

FIRST 5 FRESNO COUNTY

ADMINISTERED BY CHILDREN & FAMILIES COMMISSION OF FRESNO COUNTY

DATE: Wednesday, January 25, 2023

Lighthouse for Children

TIME: 11:30 a.m. – Regular Meeting

2405 Tulare Street

Fresno, CA 93721

AGENDA

ITEM	SUBJECT	PRESENTER
1.	CALL TO ORDER	Chair
2.	POTENTIAL CONFLICTS OF INTEREST Any Commission Member who has potential conflict of interest may now identify the item and recuse themselves from discussing and voting on the matter.	Chair
3. Action Pg. 1	ELECTION OF COMMISSION OFFICERS	F. González, E.D. K. Price, Legal Counsel
4. Action Pg. 2	COMMITTEE MEMBERSHIP APPOINTMENTS	F. González, E.D. K. Rangel, Staff
5. Action Pg. 4	CONSENT AGENDA – ITEMS 5a-5e See attached Consent Agenda. Overview: These matters are routine in nature and are usually approved by a single vote. Prior to action by the Commission, the public will be given the opportunity to comment on any Consent Item.	Chair F. González, E.D.
6. Public Hearing Pg. 60	PUBLIC HEARING ON THE FIRST 5 FRESNO COUNTY 2020-2025 STRATEGIC PLAN Overview: Required annual public hearing to review the First 5 Fresno County 2020-2025 Strategic Plan. Community members may obtain copies of the Strategic Plan online at www.first5fresno.org (https://www.first5fresno.org/wp-content/uploads/2019/07/First-5-Fresno-County-2020-2025-Strategic-Plan-FINAL.pdf) or by contacting the Commission office at: 2405 Tulare Street Suite 200, Fresno, CA 93721. Phone: (559) 558-4900	Chair F. González, E.D.
7. Action Pg. 61	2022-2023 PROPOSED REVISED AGENCY BUDGET Supporting Documents	F. González, E.D. A. Hillis, Staff
8. Action Pg. 84	AGREEMENT WITH READING HEART FOR THE COMMISSION'S MOBILE UNIT	F. González, E.D. K. Rangel, Staff
9. Information	CHILDREN AND FAMILIES POLICY UPDATE	F. González, E.D. C.J. Hernandez, Staff
10. Information Pg. 86	EXECUTIVE DIRECTOR'S REPORT	F. González, E.D.
11. Information	PUBLIC COMMENT Limit two minutes per speaker. Public Comment is also taken on individual agenda items throughout the meeting at the conclusion of each agenda item.	Chair
12. Information	ANNOUNCEMENTS / INFORMATION SHARING	Chair
13.	ADJOURNMENT	Chair
<u>NOTE:</u>	NEXT REGULAR MEETING – MARCH 15, 2023	2405 Tulare St. Fresno, CA 93721

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CONSENT AGENDA

(Any Commissioner may pull any Consent Item for discussion or separate vote.)

ITEM	SUBJECT	PRESENTER
5a. Action Pg. 5	MINUTES FROM OCTOBER 26, 2022 REGULAR COMMISSION MEETING Supporting Document	F. González, E.D.
5b. Action Pg. 8	PROCUREMENT POLICIES & ACCOUNTING POLICIES - ANNUAL REVIEW Supporting Documents	F. González, E.D. L. Magallanes, Staff
5c. Action Pg. 55	AGREEMENT RENEWAL WITH ARCHER & HOUND FOR CHILD-FRIENDLY BUSINESS AWARDS MEDIA CAMPAIGN	F. González, E.D. C.J. Hernandez, Staff
5d. Action Pg. 57	LEASE AGREEMENT RENEWAL WITH SIMPSON SPEECH AND LANGUAGE FOR OFFICE SPACE AT THE LIGHTHOUSE FOR CHILDREN	F. González, E.D. A. Hillis, Staff
5e. Action Pg. 58	LEASE AGREEMENT RENEWAL WITH FRESNO COUNTY SUPERINTENDENT OF SCHOOLS FOR OFFICE SPACE AT THE LIGHTHOUSE FOR CHILDREN	F. González, E.D. A. Hillis, Staff

We encourage the public to attend. If you have a disability and need accommodations to participate in a meeting, please contact the Commission office at (559) 558-4900 at least 48 hours prior to the start of the meeting. Government Code Section 54954.2(a).

FIRST 5 FRESNO COUNTY
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REGULAR BUSINESS MEETING

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2405 Tulare Street
Fresno, CA 93721

AGENDA ITEM NO. 3

TO: Children & Families Commission of Fresno County

FROM: Fabiola González, Executive Director

SUBJECT: Election of Commission Officers

RECOMMENDED ACTION:

Nominate and approve Commission Officer positions of Chair, Vice-Chair, and Secretary/Treasurer.

BACKGROUND:

Commission Officers are considered for election annually at the start of every calendar year. First 5 Fresno County By-Laws state the officer roles of the Commission shall be of a Chair, Vice-Chair, Secretary/Treasurer.

The By-Laws state the Commission Chair, shall preside over meetings of the Commission, and shall perform the duties of the Secretary/Treasurer in the absence of that officer. The Chair shall execute agreements approved by the Commission.

The Commission Vice-Chair is required to preside over Commission meetings in the Chair's absence and perform other duties of the Chair for emergency situations when the Chair is out-of-county and pending matters must be performed before the Chair's return.

The Secretary/Treasurer of the Commission shall perform the periodic review of documentation supporting financial reports for internal control.

CONCLUSION:

Once elected, Commission Officers shall serve for a 12-month period.

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AGENDA ITEM NO. 4

TO: Children & Families Commission of Fresno County

FROM: Fabiola González, Executive Director

SUBJECT: Committee Membership Appointments

RECOMMENDED ACTION:

Appoint and approve the Commission's Committee Memberships effective January 2023.

BACKGROUND:

Committee membership is revisited on an annual basis, thus giving Commissioners the opportunity to serve on different committees, as desired. The Commission has adopted two standing committees to assist with the ongoing work of the Commission in the core areas of: administration, finance (including audit support) and program review (including evaluation).

Each standing committee should have a minimum of two Commissioners (all Commissioners can serve as alternates for each committee). One additional community member may be appointed to each of the standing committees by the Commission if the Commission chooses to. The overarching role of each committee is as follows:

Administrative Committee

The Administrative Committee is typically chaired by the Commission Chair and is responsible for providing guidance and support to the Executive Director on issues related to personnel administration (i.e., staff compensation ranges, agency benefits, etc.), legal matters, office space, real estate, major purchases, policy and partnerships and communications concerns. Historically both the Chair and Vice Chair serve on the administrative committee and are responsible for facilitating the annual evaluation of the Executive Director and recruitment of the Executive Director when the position is vacant.

Finance and Program Review Committee

The Finance and Program Review Committee is typically chaired by the Commission's Vice Chair and is responsible for providing guidance on issues related to the Commission's financial matters and oversight of the programmatic and evaluation components of the Commission's Strategic Plan. Financially, the committee assures appropriate internal controls are in place, an independent audit is conducted each year, reviews and provides feedback on the Commission's annual budget, and supports ongoing financial analysis for the organization. The Committee's programmatic oversight responsibilities include the review of new program models, evaluation results and criteria for

programs to receive continued funding, as well as support to staff in the monitoring of existing programs, projects and initiatives.

For reference, the previous year committee membership was as follows:

Administrative Committee	Finance and Program Review Committee
<i>Committee Chair:</i> Commission Chair Pacheco <i>Committee Member:</i> Commission Vice-Chair Gilbert <i>Committee Member:</i> Commissioner Sablan	<i>Committee Chair:</i> Commissioner Morales <i>Committee Member:</i> Commissioner Susan Holt <i>Committee Member:</i> Vacant – formerly held by Commissioner Davies-Balch

CONCLUSION:

Upon approval, staff will work with each committee to set meeting dates as needed.

