



ADVANCE PAYMENT METHOD

Funded programs may request as advance payment method. The advance payment is designed to address cash flow needs that some programs may have in operating the First 5 funded program. The advanced payment method provides an automatic monthly disbursement of the annual contract amount that is equally divided over the duration of the contract. Expenditures are reconciled quarterly and subsequent advances may be adjusted accordingly.

AUTOMATIC MONTHLY DISBURSEMENT

- Payment method would provide automatic disbursement of the annual contract amount that is equally divided over the duration of the contract.
- Contractor would receive disbursement on or about the first of every month.

ELIGIBILITY

- Contractors meeting the following criteria could request (through an application process) the advance payment method:
 - Contractor provides justification of need for advance payment method to address cash flow issues in order to operate First 5 funded program
 - Contract term is for at least 6 months
 - Contractor has a history of submitting timely progress reports and invoices or is a new Contractor

PROCEDURE TO REQUEST ADVANCED PAYMENT METHOD

- To be considered for the advance payment method, the Contractor must complete the "Request for Advance Payment Method" application.

PAYMENT PROCEDURES

- Contractor would submit an expenditure report quarterly to reconcile expenditures against disbursements. Program expenditure levels are to be actively managed to ensure funds are not owed to Commission at end of the contract year.
- Based on level of expenditure and program performance, subsequent disbursement amounts would be adjusted accordingly.
- The Commission may increase, decrease, or completely eliminate advance payments based upon Commission's assessment of funded program's performance, the activity level of the program, the need for advance payments, and other factors Commission deems appropriate.
- If at the end of the contract period, Contractor has not utilized funds advanced, Contractor shall return that amount to Commission within forty-five (45) days of the close of the contract.