

**INSTRUCTIONS FOR COMPLETION**  
**OF THE HUMAN SERVICE AGREEMENT**  
**REQUEST FOR PAYMENT - VENDOR INVOICE**  
**(DHMH 437, Revised AUGUST 2001)**

**FOLLOW THESE INSTRUCTIONS UNTIL FURTHER NOTICE**  
**THESE INSTRUCTIONS WILL NOT BE SENT TO PROVIDERS**  
**ON AN ANNUAL BASIS**

This form is a required submission for those human service vendors paid through invoices submitted to the Division of Program Cost and Analysis. This form has the following four parts. In conjunction with these instructions, vendors should read the instructions for the DHMH 438 Form, Interim Report of Actual Expenses, Receipts and Performance Measures.

**Part A. Award - Human Service Agreement**

This part must be completed by the vendor, indicating the amount of their Human Services Award and/or the amount of the CSA Administrative Award, if applicable.

**Part B. Vendor's Request - Human Service Agreement**

This part must be completed by the vendor, indicating the amount of the payment request for the Human Services Award and the CSA Administrative Award payment request, if applicable, as well as a total payment request amount.

**Part C. DHMH Subprovider Budget Review Attestation**

This part is reserved for DHMH funding administrations to provide an attestation of the administration's budget review process of the purchase of service line item relative to subprovider programs.

**Part D. DHMH Payment**

This part is reserved for DHMH use only and will reflect the DHMH approved payment. The payment will be broken out between the human service agreement and the CSA portion, if applicable.

**Detailed Instructions - Part A.**

Funds generally will be advanced four (4) times per year. Vendor invoices (DHMH 437) are to be submitted to the Division of Program Cost and Analysis in accordance with the following schedule for any vendor with an annual DHMH award amount of \$1,499,999 or less.

## **DHMH 437 INSTRUCTIONS (continued)**

### **Quarterly Payment Cycle – DHMH Vendor Awards at \$1,4999,999 or Less**

<b><i>Quarterly Payment Cycle and Latest Possible Timely Payment Date</i></b>	<b><i>DHMH 437 - Deadline Date Must Be Received in DPCA for Timely Payment</i></b>	<b><i>Possible Months of Funding Advanced</i></b>
1st Quarter (July 6th)	*June 10th	4 (July thru October)
2nd Quarter (October 5th)	September 10th	3 (November thru January)
3rd Quarter (January 6th)	December 10th	3 (February thru April)
4th Quarter (April 5th)	March 10th	2 (May thru June)

\*Fiscal year initial invoice should be submitted to the Division of Program Cost and Analysis sufficiently early (approximately June 10th) for processing as a new fiscal year payment. The initial fiscal year payment will probably not be received by the vendor by July 1st if the vendor's invoice (DHMH 437) is received in DPCA much later than June 10th.

**NOTE:** The DHMH 437 must have an original signature in **blue ink**.

Vendor invoices are to be submitted to the Division of Program Cost and Analysis between the above dates and represent advance funding for the indicated number of months. The initial fiscal year payment request, July 1, usually should represent an estimate of the vendor's needs or cost for the first four (4) months of the fiscal year. Subsequent quarterly vendor payments will be subject to departmental cash management practices; funding will be advanced only to the extent warranted by an analysis of the Interim Report of Actual Expenses, Receipts and Performance Measures (DHMH 438). Timely payment of vendor invoices (DHMH 437), subsequent to the July 1st payment, is contingent upon the submission of the aforementioned DHMH 438, which contains the actuals needed for the required departmental analysis.

Sufficient time must be allowed for the department to satisfy its cash management responsibilities prior to paying the related submitted invoice. The intervals of required year to date actual reflected on the DHMH 438 allow the vendor sufficient time to submit the DHMH 438 to DPCA and in turn allows the department to perform an analysis of those numbers to determine the vendor's cash need and pay the relevant DHMH 437 invoice. Please see the following example.