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CONSENT AGENDA ITEM 5a

RECOMMENDED ACTION:

Approve the October 26, 2022, Commission Meeting Minutes.

ACTION SUMMARY MINUTES

October 26, 2022 – 11:30 a.m.

PRESENT: Brian Pacheco, Kari Gilbert, Susan Holt, Hugo Morales, Dr. Marcia Sablan

ABSENT: Shantay Davies-Balch

STAFF: Fabiola González, Ashley Hensley, Cindy Jurado Hernandez, Alix Hillis, Luis Magallanes, Hannah Norman, Lupita Ramírez, Karen Rangel, Lilibian Salcedo, Zach Shaath, Tina Vue, Ken Price (Legal Counsel)

1. CALL TO ORDER

2. POTENTIAL CONFLICTS OF INTEREST: Any Commission Member who has a potential conflict of interest may now identify the item and recuse themselves from discussing and voting on the matter.

3. CONSENT AGENDA – ITEM 3a-3c

Public Comment: None heard.

Motion by: Morales Second by: Gilbert

Ayes: Gilbert, Holt, Morales, Pacheco

Noes: None heard.

4. PUBLIC HEARING - FINANCIAL AUDIT AND STATE ANNUAL REPORT FOR FISCAL YEAR 2021-2022

Public Comment: None heard.

No action required.

5. FINANCIAL AUDIT AND STATE ANNUAL REPORT FOR FISCAL YEAR 2021-2022

Commissioner Sablan entered the meeting at 11:37 a.m.

Public Comment: None heard.

Motion by: Morales Second by: Gilbert
Ayes: Gilbert, Holt, Morales, Sablan, Pacheco
Noes: None heard.

6. ACCEPTANCE AND ALLOCATION OF FUNDS FROM FIRST 5 MERCED COUNTY FOR THE LAUNCH OF THE GLOW! GROUP PRENATAL CARE AND SUPPORT PROGRAM IN MERCED COUNTY

Public Comment: None heard.

Motion by: Morales Second by: Sablan
Ayes: Gilbert, Holt, Morales, Sablan, Pacheco
Noes: None heard.

7. 2023 REGULAR COMMISSION MEETING SCHEDULE

Due to this item being routine in nature, the Commission requested that this item be placed on the consent agenda at future meetings.

Public Comment: None heard.

Motion by: Morales Second by: Sablan
Ayes: Gilbert, Holt, Morales, Sablan, Pacheco
Noes: None heard.

8. CHILDREN AND FAMILIES POLICY UPDATE

Public Comment: None heard.

No action required.

9. EXECUTIVE DIRECTOR’S REPORT

Public Comment: None heard.

No action required.

10. PUBLIC COMMENT

Greg Amaro with A Plus Business Systems introduced himself and provided an overview of the services his agency provides to the Commission.

No action required.

11. ANNOUNCEMENTS/INFORMATION SHARING

The Commission congratulated Commissioner Sablan and her husband Dr. Oscar Sablan on receiving the Public Health Hero Award during the State of the County Luncheon on September 27, 2022.

No action required.

12. ADJOURNMENT

Public Comment: None heard.

Motion by: Gilbert Second by: Holt

Ayes: Gilbert, Holt, Morales, Sablan, Pacheco

Noes: None heard.

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CONSENT AGENDA ITEM NO. 5b

TO: Children & Families Commission of Fresno County

FROM: Fabiola González, Executive Director

SUBJECT: Procurement Policies & Accounting Policies - Annual Review

RECOMMENDED ACTION:

Approve, the updated (1) Procurement Policies and (2) Accounting Policies.

BACKGROUND:

On November 28, 2022, this item was approved for full Commission consideration by the Finance and Program Review Committee.

On an annual basis, internal policies and procedures are reviewed to incorporate potential legislation, general practices, and any other updates. This year, updates to the Procurement Policies and the Accounting Policies are being presented.

1. Procurement Policies:

The Commission is required by ordinance to develop and adhere to procurement policies and procedures related to its purchasing of and/or contracting for goods and services that are consistent with applicable federal and state laws and regulations. Commission staff and Legal Counsel reviewed and recommend the following updates for review and approval:

- Removal of Section P: Commission Standard Policies Manual to reduce duplication, as the content is covered in Section Q: Funded Partner Manual.
- Updates throughout the document to create a fair and equitable procurement process and reduce barriers that could limit procurement responses
- Edits to simplify and clarify language to make the policy easier to understand

2. Accounting Policies:

The Commission's Accounting Policies and Procedures ensure internal procedures align with Governmental Accounting Standards Board (GASB), the First 5 Association Financial Management Guide, and industry standards. Accounting policies provide high-level guidance and focus attention on critical executive responsibilities associated with accounting for the Commission. The following updates are presented for review and approval:

- Revision and updates to provide clarity when Advance Payments are granted to Contractors and how much should be issued.

- Update procedures in Section 3, Articles L and M to account for the updated accounting software
- Edits to Section 3, Article G (Capital Assets) to specify at what value point assets are capitalized.
- Updates throughout the document to provide more detail on procedures and removal of positions that are not active at F5FC
- Edits to improve clarity and consolidation of sections

Fiscal Impact: Action on this agenda item will have no fiscal impact.

CONCLUSION:

Annual review and updates to Commission's policies ensure efficiency, further transparency, cost effectiveness and internal controls. If approved, the revised Accounting Policies and Procurement Policies will be made updated internally and posted on the Commission's website as necessary.



~~Administrative and Programmatic~~
Procurement Policies
and Procedures Manual

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PURPOSE

The purpose of the Children and Families Commission of Fresno County (the Commission) ~~Administrative and Programmatic~~ Procurement Policies and Procedures Manual is to document the Commission's policies and procedures related to its purchasing of and/or contracting for administrative and programmatic goods and services. Fresno County Ordinance **99-009**, Section **2.38.020**, item (E) states "The Commission shall develop purchasing and contracting policies and procedures consistent with applicable Federal and State laws and regulations." Similarly, the Commission is required by law to abide by section 130140(d)(4)(B) of the Health and Safety Code, which requires county commissions to adopt, in a public hearing, contracting and procurement policies consistent with State law. This includes, but is not limited to, Government Code sections 54201-54205, Public Contract Code sections 2000-2002, 3410 and 22150-22154, and California Labor Code section 1771, et seq.

STATEMENT

The Commission recognizes the importance of diversity of vendors/contractors that reflects the communities the Commission serves and, as such, is committed to ensuring that its procurement opportunities are implemented in a fair and equitable way.

PROCUREMENT

A. Public Works Projects

In the event that the Commission desires to enter into a Public Works Contract, as defined in Public Contract Code section 1101, the Commission shall comply with those provisions described in Article 3.5 of the Public Contract Code (§20120 *et. seq.*). The Commission shall be the final decision-maker with respect to all Public Works Contracts.

B. Informal and Formal Competitive Purchases for Goods and Services

1. Thresholds & Executive Director Signing Authority

Purchases for goods and services for the operations of the Commission are authorized by the Executive Director and/or the Commission. The competitive procurement process shall be used to acquire goods and services based upon the following dollar thresholds:

For Purchases	Type of Procurement	Required # of Proposals/Quotes	Minimum Approval Required
\$0.01 to \$3,000.00	N/A - Routine Purchase	N/A	Executive Director or designee
\$3,000.01 to \$50,000.00	Informal	Three (3)	a. Executive Director approval up to \$10,000.00 b. Full Commission approval \$10,000.01 and greater
\$50,000.01 and greater	Formal	No Minimum	Full Commission

Purchases \$3,000.00 or less are considered routine (day-to-day) and do not require proposals or quotes. These purchases can be made by using a Commission credit card with the Executive Director's (or designee's) approval so long as they meet the requirements otherwise described in this policy and that of the Commission's Accounting Policies and Procedures Manual.

