



## Contractor's Financial Procedures Manual

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Revision 2

Effective with Program Attachments executed on or after July 1, 2011.

Deleted: 1

Department of State Health Services  
Contract Oversight and Support Section

Questions pertaining to information in this manual should be submitted to the following e-mail address: [COSta@dshs.state.tx.us](mailto:COSta@dshs.state.tx.us)

claimed as cash match. These services are normally paid for with the contractor's own funds. The contractor must have documented evidence to support the provision of services claimed as match.

2) There may be some services that are billable at the unit-rate or fee established under the contract that the contractor is unable to provide. If approved by DSHS, the contractor may subcontract for those services. If the subcontractor's customary charge for the service is more than allowed under the DSHS contract, the discount (difference between customary charge and DSHS reimbursement rate) may be claimed as match. For example, DSHS enters into a contract for the provision of women health services and the contractor is not able to provide mammograms. With DSHS approval, the contractor may contract with a local hospital for the mammogram. The difference (discount) between the hospital's customary charge for the mammogram and the amount reimbursed by DSHS may be claimed as in-kind match.

3) Some DSHS unit-rate or FFS contracts may require provision of other services in addition to the services that are reimbursed at the unit-rate or established fee. For example, under the DSHS Breast & Cervical Cancer Services contract, contractors are reimbursed a set fee for specific diagnostic services. The contractor is also required to perform outreach activities; the cost of which is not reimbursed by DSHS. Since the outreach activities are required under the contract; the allowable costs incurred by the contractor for carrying out outreach activities may be claimed as cash match. The contractor must capture outreach activity costs in a separate cost center.

### **Section 9.03 Cash Match**

Cash match is defined as an expenditure of cash by the contractor on allowable costs of the DSHS Program Attachment that are borne by the contractor. Indirect costs not reimbursed by DSHS may be included as part of match requirements only with the prior approval of DSHS. These costs (cash match) should be recorded in the same cost center as costs that are reimbursed by DSHS and reported on the Financial Status Report.

Costs borne by the contractor may be funded by other unrestricted sources including donations from individuals, private foundations and fundraising organizations.

### **Section 9.04 In-Kind Match**

In-kind match is defined as the dollar value of non-cash contributions by a third party given in goods, commodities, or services that are utilized in activities that benefit a DSHS Program Attachment project and that are contributed by non-federal third parties without charge to the contractor. Third party in-kind contributions must meet all of the following criteria to be acceptable as match: