

pharmaceutical companies unless such an activity is in compliance with the institution's conflict of interest policy and has been approved in advance by BPHC.

## ***Fiscal Rules***

### **General Expectations:**

The BPHC Infectious Disease Bureau, Education & Outreach Office expects all contracted providers to expend 100% of their award in accordance with all BPHC policies. Funded agencies will only be reimbursed for deliverables that have been approved in their Scope of Services and Budget upon receipt of appropriate invoices and supporting documentation. Agencies that wish to revise their Scope of Services or allowable costs must submit a proposal to revise the scope/budget prior to any change. BPHC will notify the agency whether the change is approved or not. In addition, it may be required that a program/agency audit be submitted. Failure to meet these expectations may result in suspension or termination of your provider contract.

#### **A. Contract**

- a. A complete and signed contract packed should be returned by the agency to BPHC promptly after it's received. BPHC will generate a Purchase Order (PO) number within 30 days of receipt of the signed contract.

#### **B. Invoicing**

#### **General Information**

1. Agencies must use the standard invoice template provided by the Education & Outreach Fiscal team. Invoices must include agency name and billing address, BPHC Purchase Order (PO) number, current approved budget, invoice amount, cumulative, balance and unique invoice number. Payments are cost reimbursement and are based on the approved budget. Invoices must be formatted by computer; hand written invoices are not acceptable. Only line item budgeted expenses are reimbursed.
2. Agencies must have their invoices signed by a program representative or a contract specialist before submission for payments to BPHC.
3. Invoices should be submitted monthly, within 15 days of the month's end. Each day thereafter will be considered late, therefore non-compliant. Invoices must represent actual monthly expenses. The final invoice must be submitted by **July 15, 2020**.
4. Invoices without the required information or documentation will not be processed for payment. Instead, the agency will be informed of the deficiency to be corrected, and the invoice will be held for **five business days**. If the issue is not resolved after the hold period, the invoice will be deleted from our system and the agency will need to resubmit the invoice. Corrected invoices will not be given payment priority.

5. An invoice must be submitted to BPHC for each month in the contract period. **If no contracted activities occur in a given month, there would be no reimbursable costs; an invoice with a \$0 month total must be submitted.**
6. An invoice requesting payment for **stipend** reimbursement should have the staff's name, the dates, place and hours of services, and a copy of the check. **Cash stipends are unallowable.**
7. Any revised or supplemental invoices are to be clearly labeled as such by including the word "**Revised**" or "**Supplemental**" in the "**Invoice Number**" notation and incorporated within the unique invoice number (i.e. SUPPJUL2019). Retroactive billing may only occur when the expense is not billed to another funding source. Documentation of bills to other funding sources may be required.
8. Monthly invoices containing all required information will be paid within 30 days of receipt. The 30-day payment period starts over for corrected invoices. Payment may be held if required reports and data have not been received by BPHC or if fiscal documentation is incomplete; agencies are informed in writing.

**Invoices are sent to:**

**Infectious Disease Bureau  
Attention: Fiscal Office  
Boston Public Health Commission  
1010 Massachusetts Ave, 2nd Floor  
Boston, MA 02118  
And/Or  
Preferred Method  
[IDBinvoices@bphc.org](mailto:IDBinvoices@bphc.org)**

**Cost Reimbursement**

1. Appropriate supporting documents for monthly cost reimbursement invoices include:
  - Payroll registers and labor distribution reports
  - Purchase requisitions accompanied with vendor invoice copy
  - Cancelled checks
  - Copies of vendor invoices
  - Copies of reimbursement/voucher forms
2. The budget on the invoice must illustrate the exact **approved contract budget**. The name of each staff member must be noted next to each position on the invoice. Actual monthly payroll expenses paid (**not accrued**) are billed on the invoice. The year-to-date amounts in the "Cumulative" billing column must be correct. Also, the salaries and FTE's which are billed must correspond to the approved contract budget. If any of these are incorrect on an invoice, it will not be processed. A budget revision request and/or revised invoice may be submitted.

