

CHAPTER 18

PROCESSING PAYMENT REQUESTS

I. PURPOSE

- This chapter discusses the requirements for submitting payment requests to DHCD and related matters. A number of forms are presented with instructions and samples are attached.
- Several forms identified in this chapter are required. Some forms may be substituted by the sub-recipient's/contractor's own, provided that all the required information is included in them.

II. INVOICE CODING

- All invoices must be an allowable cost in accordance to the contract budget. Each invoice must be accompanied by a request for payment form, bearing an original signature of the contractor. The request for payment form must classify all costs in accordance with sub-object codes.
- Index Codes and Project Numbers are assigned for each activity by DHCD. Contractor must contact their Project Manager for their Index Codes and Project Numbers.
- Payment request form must identify the index code and the amount to be charged to the sub-object code according to the approved budget.
- The first payment request received by DHCD for disbursement of funds to a vendor must have the vendor's W9 form attached. Without this form, the payment process will be delayed considerably.

III. SCHEDULE OF PAYMENT REQUESTS

- Sub-recipients/contractors are required to request payment from DHCD on at least on a monthly basis for reimbursement and on a weekly basis for direct payments. The processing of invoices takes approximately 4 weeks until a check is mailed. If vendors are to receive payment promptly as required by law, contractors must endeavor to handle their internal payment process upon receipt of invoices and forward them to DHCD immediately.

A. Bi-weekly Payroll Requests

These requests must be received by DHCD's Fiscal Unit no later than 10:00 a.m. on the Monday preceding each Friday's pay date and reach the Finance Department no later than Wednesday at noon prior to each Friday's pay date.

B. Semi-monthly Payroll Requests

These requests must be received by DHCD's Fiscal Unit no later than 10:00 a.m., five work days preceding the pay date in order to reach the Finance Department no later than three work days prior to the 15th and 30th pay dates.

IV. PAYMENT REQUEST FORMAT

Request for payment fall into four general categories: Direct Payment to Vendor, Direct Payroll, Reimbursement, and Revolving Loan Fund/Capital Investments. These categories are discussed in this section.

DHCD requires that requests be grouped by category, each group under separate cover summarizing the costs included in the request. The basic elements of each request group are:

1. Payment request forms
2. Original invoice
3. Evidence of payment, if applicable
4. Any additional documentation, as necessary

(Refer to Section VI, additional Documentation - Selected Items.)

A. DIRECT PAYMENT TO VENDORS

When payment is to be made by Miami-Dade County directly to a vendor who provided goods or services to the contractor, the following procedure is required.

- 1) All costs must be coded in accordance with the instructions stated in Section II, Invoice Coding.
- 2) Original invoices must be received by DHCD. In the event that an original invoice is unavailable, the contractor must submit a manually signed copy and justify in writing why an original invoice cannot be provided. Where there are multiple funding sources, by prior agreement, the primary source is usually considered to entitled to the original invoice.
- 3) Payment Request forms with an original authorized manual signature of the contractor. Summarizing all the invoices must be received by DHCD. Refer to the Payment Request form for a copy of this form and instructions. (THIS IS A REQUIRED FORM.)

B. DIRECT PAYROLL

Direct payroll is paid via automated wire transfer to an eligible bank of the contractor's choice. With the exception of number 2 below, each request must contain these elements:

- 1) All costs must be coded in accordance with the instructions stated in Section II, Invoice Coding.
- 2) For new hires (occupying existing approved positions) submit a copy of the letter of hire with the first payroll in which salary is requested or denote this on the payroll documents.
- 3) A time sheet summary in accordance with the payroll period must be submitted (refer to the Time Sheet Summary form for a sample and instructions.) Along with the time sheet summary, contractors are required to maintain a current cumulative leave and attendance record for each employee. This form is to be kept at the contractor's facility; whenever an employee uses leave time, a copy of this record must be submitted with the payroll request. Refer to the Cumulative Leave and Attendance Record form for a sample and instructions.
- 4) To document the detailed computation for the payroll request, the original payroll register, with an original authorized manual signature of the contractor must be submitted. Refer to the Payroll Register form for a sample and instructions.
- 5) The payroll request must be summarized on the Payment Request form and must also bear an original authorized manual signature of the contractor. Submit an original form and a copy with each direct payroll processing request. Refer to the Payment Request form for a copy of this form and instructions. (THIS IS A REQUIRED FORM.)

c. REIMBURSEMENT

Reimbursement requests are for costs paid by the contractor and then submitted to DHCD for payment. Each request must contain all the elements listed below:

1. Refer to Section II, Invoice Coding.
2. A copy of each paid invoice for which reimbursement is requested.
3. A copy of both sides of the cancelled check with which the invoice was originally paid or a countersigned cash receipt, as applicable. Under no circumstances will reimbursement be processed without evidence of payment.

4. A request for payment form with original authorized manual signature of the contractor, that summarizes all the invoices for which reimbursement is requested. Refer to the Payment Request form for a sample copy of this form and instructions. (THIS IS A REQUIRED FORM.)

