not approved it, you may not be able to invoice for the additional funds this FY if HSH does not receive your budget by **April 30, 2023**. We will continue to work with you in the beginning of next FY to make sure your budget allocation is approved and ready for invoicing in CARBON in FY 23-24.

¹ Chapter 21B: Commodities and Services Relating to Projects Addressing Homelessness
https://codelibrary.amlegal.com/codes/san_francisco/latest/sf_admin/0-0-0-13640

May

State Attorney General's (AG) Charitable Registry Trust

Nonprofit providers that have a suspended or revoked registry status must remedy their non-compliance status as soon as possible but no later than June 30, 2023. More information about this requirement below.

June

May Invoices

Invoices for the month of May are due no later than **June 15, 2023**. Due to the Office of the Controller's (CON) year-end deadlines, any invoices submitted after June 15, 2023, may be delayed in processing and payment as the City's financial system will be closed for several business days. In order to receive timely payments for costs incurred in May, please make every effort to submit your invoices before this deadline.

Amendment Execution

HSH is asking all providers to execute agreements before June 30, 2023, in order to pay invoice submission in August for July services and mitigate any provider cash flow issues. Providers who are seeking advance requests must have an executed agreement before making such request. Any necessary budget revision as a result of the Approved FY 2023-24 City Budget will be done later after all agreements are executed.

Advance Recoveries

All FY 202-23 advance recoveries must be made before the close of the fiscal year. If you have an advance balance after your April invoice, your assigned Contract Analyst will send you information on how to wire the remaining balance amount to the City on or before **June 16, 2023**.

Program Reports and Other Requirements

In order for HSH to complete year-end processes, HSH asks that providers review their agreements carefully to ensure that all year-end requirements and reports are delivered within the specified timeline. Questions regarding year-end reports should be directed to the assigned HSH Program Manager, as listed in CARBON.

Upcoming FY 2023-24 Timelines

July

June Invoices

Providers must submit all final FY 2022-23 invoices and supporting documentation, no later than **July 15, 2023**, unless otherwise stated in the Appendix C, Method of Payment.

When providers submit invoices in accordance with their agreement's Method of Payment, it allows HSH to review and reconcile any issues in order to deliver swift payments and comply with the CON deadlines.

Continuing Agreements

For agreements with current terms, HSH plans to update the 2023-24 Appendix B, Budget and CARBON in July and August. Your Contract Analyst will notify you when the budget is ready for invoicing.

For Housing and Urban Development (HUD) Continuum of Care (CoC) funded agreements, HSH provides an official subrecipient allocation once it has been finalized by the HSH federal team.

August

Carry Forward Requests

Grantees may request a carry forward of unspent funding after payment of their final FY 2022-23 invoice from their Program Manager and Contract Analyst. Carry forward requests are not automatic and will be evaluated based on prioritization of needs by HSH.

Funds that are carried forward may only be spent on **one-time costs** and may not be used for ongoing expenditures. Grantees should be prepared to fully utilize any carried forward funds in FY 2023-24.

Advance Requests

Nonprofit advance requests for FY 2023-24 must be made in accordance with your executed agreement's Appendix C, Method of Payment. Please send such requests to your assigned Contract Analyst, as listed in CARBON.

New Requirements and Helpful Reminders

State AG's Registry Status

On February 7, 2023, the Office of the City Attorney, Office of the City Administrator, and CON, issued a new policy and procedure regarding City Nonprofit Supplier Compliance with California AG's Registry of Charitable Trusts.² The City may not enter into any new contracts or grants, or amend existing contracts or grants, with nonprofit suppliers that are not in current or probationary status with the State AG. Nonprofits can access the link to review the full policy to ensure ongoing compliance.

Invoicing Flexibility

CON's policy regarding Continuity of Payment for Nonprofit Suppliers in the Event of COVID-19 Related Disruptions expired at the end of March 2022. HSH is also winding down its public response to COVID-19. Therefore, HSH's budget flexibility³ which allowed grantees to overspend their existing line items above 110 percent will be ending on June 30, 2023. Grantees must adhere to the invoicing requirements included in the Appendix C of their executed agreement(s).

Cost Allocation

For your quick reference, please see CON's guidance⁴ on the treatment and allowability of direct and indirect costs in City grants and contracts with nonprofit service providers. Your Contract Analyst may be following up with you if there are costs in your current budget that need to be reallocated to conform with the guideline.

² City Nonprofit Supplier Compliance with California Attorney General (AG) Registry of Charitable Trusts
https://sf.gov/sites/default/files/2023-02/Policy%20on%20Nonprofit%20Compliance%20with%20CA%20AG%20Charity%20Registry%20-%20issued%202.7.23.pdf?utm_source=newsletter&utm_medium=email&utm_content=Download%20the%20full%20policy&utm_campaign=Funding%20Announcements

³ Continuity of Payment Policy Update and HSH Budget Flexibility
<https://hsh.sfgov.org/wp-content/uploads/2022/02/Continuity-of-Payment-Policy-Update-and-HSH-Budget-Flexibility.pdf>

⁴ Guidelines for Cost Categorization in Nonprofit Contract and Grants
<https://sfcontroller.org/sites/default/files/Documents/Auditing/Guidelines%20for%20Cost%20Categorization%20in%20Nonprofit%20Contracts%20and%20Grants%20Version%201.2.pdf>

Gift Card Policy

Nonprofit agencies that handle gift cards purchased with City funding are subject to eligibility criteria and gift card record retention requirements included in the CON's Accounting Policies & Procedures.⁵ HSH is in the process of drafting a policy which will be shared with nonprofit providers when it becomes available. Providers are encouraged to review CON's policy to become familiar with the requirements if you currently purchase gift cards with City funds.

Upcoming Procurements & Provider Updates

HSH posts upcoming contracting opportunities on its [Procurements](#) webpage. There is a link to the electronic form to receive courtesy notifications from HSH. The [Provider Updates](#) page, which contains helpful memos and templates, is also kept up-to-date.

Please do not hesitate to reach out to me directly at edilyn.velasquez@sfgov.org with any questions and/or feedback.

Thank you for your ongoing partnership.

Sincerely,


Edilyn Velasquez
Contracts Director

⁵ Accounting Policies & Procedures (Section 3.9.6)

<https://sfemployeeportalsupport.sfgov.org/support/solutions/articles/11000022815-the-controller-s-office-accounting-policies-procedures>