



# SAN FRANCISCO HUMAN SERVICES AGENCY

July 3, 2024

Department of Benefits  
and Family Support

Department of Disability  
and Aging Services

To All SFHSA Grantees/Contractors/Vendors:

As we enter a new Fiscal Year, we wanted to clarify some of our Invoicing Policies.

All invoicing is on a reimbursement basis only. This means expenses must have been incurred and paid before being included on invoices. For example, if a bill is received in February and paid in March, it must be included in the March invoice (submitted in April). Please carefully review the guidelines and expectations below.

P.O. Box 7988  
San Francisco, CA  
94120-7988  
[www.SFHSA.org](http://www.SFHSA.org)

### **Salaries**

- Back-up documentation is always required
- Acceptable documentation: payroll registers or payroll journals (typically available from Payroll Service Provider)
- Not acceptable: copies of timesheets or excel spreadsheets
- Please delete/redact any Personal Identification Information (SSN, DOB, home address, etc.)

Note: timesheets (paper or electronic) of some kind must be available upon request for all employees paid on the grant/contract (including salaried)

### **Subcontractors & Consultants**

- Back-up documentation is always required
- Proof of Payment is always required
- Invoice/bill/statement from vendor is always required
- Only upload Subcontractor/Consultant invoices to you, do not include any supporting documentation they may submit to you

Note: Signed legal agreements must be in place for any/all Subcontractors/Consultants paid on the grant/contract

### **Operating Expenses**

- Any single line item totaling \$5,000 or more in one month requires back-up documentation, including Proof of Payment and an invoice/bill/statement from vendor
- For regular, recurring expenses for the same amount every month, back-up documentation once at the beginning of every Fiscal Year is sufficient for the invoice/bill/statement (i.e. lease showing monthly payments due)



**London Breed**  
Mayor

**Trent Rhorer**  
Executive Director

**Capital/Equipment Expenses (single item greater than \$5,000)**

- Back-up documentation is always required
- Proof of Payment is always required
- Invoice/bill/statement from vendor is always required

**General Tips**

- General ledgers, transaction reports, and/or Excel spreadsheets are not considered proof of payment and are optional to include
- Back-up documentation names should easily match to invoice line items (i.e., Safeway Food or Safeway Supplies is better than Safeway)
- When providing documentation for a line item, provide all of it (i.e. a \$2,500 receipt towards \$2,575 in a line item is not sufficient)
- When invoicing for less than the total receipt, please explain in the Vendor Notes at the bottom of the invoice (i.e. a \$3,000 receipt for a \$2,500 line item)

While you do not need to submit every receipt, you are required to have them on file and readily available. Your Contract Manager may request these at any time, and they are needed for annual Fiscal Monitoring (including any back-up documentation from subcontractors/consultants).

We realize some of these policies have not always been consistently enforced in the past. Due to increased scrutiny on all city funding, there will no longer be any flexibility on these going forward. For further guidance please visit [Guidelines for Cost Categorization in Nonprofit Contracts and Grants Version 1.2.pdf \(sfcontroller.org\)](https://sfcontroller.org/Guidelines%20for%20Cost%20Categorization%20in%20Nonprofit%20Contracts%20and%20Grants%20Version%201.2.pdf)

Should you have any questions/concerns, please reach out to your Contract Manager in advance of your first invoice.

Thank you for your cooperation,

*Esperanza Zapien*

Esperanza Zapien  
Director of Contract Management