The Executive Director (or designee) shall have authority to execute contracts for amounts less than \$10,000.01 without prior Commission approval. The Executive Director shall inform the Commission during the regular Commission meeting immediately following the execution of a contract within the Executive Director's signing authority of (i) the subject matter of the contract; (ii) the amount and term of the contract; and (iii) the contracting parties. Neither the Commission nor its staff shall piecemeal contracts in an effort to make the contract amounts fall below any particular monetary threshold.

2. Informal Selection Process:

The informal selection process allows the Commission staff to obtain a written price and scope of work via fax, e-mail, or other writing by at least three vendors for goods or services valued at \$50,000.00 and below or less. The vendor that best fits the Commission's needs, using price, quality, and/or the ability to provide deliverables within the Commission's timeframe as the primary factors shall be selected. If the Commission is unable to obtain at least three written quotations, staff shall document accordingly and provide as much available information to the Commission regarding why it could not obtain the ~~is~~ minimum number of quotations. The Commission reserves the right to use a formal procurement process for purchases \$50,000.00 or less, especially if there is uncertainty about the types of goods or services the Commission is seeking to obtain. All agreements resulting from the informal selection process require Legal Counsel review and sign-off prior to execution.

3. Formal Procurement Process for Administrative Goods or Services

For formal procurements, the Commission will use a Request for Proposals (RFP) or a Request for Quotations (or Qualifications) (RFQ), as best determined by the Commission or its staff, as the ease may be. All contracts entered into as a result of the formal procurement process shall be approved by the Commission, ~~before they are executed by the Executive Director and a Commission officer. All agreements resulting from the formal procurement process for administrative goods or services require receive~~ Legal Counsel's review and sign-off prior to obtaining the signature from the Executive Director and the Commission Chair (or designee).

(a) An RFP is used when the Commission cannot precisely set forth its needs. Rather than including specifications, the Commission shall provide vendors a statement of work and the vendors are then asked to propose solutions. The RFP will detail what items the vendors are to submit, the desired qualifications of the proposer/vendor, the cost of their proposals, how the Commission will evaluate the proposals, select the vendor, and develop the contract. The RFP award is based upon various factors, including the lowest price, expertise of the proposer, and/or technical superiority of the proposal as compared to the other proposals submitted to the Commission. Proposals in response to an RFP are subject to negotiation after they have been submitted to the Commission.

(b) An RFQ is used when the Commission has determined precisely what goods and services it needs. Similar to an RFP, an RFQ award is not necessarily based upon the lowest price, but upon a service or good that best fits the requirements within a reasonable proximity to the other proposals submitted to the Commission. The terms contained in an RFQ are typically not negotiable.

4. Formal Procurement Process for Programmatic Services

For formal procurements, the Commission will use a RFP, RFQ, or Request for Applications (RFA) as best determined by the Commission or staff. All agreements resulting from the formal procurement process for programmatic services shall be approved by the Commission and

~~receive. All contracts require~~ Legal Counsel's review and sign-off prior to obtaining signature from the Executive Director and ~~subsequently~~ the Commission Chair (or designee).

- (a) The RFP is used when the Commission cannot precisely set forth its needs. Rather than including specifications, the Commission shall provide proposed grantees a statement of work and the proposed grantees are then asked to propose solutions. The RFP will detail what items the proposed grantees are to submit, the desired qualifications of the proposer, the cost of their proposals, how the Commission will evaluate the proposals, select the proposed grantee, and develop the contract. The RFP award is based upon various factors, including the lowest price, expertise of the proposer, cultural responsiveness, innovation of approach, and/or demonstrated technical ~~ability~~superiority of the proposal as compared to the other proposals submitted to the Commission. Proposals in response to an RFP are subject to negotiation after they have been submitted to the Commission.
- (b) An RFA is a formal announcement by the Commission of an opportunity to apply for funds with specific strategies and parameters in order to achieve the Commission's strategic goals and outcomes. An RFA contains specific requirements regarding the application and evaluation processes, and how such funds shall be used. Proposals in response to an RFA are subject to negotiation after they have been submitted to the Commission.
- (c) An RFQ is used when the Commission has determined precisely what services it needs. Similar to an RFP, an RFQ award is not necessarily based upon the lowest price, but upon a service or good that best fits the requirements within a reasonable proximity to the other proposals submitted to the Commission. The terms contained in an RFQ are typically not negotiable.
- (d) —Intent to Partner (ITP): With respect to programmatic RFPs or RFAs, the Commission may select certain service providers by engaging in community-based planning efforts in which stakeholders come together for the purpose of identifying specific needs and the providers best able to meet those needs. Funds should not be awarded during these meetings. The natural bias toward competitive procurement should apply and any exceptions should adhere to the guidelines outlined in this procedure.

C. Public Notice

It is the Commission's policy to provide notice to the public of all formal procurement opportunities. Such notices shall be posted publicly to ensure competition. Public notice will be on the Commission's website, and when determined by staff to achieve the greatest response, in a trade newspaper or business journal or other appropriate medium, and/or posted via the internet on public online exchanges. Print and electronic publication shall be no less than ~~ten (10) calendar~~the days ~~prior to~~of the release of the procurement opportunity, when possible~~time and due date~~. The Commission may opt to create and maintain a vendor list for specific professional services so long as such vendor(s) have been selected through informal or formal selection process, as the case may be. Commission staff shall keep evidence of posting of such notices as part of the project.

D. Contacts During Procurement Period

As of the issue date of the RFP/RFQ/RFA and continuing through the public notification of the award, all F5FC-Commission staff and Commissioners are specifically directed not to hold any unscheduled meetings,

conferences, or technical discussions regarding the RFP/RFQ/RFA with prospective service providers or vendors. “Off the record” contact can potentially taint the Commission’s decision-making process.

Proposers may only contact the ~~Commission as individual~~ identified in the RFP/RFQ/RFA as the point of contact in response to any matter pertaining to that RFP/RFQ/RFA. Proposers are prohibited from directly contacting any other Commission staff member or Commissioner regarding any matter directly or indirectly related to the RFP/RFQ/RFA. Such prohibited contact may result in disqualification of the potential contractor’s proposal.

Proposers are encouraged to review the Commission’s Conflict of Interest Policy found on the Commission’s website.

E. Limitations on Those Who May Submit Proposals

1. No Subcontractors or Consultants

No consultant or subcontractor ~~that who~~ provides advice to the Commission for a project may submit a proposal for an RFP/RFQ/RFA for the same project. This prohibition does not include those who may have engaged in generalized topical discussions with community members and leaders Commission staff or Commissioners, to inform regarding the Commission’s Strategic Plan investments, outside of the direct development and release of procurement opportunity documents.

2. No Conflicts of Interest

Pursuant to the Commission’s Conflicts of Interest Policy and Conflicts of Interest Code no Commissioner or Commission staff may make, participate in making, or use their official position to influence the making of any governmental decision which may have a direct or indirect foreseeable material financial effect on that respective Commissioner or staff person. Therefore, no entity in which a Commissioner or staff person has a material financial interest may submit a proposal to the Commission.

Additionally, any Commissioner or designated staff running for elected office must immediately disclose and recuse themselves from any Commission matter or action involving a contributor (whether direct or in-kind) to the campaign of that Commissioner or Commission staff. Under no circumstances may Commission staff accept a campaign contribution (whether direct or in-kind) from a Commission contractor in which that staff member has direct or indirect oversight over that contractor's service, contract, or activities. Commissioners and Commission staff are strongly encouraged to seek guidance from the Commission's ~~L~~legal ~~e~~Counsel if there are any questions regarding the requirements contained in this paragraph. The violation of this provision ~~by Commission staff~~ may result in disciplinary action for Commission staff and dismissal for Commissioners.