D. REVOLVING LOAN FUND/CAPITAL INVESTMENTS

This section relates to the disbursement of funds for capital investments such as:

- Loans (e.g., a revolving loan fund (RLF) activity.)
- Grants (subawards of funds to a third party - usually a non-profit entity - that is not related to the rendering of direct services to the contractor, but it is usually in connection to the development of a real property project by the third party), or
- Land acquisitions (which could be by or through the contractor.)

Program income requirements also apply to this type of request. Refer to Chapter on Program Income for more information.

The requirements set forth in this section apply in all cases, inclusive of transactions funded solely from program income held by the contractor:

1. Refer to Section II, Invoice Coding.
2. Each of these requests must be submitted separately and, where required by the contract, DHCD prior approval must be obtained.
3. The complete draft of the legal documents for the transaction and any other relevant documents (e.g., amortization schedule) need to be submitted.
4. Submit a complete duplicate package. Only one request form needs to have an original authorized manual signature of the contractor. If the transaction is funded solely from program income held by the contractor, only one set needs to be submitted.

v. **PETTY CASH EXPENDITURES**

- The establishment of a petty cash fund is at the contractor's option provided that it is not established with federal funds. Reimbursement for costs paid from the petty cash fund is allowable and reimbursable in the same manner as a routine reimbursement.

Upon receipt, the cost reimbursement can be transferred to the petty cash fund to replenish it. Note that to be reimbursable, each expenditure must be aligned with a corresponding Dade County sub-object code and line-item in agreement with the approved budget. Reimbursement to a Miscellaneous or "Petty Cash" line are not allowable. (Refer to Section IV.C. Reimbursement for the procedure to follow.)

VI. ADDITIONAL DOCUMENTATION - SELECTED ITEMS

A. APPROVED BUDGET:

Payment may be made to a contractor only after an DHCD approved budget is in place. The budget process is designed to meet most of the prior approval requirements. This means that, except as noted in Section VI.B. below, whenever an item of cost has been approved in the budget, the contractor may incur the expenditures and submit the invoice for payment without any intermediate communication to or approval from DHCD. All costs (line-items) listed in the approved budget which contain sufficiently detailed information are deemed approved through the prior approval process.

Contractors are reminded that they are responsible for maintaining at their contractor level full documentation in keeping with applicable county, state and federal requirements, particularly those related to procurement standards and procedures.

When billing against the approved budget for contractual types of goods and services (e.g., leases, professional services), a copy of the document and any subsequent amendments must be attached to the first request for payment. This copy is retained by DHCD for future reference.

B. ADDITIONAL APPROVAL REQUIREMENTS

Although the approved budget constitutes DHCD's prior approval of a contractor's expenditures, there are additional prior approval requirements for subcontracts as defined in the Procurement chapter in this manual. Certain types of subcontracts, even when approved through the budget process, require DHCD's written approval before being fully executed. These types of subcontracts are those through which the contractor engages another party to carry out any eligible substantive programmatic services as described in the contract between DHCD and the contractor. The purpose of this approval is to ensure that the document has been developed in conformance with the required standards. A copy of the DHCD approved subcontract will be retained by DHCD and need not be resubmitted for billing purposes.

C. PRIOR APPROVAL

Prior written approval will always be required in the following instances except for fixed price contracts where applicability will be noted in the contract.

1. All subcontracts and assignments.
2. All positions not specifically listed in the approved budget.
3. All job descriptions.
4. All non-expendable personal property, capital equipment not specifically listed in the approved budget.
5. All out-of-town travel not specifically listed in the approved budget.
6. The use of program income not specifically listed in the approved program income budget.
7. All construction payments.
8. All environmental clearances.

D. DIRECT PAYMENT / REIMBURSEMENT

Contractors must submit the following documentation with their request for direct payment or reimbursements.

1. Out of town travel

- (a) Travel request and travel expense report forms with original authorized manual signatures.
- (b) Documentation of travel expenditures. e.g., plane ticket, gas, hotel, registration, and local travel receipts for local transportation.

2. Regular telephone service

- (a) The complete bill.

3. Long distance service

- (a) The complete bill.
- (b) The telephone log which must briefly describe the purpose of the call in order to document that the call is directly related to DHCD's contract. Any vague descriptions such as "CD Business" are inadequate and will not be paid by DHCD. (See Long Distance Telephone Log form.)

4. Local travel - Employee owned vehicle

- (a) A mileage log. (See Mileage Record Employee Owned Vehicle form.)
- (b) Proof of insurance.

5. Local travel - Contractor leased vehicles

(c) Gas receipt. (See Mileage Record - Contractor Leased Vehicle form.)

VII. ATTACHMENTS AND INSTRUCTIONS

- This section contains samples of forms and their instructions and a sample of various reports prepared by Dade County Finance Department. Note that additional DHCD requirements are outlined in the narrative accompanying those forms (e.g., the requirement to reconcile the A61 Expenditure Report).