

**EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS**

1. Invoicing and Payment

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for activities and expenditures incurred in accordance with the rates and amounts specified in Exhibit B, Attachment 1, which is attached hereto and made a part of this contract.
- B. Invoices shall be submitted monthly by the fifth working day of the month in triplicate and must include the DMH contract number, the month covered by the invoice, a description of the activities completed during the month, the hours worked identified by the Contractor staff who completed the activities, the hourly rates, per diem, and travel expenses by Contractor staff with related documentation, the activities performed by subcontractors and the amount paid, and an original signature. For the first contract year, each invoice shall be for one-thirteenth of the total budget for the contract year as shown on Exhibit B, Attachment 1. For subsequent contract years, each invoice shall be for one-twelfth of the total budget for the respective contract year as shown on Exhibit B, Attachment 1. The first invoice for the first contract year shall be submitted by the fifth working day after the contract start date. All other invoices shall be submitted monthly in arrears. Invoices shall be submitted on Contractor's letterhead, signed by an authorized representative, to:

Department of Mental Health
Medi-Cal Policy and Support Section
Systems of Care
Attn: Rita McCabe-Hax
1600 9th Street, Room 100
Sacramento, CA 95814

- C. The State shall withhold payment of an invoice until the activities mutually agreed to by the Contractor and DMH and identified in the monthly Microsoft Project Work Plan required by Exhibit A, Section 7.C. are completed and approved by DMH.

2. Budget Contingency Clause

- A. Federal Budget: It is mutually agreed that, if the Congress does not appropriate sufficient funds for the program, the State has the option to void

the contract or to amend the contract to reflect any reduction of funds. Such amendment shall require Contractor approval.

B. State Budget:

It is mutually agreed that if the Budget Act of the current year does not appropriate sufficient funds for the program, this contract will be void and of no further force and effect. In such an event, the State shall have no further liability to pay any funds whatsoever to the Contractor or to furnish any other considerations under this contract, and the Contractor shall not be obligated to perform any provisions of this contract or to provide services intended to be funded pursuant to this contract.

If funding for this contract is reduced or deleted by the Budget Act for the purposes of this program, the State shall have the option to either cancel this contract with no liability occurring to the State, or offer a contract amendment to the Contractor to reflect the reduced amount.

3. Budget

Charges/rates shall be computed in accordance with the budget in Exhibit B, Attachment 1. The cost of each major budget category may vary up to 15 percent within each Fiscal Year without the approval of DMH approval so long as the total amount budgeted for the year is not exceeded.

4. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

5. Amounts Payable

The total amount payable for Fiscal Year 2004-05 ending June 30, 2005 is \$3,116,075. The total amount payable for Fiscal Year 2005-06 ending June 30, 2006 is \$3,272,327. The total amount payable for Fiscal Year 2006-07 ending June 30, 2007 is \$3,387,893. If DMH exercises its option for one or more extension years, the total amount payable for Extension Year One, Fiscal Year 2007-08 ending June 30, 2008, is \$3,506,469 and the total amount payable for Extension Year Two, Fiscal Year 2008-09 ending June 30, 2009 is \$ 3, 629,196. Any requirement of performance by the State and the Contractor for these periods shall be dependent upon the availability of future appropriations by the Legislature for the purpose of this contract.

6. Rates and Travel Reimbursement

- A. The Contractor shall be paid at rates described in Exhibit B, Attachment 1, up to the total amount budgeted for the completed activities. The Contractor agrees that Exhibit B, Attachment 1 identifies the all-inclusive cost of all contract activities (including, but not limited all travel expenses). The Contractor shall not submit invoices that exceed the maximum amount payable under this contract for the applicable fiscal year.
- B. The Contractor shall attend planning meetings conducted by DMH, DHS, CMS, and other appropriate agencies and stakeholder groups as directed by DMH. Reimbursement for travel and per diem shall not exceed amounts paid to the State's non-represented employees.