3. Financial Dependents/Relatives

A financial dependent of a ~~F5FC~~ Commissioner or Commission staff may not respond to any ~~F5FC~~ Commission procurement. Relatives (which shall include, but not be limited to, parents, adult children, siblings, aunts and uncles) of ~~F5FC~~ Commissioners or Commission staff who are not dependents are discouraged from responding to any ~~F5FC-Commission~~ procurement. If a Commission staff person becomes aware that his or her non-financially dependent relative has submitted or will submit a proposal, that staff person shall immediately disclose the existence of this relationship to the Executive Director and /or subsequently the Commission. Moreover, that staff person shall immediately be screened from the proposal process and such relationship shall be disclosed to the Commission prior to any approval by the Commission. If a Commissioner is

aware that his or her non-financially dependent relative has submitted or will submit a proposal, that Commissioner shall disclose the relationship at a public meeting and may choose to recuse himself or herself from any part of the decision-making process on any ~~F5FC-Commission~~ procurement.

F. Disallowed Costs

The Commission shall not reimburse any potential contractors for any expenses that potential contractor incurs in the preparation of a proposal to the Commission. A potential contractor is solely responsible for his/her/its own costs regarding preparation of and submitting any proposal.

G. Time and Due Date

The amount of time proposers may prepare their responses to formal procurement opportunities shall be determined by the Commission but, ~~if practicable,~~ shall be no less than ten (10) calendar days after release of RFP/RFQ/RFA and shall provide sufficient time for proposers to prepare and submit their proposals. The Commission reserves the right to amend the proposal due date. Such changes shall be issued in writing in the form of an addendum to all prospective proposers who received the original request documents ~~or and~~ posted on the website. The Commission shall timestamp all proposals it receives, or if the RFP/RFQ/RFA allows for electronic submission, staff shall keep evidence of the date and time such electronic correspondence is received. The Commission will make reasonable effort to have multiple submission options available to help meet proposers' needs. The Commission IS NOT RESPONSIBLE IF IT DOES NOT RECEIVE A PROPOSER'S ELECTRONIC SUBMISSION.

H. Addendum of Procurement Opportunities

The Commission reserves the right to amend any RFP/RFQ/RFA. The Commission shall make a reasonable effort to provide all vendors who received an RFP/RFQ/RFA with written notice of such action. Any oral interpretations of contract specifications by any Commissioner or staff to the vendor regarding terms or conditions shall not be binding on the Commission.

I. Mistakes in Proposals Prior to ~~Opening-Submission Deadline~~of Proposals

Mistakes in proposals detected prior to ~~opening~~ the submission deadline may be corrected by the proposer by withdrawing the original and submitting a corrected proposal to the Commission *before* the due date. Alternatively, the proposer or an authorized representative may correct the mistake on the face of the original proposal, provided that such revision occurs prior to the due date and time and, in the Commission's sole judgment, the revision is not ambiguous and resolves the mistake. A corrected proposal must follow the time and due date procedures in Section G above. The Commission will not accept corrections to proposals after the proposal time and due date unless otherwise outlined in the procurement document (e.g. a four-hour window to submit missing supportive documents).

J. Acceptance, Review, and Selection

Proposals shall be accepted without alteration or correction, except as authorized in this policy, and shall be evaluated based upon the requirements set forth in the RFP/RFQ/RFA, which may include certain criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the proposal's price and be considered in the evaluation for award, shall be objectively measurable, such as discounts, transportation costs and total or life cycle costs.

The Commission shall assign a staff person to facilitate the creation of a selection committee and/or process to review the proposals. Commission staff may participate in the selection committee as applicable to the procurement opportunity in order to provide contracting history, institutional insight, and guidance of the Commission's Strategic Plan. The contract file shall contain a written explanation of the selection decision.

Points may be assigned to portions of procurement documents to aid in the scoring of submissions. If a required component of a submission is not included in the submission or submitted as specified in the submission procurement document, ~~the Executive Director may, in his or her sole discretion, determine that the submission may not automatically be rejected. The Executive Director may make such a determination in the event that the Executive Director concludes that the omission was immaterial to the submission.~~ In such an event, the omitted/incorrectly submitted piece(s) may result in partial points being awarded to the proposal.

The Executive Director, or designee, shall make a final recommendation to the Commission based on the results of the selection committee. The Executive Director, or designee, shall notify all proposers of the recommendation no less than ~~ten-five(105)~~ week days before the Commission approves the award. Final approval of the award shall be made by the Commission.

All contracts and purchases shall be based strictly upon the face value of the proposals received. The Commission shall not factor into its procurement selection any hidden rebates, discounts, and other price considerations not described in the proposals.

A formal award notification shall be issued to the selected vendor, specifying the amount awarded and indicating that funds will be released upon compliance of a signed contract establishing the terms and conditions of all parties. Non-selected vendors shall receive written notice of the Commission's action. Commission staff shall keep evidence of the sent award and non-selection letters as part of the project.

K. Notice of Cancellation or Rejection of Proposals

The Commission may, at its discretion, cancel or reject any or all proposals. In the event of such a cancellation or rejection, all proposers shall be notified in writing as soon as possible and the reason(s) shall be documented in the procurement file.

L. Determination of Non-Responsiveness

Failure of a proposer to promptly supply information requested by the Commission may be grounds for the Commission to determine that the proposer is non-responsive, in which case the proposal may be rejected.

M. Disclosure of Results

After the award by the Commission, all submissions received by the Commission shall be open to public inspection at the offices of the Commission during normal business hours or by electronic means, as agreed to by Commission staff. The Commission shall keep the non-selected proposals for a minimum of two (2) years after the completion of the project. **The Commission is subject to the California Public Records Act ("CPRA") and the submitters must assume that any submission it submits to the Commission is subject to disclosure under the CPRA. The Commission assumes no responsibility for the confidentiality of any information provided in the proposals.** The Commission shall not retain, during the normal course of its activities, the identity of any proposal reviewer. The Commission may retain blind scoring sheets and documents containing feedback of each proposal. The disclosure of such materials shall be in accordance with the CPRA. The Commission shall not disclose any records during a procurement or the Commission

reasonably anticipates that procurement opportunity will be released by the Commission within the next 60 days, that could result in an unfair advantage to any submitter.

N. Protests

1. **Formal Procurement or Commission Approved Informal Purchases:** Upon notice by ~~F5FC~~[the Commission](#) of a proposed award, any proposer may file a formal written protest regarding a potential or recent procurement by the Commission. The protest shall be filed in writing with the Executive Director no later than forty-eight hours before the day of the meeting at which the Commission is scheduled to (i) award the subject contract or (ii) approve or disapprove a purchase that requires approval pursuant to the informal selection process described in Section 2 above. The protest shall ~~be in writing addressed to and filed with the Executive Director and~~ contain the exact basis for the protest, and proof that the protester is a viable and responsible provider of the supplies, equipment or services sought. The protest should provide evidence that the award violated the Commission's procurement procedures or State law. Mere disagreement with the decision of the Commission or Executive Director shall not be the basis for a successful protest. Commission staff shall keep record, according to its record retention practices, of any and all protests made by proposers.
2. **Informal Procurement Under \$10,000.01:** Upon notice by ~~F5FC~~[the Commission](#) of a proposed award of a procurement not going before the Commission, any proposer may file a formal written protest regarding a potential procurement. The protest shall be filed in writing with the Executive Director no later than forty-eight hours after the notice of award. The protest shall ~~be in writing addressed to and filed with the Executive Director and~~ contain the exact basis for the protest, and proof that the protester is a viable and responsible provider of the supplies, equipment or services sought. The protest should provide evidence that the award violated the Commission's procurement procedures or State law. Mere disagreement with decision of the Commission or Executive Director shall not be the basis for a successful protest. The Executive Director shall make a determination as to a protest to an informal procurement. A proposer may file an appeal of such determination with the Commission. Commission staff shall keep record, according to its record retention practices, of any and all protests made by proposers.

O. Exceptions to a Competitive Selection Process

All goods and services shall be procured by an informal or formal competitive selection process unless the Commission or the Executive Director determines that one or more of the circumstances described below is satisfied. The Commission shall document, in writing, the justification for using such an exception.