## Quarterly Payment Cycle Example - October 1st Payment Cycle

### **\*DHMH 438 - Interim Report of Actual Expenses, Receipts and Performance Measures**

- year to date actual through August 31
- submitted by vendor to DPCA - September 10
- performance by DHMH of vendor's cash needs analysis and resolution of any follow up issues - September 10 thru September 25

### **\*DHMH 437 - Vendor Invoice**

- submitted by vendor to DPCA - September 10
- DPCA approves vendor payment request after the above DHMH 438 analysis is completed then forwarded to DHMH General Accounting and Comptroller - September 25

### **\*Vendor Payment**

- check issued by Comptroller and received by vendor October 3rd - 5th

**NOTE:** The above sequence of dates is shown for illustrative purposes only. The actual sequence of events will vary.

## Bi-Monthly Payment Cycle – DHMH Vendor Awards at \$1,500,000 or Greater

Effective, July 1, 2000(FY 2001), any provider receiving an annual human service contract award subject to the DHMH Human Service Agreements Manual in excess of \$1.5 million has a bi-monthly payment cycle and not the customary quarterly advance cycle shown above. The DPCA will continue to perform a cash management review of all provider invoices and only pay an amount justified by the provider's interim report of expenditures and receipts.

Funds generally will be advanced six (6) times per year. Vendor invoices (DHMH 437) are to be submitted to the Division of Program Cost and Analysis in accordance with the following schedule for any vendor with an annual DHMH award amount of \$1,500,000 or greater.

### DHMH 437 Submission Schedule – Bi-Monthly Payment Cycle

<b><i>Bi-Monthly Payment Cycle and Latest Possible Timely Payment Date</i></b>	<b><i>DHMH 437 - Deadline Date Must Be Received in DPCA for Timely Payment</i></b>	<b><i>Possible Months of Funding Advanced</i></b>
Payment #1 (July 6 <sup>th</sup> )	*June 10 <sup>th</sup>	2 (July thru August)
Payment #2 (Sept. 6 <sup>th</sup> )	August 10 <sup>th</sup>	2 (Sept. thru October)
Payment #3 (Nov. 5 <sup>th</sup> )	October 10 <sup>th</sup>	2 (Nov. thru December)
Payment #4 (Jan. 6 <sup>th</sup> )	December 10 <sup>th</sup>	2 (Jan. thru February)
Payment #5 (March 5 <sup>th</sup> )	February 10 <sup>th</sup>	2 (March thru April)
Payment #6 (May 5 <sup>th</sup> )	April 10 <sup>th</sup>	2 (May thru June)

\*Fiscal year initial invoice should be submitted to the Division of Program Cost and Analysis sufficiently early (approximately June 10th) for processing as a new fiscal year payment. The initial fiscal year payment will probably not be received by the vendor by July 1st if the vendor's invoice (DHMH 437) is received in DPCA much later than June 10th.

**NOTE:** The DHMH 437 must have an original signature in **blue ink**.

Vendor invoices are to be submitted to the Division of Program Cost and Analysis between the above dates and represent advance funding for the indicated number of months. The initial fiscal year payment request, July 1, usually should represent an estimate of the vendor's needs or cost for the first two (2) months of the fiscal year. Subsequent vendor payments will be subject to departmental cash management practices; funding will be advanced only to the extent warranted by an analysis of the Interim Report of Actual Expenses, Receipts and Performance Measures (DHMH 438). Timely payment of vendor invoices (DHMH 437), subsequent to the July 1st payment, is contingent upon the submission of the aforementioned DHMH 438, which contains the actuals needed for the required departmental analysis.

Sufficient time must be allowed for the department to satisfy its cash management responsibilities prior to paying the related submitted invoice. The intervals of required year to date actuals reflected on the DHMH 438 allow the vendor sufficient time to submit the DHMH 438 to DPCA and in turn allows the department to perform an analysis of those numbers to determine the vendor's cash need and pay the relevant DHMH 437 invoice.