3. The fringe rate must be the agency's internal audited fringe rate, with a maximum of 53.5%. Verification of this rate is subject to audit (Fringe is defined as: government mandated and employer selected employee benefits including: social security; unemployment, workers and disability compensation, retirement programs, and health insurance).
4. Indirect costs are funded at a maximum of 12% of the total direct program costs. Indirect costs are all expenses not directly associated with a specific program, which are necessary for the management of the whole agency. It may include space, management, clerical and support personnel, office materials, leasing of office equipment, advertising, postage, printing, insurance and other related expenses.
5. Vehicle mileage is reimbursed according to the IRS rate and current BPHC policy. Currently the rate is set at \$0.58/mile and is restricted to travel within the City of Boston. Parking and tolls can only be reimbursed if there is a receipt.
6. Meals consumption must be related to program activities and must specify the function or purpose on the receipt and include a copy of the sign-in sheet.
7. Supplies, equipment, etc. must be accompanied with a copy of the original vendor invoice and proof of payment. Also, you must specify if you are requesting payment for a portion of the invoice and where you are charging the rest of the payment.
8. Project funds may not to be used to pay City citations, tickets, taxes or fines. BPHC will not reimburse these items.

## ***Fiscal Compliance***

1. An agency may be held in non-compliance at the end of each month if they do not meet the invoicing requirements. This includes non-submission of invoices, or late invoices. If the invoice is incorrect and/or incomplete, it will be returned to the agency and the agency will be required to submit new corrected information.
2. Contract expenses, as shown on invoices, are reviewed each quarter of the fiscal year. Agencies are expected to spend at least 24% of the program's annualized budget each quarter (based on the program's actual expenditures). The agency is informed after the first quarter, in writing, of any under billing. Chronic under billing may result in a reduction in the total amount of the contract.
3. On a case by case basis: Contract spending may differ from each personnel line item by no more than 10% monthly, for example if you are projected to bill a monthly salary of \$500 (annual salary of \$6000), you may spend up to \$550 within that line per month (therefore, cannot exceed \$6600 annually) with the sufficient back up. For below line items, e.g. if you are budgeted for a \$1000 office supply line for the year, you may spend up to \$1100 within that line (you may bill this in one month or it may be divided between several months). Both of these stipulations are as long as the total amount billed does not exceed the budget's

maximum obligation. Overspending will not be reimbursed.

4. Funds awarded in one fiscal year may not be used in a subsequent fiscal year.

## **Audits**

1. Agencies must perform Single Audits of agency financial records as prescribed in the OMB Circular A-133 if they expend at least \$750,000 in federal funding. For agencies that expend less than \$750,000 in federal funding, the agency is required to have annual audits and financial statements prepared by independent auditors.
- 2.
3. When completed, this audit must be sent to:

**Steve Simmons  
Chief Financial Officer  
Boston Public Health Commission  
1010 Massachusetts Ave, 2<sup>nd</sup> Floor  
Boston, MA 02118**

## **Payments**

Agency invoices will be paid only by ACH – Direct Deposit. Agencies will have the opportunity to enroll in direct deposit during the provider training meeting or anytime throughout the year, if they have not previously completed the form. Agencies may request this form from the Sr. Program Coordinator. Forms should be sent to:

**Accounts Payable  
Boston Public Health Commission  
1010 Massachusetts Avenue, 2nd Floor  
Boston, MA 02118**

## **Budget Revisions**

Contract budgets are not changed without the approval of the Boston Public Health Commission. A revised budget request in the same format as the contract budget accompanied by line item explanations of proposed revisions is required. If the budget revision does not match the most up to date contract budget, it will be returned to the agency. Complete instructions are available under the budget revision section of the manual. Budget revisions will **not** be accepted after **April 1, 2020.**

Agency requests to revise contract budgets are made in writing to:

**Greg M. Lanza, Senior Coordinator  
Infectious Disease Bureau  
Boston Public Health Commission**

**1010 Massachusetts Ave, 2<sup>nd</sup> Floor  
Boston, MA 02118**

Appropriate budget revision requests are those which propose to use different means to accomplish the original agreed upon goals and objectives outlined in the Scope of Service. In general, adding new line items are not acceptable requests. Agencies may be allowed to shift funds between existing line items due to evolving service needs.