1. **Sole Source Procurement:** The Commission may procure materials or services that are available from only one source. In order for the Commission to justify a sole source procurement, one or more of the following factors must be present:
 - a. The vendor capabilities and experiences are so unique (including the vendor's possession of patents or trademarked materials) that no other vendor may comparably meet the Commission's needs;
 - b. Only one product is available to reasonably meet the Commission's needs; and
 - c. Only one vendor has the ability to provide goods or services to the Commission within the Commission's required time frame.

2. **Emergency:** Emergency purchases may be made by the Executive Director or designee when the materials or services so purchased are necessary to continue Commission operations or services. Such emergency purchases shall be submitted to the Commission for ratification at its next regular [Commission](#) meeting. The Commission expects the use of such emergency purchases to be seldom used.
3. **State or County Vendors:** The Commission may use a vendor under a leveraged purchase agreement without a competitive selection process if the leveraged purchase agreement itself was procured via a competitive selection and the vendor accepts the same terms as those contained in the leveraged purchase agreement.
4. **External Grant Opportunity:** From time to time, the Commission may apply for competitive or non-competitive grant opportunities and submit such applications within a short window of time. On such occasions, the Commission may, at its discretion, partner with contractors selected without a competitive process. While the Commission will make every effort to adhere to the requirements under this policy, there may be circumstances where Commission staff may, at its discretion, hold grant submission development conversations and/or select a subcontractor or designee in order to submit a strong application in a timely manner. This provision shall only apply to contractors providing services. It shall not apply to public works contracts.

~~Commission's Standard Policies Manual~~

~~All contractors and vendors contracting with the Commission must agree to comply with the policies in the Commission's standard policies manual, including, but not limited to, the following:~~

~~**Breastfeeding Friendly (BFF) Policy:** The Commission embraces the importance of supporting and encouraging mothers to breastfeed their babies for as long as possible and has adopted a Breastfeeding Friendly Policy to be in place in any agreement between the Commission and programs and services funded by the Commission.~~

~~Prior to the disbursement of any funds, all Service Providers and vendors contracting with the Commission must agree to comply with the Commission's BFF Policy, which requires the display of the Commission's BFF logo in a highly visible location such as the lobby/reception area, front window or entrance of the agency's office or service location. By displaying the BFF logo, agencies promote awareness and support of California Civil Code – Section 43.3 – a mother's right to breastfeed in public.~~

~~**Faith-based Funding Policy:** The Commission embraces the value of an active partnership between families, Service Providers, civic leaders, the faith-based community, local business and the community at large, and honors and respects the diversity of our community.~~

~~The Commission acknowledges the right of all individuals to participate in Commission funded programs without coercion or unsolicited exposure to faith. Therefore, the Commission will not fund/support religious activities and/or activities that appear to promote a particular religious belief over others by way of its funding practices.~~

~~Service Providers and program recipients are expected to comply with all the legal requirements and restrictions imposed upon government funded activities as articulated in the California Constitution and the Religion Clauses of the First Amendment to the United States Constitution.~~

~~— **Supplanting Policy:** No Commission funds shall be used to supplant (take the place of or replace) state or local General Fund money for any purpose. This prohibition does not apply to federally or privately funded programs.~~

~~— **Tobacco-Free Policy:** The Commission recognizes the importance of protecting the health and safety of children, families, employees, visitors and others, and has adopted a Tobacco-Free Policy requiring a tobacco-free provision be present in any agreement between the Commission and programs funded by the Commission.~~

~~All programs requesting funding from the Commission must provide a written copy of an established tobacco-free policy prior to the disbursement of granted funds. The established tobacco-free policy must apply to all employees, contractors, service employees, visitors and others.~~

P. Strategic Plan

All contractors must provide services in a manner consistent with the objectives in the Commission's current Strategic Plan. In order to carry out these objectives, the Commission may, from time to time and in its sole discretion, request that a contractor work with other Commission-affiliated service providers in order to integrate the services into other programs funded directly or indirectly by the Commission. All contractors must make reasonable efforts to comply with the Commission's request.

Q. Funded Partner Manual: ~~Programmatic Services~~

With respect to ~~programmatic~~ RFPs/RFOs ~~or~~ RFAs, contractors must comply with all policies and procedures set forth in the Commission's Funded Partner Manual: ~~Programmatic Services~~. The Commission may review and amend the Funded Partner Manual: ~~Programmatic Services~~ as the Commission considers necessary in its sole discretion. The Manual can be found on the Commission's website at <https://www.first5fresno.org/commission-documents/>.

~~S. Funded Partner Manual: Supportive Services~~

~~With respect to administrative RFPs or RFQs, contractors must comply with all policies and procedures set forth in the Commission's Funded Partner Manual: Supportive Services. The Commission may review and amend the Funded Partner Manual: Supportive Services as the Commission considers necessary in its sole discretion.~~

~~TR. Commission Business Continuation~~

In the event of an emergency and the Commission is unable to convene to take action (i.e. natural disaster or a pandemic deemed by the applicable local, state or federal governmental entities), the Commission Chair and/or Vice Chair, in concert with the Executive Director, or designee, may approve contracts for the sole purposes of ensuring that agency business and services may continue during such times of emergency. Any such actions shall be brought to the Commission at the first next regular Commission meeting after such an event. Any agreement executed under these circumstances is Section T shall contain a provision stating that, in the event the Commission fails to affirm the terms in the contract, the contract may be terminated by the Commission without penalty.



ACCOUNTING POLICIES AND PROCEDURES MANUAL

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1. GENERAL

A. Introduction

The purpose of the Accounting Policies and Procedures Manual is to provide documented procedures related to fiscal policies, accounting principles, internal controls, operating procedures and reporting requirements for the Children & Families Commission of Fresno County (the Commission) also known as First 5 Fresno County (F5FC).

Use of this manual will assist Commission staff by:

- Describing methods for processing accounting information
- Documenting the accounting process so that execution of procedures is not completely dependent upon one individual
- Providing a training device and reference material for staff
- Providing a source of information to help eliminate uncertainties and confusion
- Ensuring consistent application of accounting policies and procedures
- Describing the principles, procedures and forms to be used to process and generate financial reports prepared in accordance with generally accepted accounting principles and governmental accounting standards

B. Authority

The California Children and Families First Act of 1998 (Proposition 10) created the California Children and Families Commission (State Commission). Through the creation of the State Commission, 58 County Commissions were established.

Fresno County Ordinance Number 99-009 established the Fresno County Children and Families Commission pursuant to the provisions of the Health and Safety Code, Section 130140. Section 2.38.020, item G, of the Fresno County Ordinance states, "The Commission shall comply with Government Finance Officers Association (GFOA) financial management guidelines and Governmental Accounting Standards Board (GASB) accounting requirement standards."

The Commission is responsible for updating the manual as needed, at minimum on an annual basis, and ensuring that revised policies are appropriately considered at a public meeting by the Commission.

C. Role of Fresno County Auditor-Controller/Treasurer-Tax Collector

The Fresno County Auditor-Controller/Treasurer-Tax Collector (FCACTT) provides maintenance of the Commission Trust Fund held by the County for the Commission, referred to as a trust account. The FCACTT role to the Commission is that of a trustee nature. The Commission retains final authority over the Commission Trust Funds and access to these funds, upon proper authorization, shall be performed by the FCACTT in a timely and efficient manner.

D. Lighthouse for Children, Inc

Lighthouse for Children, Inc. (LFC) is a California 501(c)(3) non-profit public benefit corporation created by the Commission, in 2012, as a Qualified Active Low Income Community Business (QALICB) to take advantage of a New Markets Tax Credit financing structure used to build a

facility within a low-income community in Fresno County as the Commission was not eligible to be the QALICB. LFC is considered a component unit of the Commission for financial reporting purposes and, as such, is included in the Commission's annual financial report.

As a component unit of the Commission, LFC has a financial and operational relationship with the Commission which meets the reporting entity definition criteria of GASB Statement No. 14, The Financial Reporting Entity, as amended by GASB Statements No. 39 and No. 61, and thus is included in the financial statements of the Commission. Although a legally separate entity, LFC is reported in F5FCs financial statements using the blended presentation method because it provides services exclusively or almost exclusively to the Commission and a financial benefit relationship exists between the Commission and the component unit.

Lighthouse for Children, Inc. must follow the policies and procedures as outlined in this Manual unless otherwise noted in the sections below.

~~E. Manual Revisions~~

~~The Commission is responsible for updating the manual as needed, at minimum on an annual basis, and ensuring that revised policies are appropriately considered at a public meeting by the Commission.~~

~~Glossary of Terms~~

~~— A glossary of terms can be found in Appendix A of this document.~~

2. ACCOUNTING POLICIES

Accounting policies provide high-level guidance and focus attention on critical executive responsibilities associated with accounting. The ~~following accounting~~ policies assist the Commission in making decisions necessary for the daily operations of the agency:

- Accounting is conducted in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB), and in accordance with the guidance in Governmental Accounting, Auditing, and Financial Reporting (GAAFR) published by the Government Finance Office Association (GFOA)
- Accounting transactions are recorded in a manner to facilitate **outcome-based accountability**
- Accounting procedures and records ensure expenditures are made only for the purposes authorized by the California Children and Families Act of 1998 (as amended), and in accordance with the Commission's approved Strategic Plan in effect for the fiscal year
- Accounting procedures are adopted and followed to safeguard financial resources

A. General Accounting Procedures

The following general accounting procedures are the major elements that define and drive the accounting system:

1. Generally Accepted Accounting Principles
2. Fund Accounting
3. Modified Accrual Basis of Accounting
4. Account Classification
7. Program Accounting
8. Cost Allocation
9. Budgetary Accounting
10. Internal Control

1. Generally Accepted Accounting Principles (GAAP)

In order to maintain public trust, the Commission's operations, reporting, accounting policies, practices, and systems conform to Generally Accepted Accounting Principles (GAAP).

2. Fund Accounting

Government accounting systems are organized and operated on a fund basis to provide strong accountability for the use of public funds.

Fund accounting focuses on the inflow and use of current financial resources, whereas private sector accounting focuses on profit and net worth. Fund accounting includes three broad classifications of funds. Governmental funds typically are used to account for tax-supported activities. Proprietary funds are used to account for a government's business type activities like a water department or an airport. Fiduciary funds are used to account for resources that are held by the government as a trustee or agent for parties outside the government. Fiduciary funds cannot be used to support the government's own programs.

One type of governmental fund is the general fund. The general fund is the chief operating fund of most governments and is used by the Commission. Another type of governmental fund is a special revenue fund. A special revenue fund accounts for the proceeds of a specific revenue source that is restricted by law or administrative action to be expended only on a specified purpose(s). Special revenue fund accounting is commonly used when revenue sources are exclusively designated for a specific purpose.

3. Accounting Methods

A. Modified Accrual Basis of Accounting

There are three bases of accounting: cash accounting, accrual accounting, and modified accrual accounting. Commissions are recommended, by the First 5 Association Fiscal Management Guide, to use the modified accrual method of accounting because it more effectively recognizes increases and decreases in financial resources.

The modified accrual basis of accounting is a method of accounting in which expenditures are recorded at the time liabilities are incurred and revenues are recorded when received in cash or are considered available for use.

B. Accrual Basis of Accounting

LFC utilizes the accrual basis of accounting. The accrual basis of accounting is a method of accounting in which expenditures and revenues are recorded at the time they are incurred, not necessarily when they involve cash.

4. Account Classification (Chart of Accounts)

The Commission engages in a wide range of financial activities. An account classification system called a chart of accounts is used to record and organize this financial activity. The chart of accounts provides the organizing framework for budgeting and substantially enhances reporting capabilities.

The Chart of Accounts includes all accounts in the general ledger - assets, liabilities, fund balance, revenues, and expenditures. Asset, liability, and fund balance accounts reflect the financial resources of the Commission and are referred to as balance sheet accounts.

5. Program Accounting

Account classification creates a structure to account for assets, liabilities, fund balance, revenues, and expenditures. In addition, the Commission often needs information on programs. **A program is a set of specific activities taken on by the Commission to accomplish a particular purpose and funding source.** A program may have more than one revenue source and may require expenses from multiple accounts.

Because of the Commission's legal mandate for **outcome-based accountability** and the program evaluation requirements associated with the grant funds, the Commission has employed program accounting. In order to capture all costs to their appropriate funding, outcomes, and results areas, the Commission has developed program accounting in their internal accounting system. Program costs are captured based on funding mechanism and focus areas. The Commission has also employed a data reporting system that provides result area-based expenses.

6. Cost (Expense) Allocation

Most accounting for the Commission's activities is accomplished directly by processing transactions. Transactions are coded and charged to designated fund accounts and programs. However, certain situations require special allocation steps to accurately account and report the cost of Commission activities.

To provide clarity, the Commission has defined administrative costs within this Policy. Therefore, cost items that comport to the Commission's definition of administrative costs are charged directly to an administrative area in the accounting system. Cost allocation is used when costs need to be estimated and apportioned among different programs or organizational units. Examples of costs that may need to be allocated include office rent, telephone, and personnel costs.

Once it is determined that costs need to be allocated or apportioned, an allocation formula is created to obtain a reasonable estimate. At least once every two years the Commission conducts a time study of all staff positions in order to properly compute expenses. The time study shows the percentage of each staff position's time that is spent on each Commission program and on internal administrative activities.

7. Budgetary Accounting

The Commission's budget is consistent with GAAP and governmental accounting standards. The budget is a commitment for the allocation of available resources for the upcoming budget period. The budget is shaped by the goals and objectives contained in the Commission's Strategic Plan and the financial direction set in the long-term financial plan.

An annual budget authorizes and provides the following:

- a. Basis for control of the financial operations of the Commission
- b. Estimates revenues made on a modified accrual basis, as anticipated to be earned for that budget year

- c. Estimates carryover fund balance made on a modified accrual basis, as anticipated to be on hand at the close of the fiscal year
- d. Estimates appropriation requirements made on a modified accrual basis
- e. These aforementioned estimates reflect expenditures and encumbrances for all obligations to be incurred during the budget year

The Commission will adopt the proposed budget at least one month prior to the beginning of the next budget period. In the adopted budget, the operating expenditures must not exceed the operating resources (forecasted revenues and reserves). That is, the total of all appropriations for the budget year may not exceed the total of estimated revenues for the budget year, plus the estimated unencumbered carryover fund balance from the current year.

8. Internal Control

Commission staff administers and monitors the adopted budget during the year to establish budgetary control. Specific steps are taken to establish that control.

Initially, the budget is aligned with the modified accrual accounting system. The budget includes estimated allocations to the various program components that support the Commission's goals for early childhood development. The program accounting structure is aligned with the programs in the budget. Revenue and expenditure line items in the budget are aligned with the chart of accounts to effectively compare "actual" revenues and expenditures with "budgeted" revenues and expenditures.

Secondly, a component of budgetary accounting is encumbrance accounting. An encumbrance system is needed to control the expenditure side of the budget. Encumbrances represent the estimated amount of future expenditures that will result when unperformed work is completed within a contract term. Essentially the encumbrance reserves a portion of a budget. When the work outlined in a contract is performed, expenditures will be recorded in the accounting system (and the encumbrance will be reversed). Until the expenditure is recorded, encumbrances are used so the Commission does not over commit funds.

Thirdly, staff uses the budget document as a guide for expenditures throughout the budget period so that actual expenditures do not exceed the total adopted budget. Regular reporting is used to identify budgeted and actual amounts and fund balance, ensure resources are used for the appropriate purposes, and ensure resources are not expended too quickly.