Budget revision requests **must** include the following:

1. A current budget with the proposed changes, and final proposed annual amounts to the right of each personnel and/or expense line item.
2. A detailed explanation for each change being proposed and how it will assist you in meeting your contracted goals and objectives.
3. If proposing to change staffing, please list both the prior and proposed staff on separate lines, detailing the actual salary and FTE for each and applying the appropriate number of months on the contract. Personnel explanations should include: the last name of the employee or, if vacant, the estimated date of hire and a brief description of the position's duties and responsibilities as they relate to the Education & Outreach funding.
4. Supporting documentation for each new staff person including a resume showing qualifications for the position, and proof of annual salary such as an offer letter, employee action form, or payroll statement must be provided.
5. If proposing to change expense items (e.g., food, office supplies, staff travel), explanations should incorporate quantities whenever possible. Explanations should state why an expense item is necessary and how it will be used. For example, travel expenses must specify who, where, when and why the travel is necessary.

Appeals of denied budget revision requests are made, in writing, to the Director of Education & Community Engagement Division, Leslie Karnes.

**B. *Program Rules: Mini-Grants***

Reporting requirements for Mini-Grants, including data and fiscal requirements, will be subject to negotiation between BPHC and recipients.

Agency: \_\_\_\_\_

## D. BUDGET and BUDGET JUSTIFICATION

*10 Points (2-3 pages)*

Submit a proposed budget and budget justification.

### Fiscal

Following is a description of the terms used on agency budgets. Budgets cover a **twelve month** period and are presented in whole dollars (no cents).

- The “**Item**” column indicates the position title.
- The “**Personnel**” column indicates the name of the staff person occupying the position. Revisions should be submitted with staff first initial and last name (e.g., J. Smith). Enter “TBD” if the position is currently vacant.
- The “**Salary**” column reflects a Full Time Equivalent (1 FTE total) salary.
- The “**FTE**” column is the percentage of time (carried to no more than **two** decimals) that the position listed is paid for by the grant. To meet audit requirements, employees cannot exceed a total FTE of 1.0 across all funding sources.
- The “**Months**” column is the number of months the position listed will be occupied in the contracted period.
- The “**Annual**” column is the total salary amount that will be paid by the grant in a twelve month budget period for the listed position based on the given “**FTE**” and “**Months**.”

$$\frac{\text{Salary}}{12} \times \text{FTE} \times \text{Months} = \text{Annual}$$

- The “**Fringe**” rate must be the agency’s internal audited fringe rate, with a maximum of **50.70%**. Verification of this rate is subject to audit. Fringe is defined as: government mandated and employer selected employee benefits including social security, unemployment, workers and disability compensation, retirement programs, and health insurance.
- Non-personnel, expense line item titles should be specific (e.g., Food, Office Supplies).
- The “**Indirect**” line item is capped at 12%.
- “**Program Total**” cost (total direct cost) is the sum of the Personnel Total and the Expense Total.

A sample budget can be found on the following page.

**Infectious Disease Bureau  
Education & Outreach**

Agency: \_\_\_\_\_

**Boston Public Health Commission  
Infectious Disease Bureau  
Community Based Prevention  
FY 2020  
July 1, 2019 - June 30, 2020**

**Agency Name**

**EDUCATION & OUTREACH**

<u>Item</u>	<u>Personnel</u>	<u>Annual Salary</u>	<u>FTE</u>	<u>Months</u>	<u>Annual</u>
Health Outreach Worker	M. Jones	\$32,000	1.00	12	\$32,000
Administrative Assistant	J. Smith	\$25,000	0.50	12	\$12,500

<b>SUBTOTAL</b>	1.50	\$44,500
<b>FRINGE</b>	29.30%	\$10,680
<b>PERSONNEL TOTAL</b>		\$55,180

Office Supplies	\$1,500
Educational Supplies	\$2,500

<b>EXPENSE TOTAL</b>	\$4,000
<b>PROGRAM TOTAL</b>	\$59,180
<b>INDIRECT</b>	12.00% \$7,102
<b>TOTAL AMOUNT REQUESTED</b>	<b>\$66,282</b>