Lastly, during the year amendments are made to the original budget as circumstances change. The Commission must approve any appropriation transfers when it is necessary to move appropriations between expenditure objects. Objects are defined as Salaries and Benefits, Services and Supplies, and Program Contracts. The Executive Director or designee of the Commission may approve appropriation transfers between line item accounts within an expenditure object. The Commission may increase appropriations during the fiscal year on a 2/3-majority vote by Commissioners present at a regularly scheduled meeting of the Commission. The appropriation amounts must be matched by realized revenue or carryover, or additional anticipated revenue, in excess of amounts anticipated in the budget. Mid-year budget increases are made by resolution of the Commission. Records of the original budget and all amendments are maintained. At year-end both the "original" budget and "final amended" budget amounts are reported in the annual audit.

3. ACCOUNTING PROCEDURES AND PROCESSES

The accounting system consists of records and procedures which recognize, record, classify, summarize, and report information on the Commission's financial position and results of operations. The major elements used in presenting financial information in governmental accounting are assets, liabilities, fund balance and/or equity, revenues, and expenditures.

The accounting procedures and processes below describe the methods used in accounting for the Commission's financial transactions. The goal of the accounting process is to produce financial reports that accurately summarize the financial position of the organization at a certain point in time and its revenues and expenditures for the fiscal period.

A. Revenue

A. Proposition 10 Revenue

Revenue received for the operation of the Commission is initiated and submitted from the California State Children and Families Commission on a monthly basis, based on Proposition 10 funds collected by the State of California. The revenue allocated and transferred to the Commission is based on the percentage of Fresno County live births to California State live births. The funds are remitted directly to the Fresno County Treasury where they are placed in the Children and Families Trust Fund.

The State releases a Disbursement to Counties by Month Report which reflects funds collected and distributed to counties for the month. The revenue remitted by the State is reviewed and documented by Commission staff each month to determine the reasonableness of the revenue.

B. Other Revenue

The Commission may receive other revenue not otherwise related to its Proposition 10 funding allocation from such sources as the State Commission, other state departments, the federal government, and private foundations. These funds may be restricted in how they are used and require special accounting information to track and report periodically. The ~~use~~-acceptance of these revenues must have Commission approval and a formal grant or funding agreement including a budget or plan establishing restrictions and parameters of the funding agreement in place, which shall include a budget or plan establishing restrictions and parameters on the use of the funds.

B. Cash

The Commission is responsible for several cash accounts. These accounts include the following:

1. Commission Trust Account

The Commission Trust Account (trust account), occasionally referred to as the Children and Families Trust Fund, is maintained by the County Auditor-Controller/Treasurer-Tax Collector for the Commission. Monies are transferred to the cash accounts described below for the operations of the Commission.

Since the County has established that funds in the trust account are not operational funds, there is a need to have some excess funds in the Commission's cash accounts. The County only allows two non-operational transfers per 30-day period, and the transfers must be 10

days apart between withdrawals. Commission management and the Commission's Secretary/Treasurer will establish the amount of funds to be held by a bank.

Fresno County will be notified of the need to transfer funds by Commission management based upon projecting future cash flow requirements. The transfer request must be in writing, on the Commission's letterhead, to the Fresno County Treasurer's Office for the transfer to take place. The authorized signer for transfers is the Commission's Executive Director. Transfer amounts for non-operational funds cannot exceed the amount allowed by Fresno County.

Transfers may be made by check or wire transfer only to the Commission's program checking account.

Each month, the County submits a Monthly General Ledger Trial Balance Report and a Monthly Transaction Register to the Commission, which documents the activity for the month and the cash balance in the trust account.

The Commission will transfer sufficient monies to the operating account as needed for agency operations. There is no limit on the number or amounts of operations transfers within a 30-day period.

2. Operating Checking Account

The operating checking account is maintained to process transactions for the general operations of the Commission. The account requires two authorized individuals' [signatures](#), designated by the Commission, on payments/checks over \$500.00.

Account signers are the Executive Director and a designee. Wire transfers must be authorized, in writing, by the Executive Director or designee.

The Executive Director has been delegated the authority to authorize payments for all recurring budgeted costs [no dollar limit] and up to \$3,000.00 for non-recurring operating costs.

Splitting payments to avoid the approval limit is contrary to Commission policy and is not allowed. Payments authorized by anyone other than the primary designee will be presented to the primary designee for review and the primary designee will initial their subsequent review and approval of the expenditure. The primary designees are designated as the Executive Director and the management staff (or designee).

3. Program Checking Account

The program checking account will segregate the funds necessary for financing current activity of programs/grants. The account requires two approvals on the account and will be as follows:

Authorized individuals shall be the Executive Director and a designee. Wire transfers must be authorized, in writing, by the Executive Director or designee [and two signatures are required for checks over \\$500.00.](#)

Splitting payments to avoid the approval limit is contrary to Commission policy and is not allowed. Payments authorized by anyone other than the primary designee will be presented to the primary designee for review and the primary designee will initial their subsequent review and approval of the expenditure. The primary designees are designated as the Executive Director and the management staff (or designee).

Program funds are requested from the trust account on an as-needed basis as outlined in section B-1 of this Policy. A staff designee verifies, within the accounts receivable procedures, funds have been deposited to the appropriate bank account.

4. Petty Cash Fund

The Commission maintains a petty cash fund for minor business expenses that is replenished as needed in an amount not to exceed \$200.00. A custodian is assigned the responsibility of maintaining this fund. Reconciliation by a designee, independent of the custodian function, is performed twice a year, at minimum. The petty cash fund is not used for change funds. The process for petty cash is as follows:

1. Petty cash funds are secured in a locked petty cash box with the custodian.
2. Petty cash for a minor business expense is requested from the custodian.
3. The custodian completes a petty cash voucher with the date, amount disbursed, details of expense, account to debit the expense and name of the person to whom the petty cash was paid.
4. The voucher is stapled to the receipt and stored in the locked petty cash box.
5. The expense is recorded in a spreadsheet that updates the running cash balance.
6. At the end of every quarter, the locked box is given to the designee to perform a reconciliation between the balance in the spreadsheet and cash balance in the petty cash box.
7. Journal entries are then recorded by the designee for each expense by applying a debit to the expense account and a credit to the petty cash account.
8. Receipts and vouchers are scanned and attached to the journal entry batch and filed in the bank reconciliation/journal entry file.

5. Accounts Receivable

An accounts receivable process is maintained to identify, and bill all amounts due on a timely basis. The process will identify overdue receivables and provide timely collection notices.

The accounts receivable process is as follows:

1. Services and/or goods will be billed by a staff designee.
2. The invoice generated will be recorded - a debit to accounts receivable in the amount of the invoice and a credit to the revenue - in the accounts receivable module of the Commission's accounting software.
3. After the bill is issued, the timing of the outstanding bill will be tracked so that the receivable can be aged.
4. Follow-up correspondence will be sent to the vendor/ Funded Partner if payment is not received by the due date listed on the invoice.
5. When the vendor/ Funded Partner remits payment on the invoice, the payment will be recorded in the accounting system by a staff designee and submitted to the Business Director or a separate designee for deposit.

6. Once the deposit is made, the staff designee receives the bank deposit slip and records it in the accounts receivable module, by debiting cash and crediting accounts receivable.
7. The Business Director checks that the deposit is accurately recorded, and posts the receivable to the General Ledger.

6. Investments

The Commission has developed an Investment Policy that is updated annually, as needed, by Commission staff and appropriately considered at a public meeting by the Commission.

C. **Bank Reconciliation**

Bank reconciliation is performed on a monthly basis for all cash and investment accounts. The following describes the procedures related to the bank reconciliation process:

- a. The bank statement is received via email directly to the ~~Deputy Director or~~ Early Childhood Initiatives Director, who is separate from the payment process, who reviews and forwards to the Business Director or designee.
- b. Staff prepare ~~the~~ monthly journal entries based on the bank statement. All journal entries must be accompanied with proper supporting documentation and filed appropriately. The Business Director or Business Manager then prepares the bank reconciliation and upon completion forwards to the Executive Director.
- c. The Executive Director initials the bank reconciliation verifying the review and returns the bank reconciliation to the Business Director.

D. **Payment Approval Authorizations**

The Executive Director is authorized to approve payments of \$10,000.00 or less as outlined in the Commission's ~~Administrative and Programmatic~~ Procurement Policies and Procedures Manual. Payments for non-recurring amounts over \$10,000.00 require Commission approval.

As stated above, manual checks valued at more than \$500.00 require two signatures. Authorized designees are detailed by account.

The Executive Director and, Deputy Director, the Early Childhood Initiatives Director, whom do not have access to the Commission's bank accounts, and the Commission's Vice-Chair and/or the Commission's Secretary/Treasurer are the payment authorizers. In the absence of the Executive Director, the Commission's Vice-Chair acts as a payment authorizer. The Commission requires payment authorizers to be updated upon the end of a Commissioner's term and updated to reflect incoming Commission members.

The Executive Director or designee may not approve authorizations payable to their supervisor; Commission Chair approval is required.

E. **Fidelity Bond Insurance**

The Commission is required to maintain fidelity bond insurance. The Commission has authorized the fidelity bond to cover all sums of the Commission's Trust Fund that are removed from the County Treasury. Currently the insurance amount maintained by the Commission is \$5,000,000.

F. Policy of Cash Funds

Funds may be invested by management in investments allowed by State Law and approved by the Commission. Funds held by the banks must be collateralized with acceptable securities with a value of 110% or more for funds in excess of FDIC (Federal Deposit Insurance Corporation) limits. Please refer to the Commissions' Investment Policy for further details.

G. Capital Assets

Capital assets include such items as land, structures and improvements, and furniture and equipment owned by the Commission. Under the modified accrual basis of accounting, the Commission charges capital asset purchases as expenditures. The following are safeguards to control capital assets:

- All individual capital assets, having a value of ~~\$5,000.00 or more~~ ~~than a specified dollar amount~~ and a useful life of one year or more, are monitored through inventory controls
- Commission approval of all capital asset purchases, regardless of dollar amount, is required
- Pertinent data on capital assets (including description, cost, source of funds, and data acquired) is recorded as soon as capital assets are acquired, and data is available
- All items are tagged with a pre-numbered identification sticker
- Performance of annual physical inventories ~~are made~~
- Maintenance of a listing of expendable equipment (assets that do not meet the specified dollar amount to be classified as a capital asset, but require control) that could easily be misappropriated, as well as periodic inventory of this equipment
- Recording of donated capital assets at fair market value as of date of donation
- Insurance requirements for fixed assets are reviewed on an annual basis to ensure coverage is adequate

The Commission has developed a Capital and Depreciation Policy that provides further detail. The policy is regularly reviewed for updates by Commission staff.

H. Purchasing/Receiving

The Fresno County Ordinance 99-009, Section 2.38.020; Item (I) states: "The Commission shall develop purchasing and contracting policies and procedures consistent with applicable federal and state laws and regulations."

The Commission has developed the ~~Administrative and Programmatic~~ Procurement Policy and Procedures Manual ~~that which is are~~ updated annually by Commission staff and considered at a public meeting by the Commission. The competitive bidding process is used in acquiring goods and services based on certain dollar thresholds.

I. Public Relations Purchases

Expenditures submitted to the Commission for public/community relations expenses must be made in accordance with the funding source requirements, consistent with good business practice, and

adhere to the Commission's ~~Administrative and Programmatic~~ Procurement Policies and Procedures, Conflict of Interest Policy, and this Policy as appropriate.

Where funds are received for research, grants, or special projects, additional documentation must be maintained as required by the entity providing the funds. In the administration of restricted funds, the Commission must maintain adequate documentation to be able to demonstrate that the expenditures are made in a manner consistent with the restrictive conditions.

In accordance with this section, allowable Commission expenditures may include, but are not limited to:

1. Membership and participation in the activities of community groups, including but not limited to service clubs and community-wide organizations of leading citizens in early learning, child development, education, business and/or government which serve the needs of young children and their families and promote the engagement of the Commission within the community.
2. Commission programs/activities that promote and support optimal early childhood development, strengthening of the Commission's public relations; and/or donor cultivation and stewardship. Such activities may include, but are not limited to community receptions, cost of meetings, speaker fees, public ceremonies, Commission and committee meetings.
3. Hospitality expenses including the provision for meals, catered events, promotional materials, and other related expenses that are necessary to conduct official Commission business with external partners. Eligible costs associated with travel for guests of the Commission will adhere to the Commission's Travel Policies and Procedures Manual.
4. Promotional materials distributed to promote the name and brand of the Commission.
5. Flower/Plant purchases, with non-restricted funds, for official Commission functions such as community receptions, ceremonies, seminars, and other Commission events.

No reimbursement shall be allowed for the following expenses:

- Employee birthday, baby shower, wedding, wedding anniversary, etc.
- Clothing rental
- Political contributions
- Tobacco and alcohol purchases
- Daily reimbursement of lunches
- Amounts that are unreasonable given the circumstances in which the expenses were incurred and/or the benefit they provided to the Commission
- Membership or participation in organizations that discriminate based on race, color, religion, national origin, ancestry, age, gender, sexual orientation, marital status, veteran status, or disability

For the allowable expenditures described above, a Payment Authorization Form indicating the public relations purchase must be approved by the Executive Director or designee. The Executive Director or designee approving the authorization is responsible to ascertain the necessity and reasonableness of the authorization and that adequate documentation is attached to support the authorization.

The following justification information is required to be documented upon request for payment authorization of public relations purchases:

- **Purpose** - Be specific regarding the purpose for the expenditure. Generic statements such as "promotes positive relations", "community relations" or "employee relations" are not acceptable.

- **Relationship** - Names of the persons including their employer and occupation or title demonstrating the business relationship to the Commission.
- **Receipts** - Original receipts are required that include the amount, date, place and description of the expenditure. In cases where receipts cannot be obtained or have been lost, a statement to that effect shall be made and attached to the authorization.
- **Highest Position Responsible for Payment** - The highest-ranking Commission staff in attendance at a business-related activity is deemed to be responsible for making the payment to the vendor and he/she will subsequently seek approval to be reimbursed if needed with approval from their immediate supervisor.

J. **Electronic Funds Transfer (EFT) – Automated Clearing House (ACH) Payments**

Electronic Funds Transfer (EFT) is a system of transferring money from one bank account directly to another without paper money changing hands.

Automated Clearing House (ACH) payment is the method of electronic remittance to individuals or entities that are made electronically within the banking system. ACH payments have many benefits. They eliminate the need to print and mail checks, ensure payees receive payments by a specific date, provide an efficient, cost effective, and payee-friendly means of making payments, are environmentally friendly due to the reduced use of paper, postage, office supplies, processing time, and storage space, and provide payees with an option to receive payment quickly.

The Commission utilizes EFT – ACH payments in lieu of issuing checks and mailing remittance. A check will be issued if no method of EFT exists, upon Executive Director’s approval.

The Commission will make every effort to make all vendor payments through ACH. Vendors must submit an EFT Authorization Form to the Commission. The form is located on the Commission’s website. It is the responsibility of the vendor to ensure the ACH information submitted to the Commission is accurate and complete. Failure to maintain accurate and complete information may result in delayed payments.

K. **Credit Cards**

At times, the use of payment via credit card may be deemed necessary for recurring payments when ACH payment is not available. Credit cards are not intended for purchases that can otherwise be paid by issuing an EFT/ACH or check payment. Instead, they are intended to be used for vendors that do not accept these forms of payments, small purchases, travel, and emergency purchases.

A credit card will only be provided to the Commission’s Executive Director, ~~Deputy Director~~, and Business Director to provide a level of purchasing flexibility to conduct Commission business. Executive, ~~Deputy~~, and Business Directors utilizing agency credit cards will be solely responsible for the safeguarding of the credit card and account number, as well as complying with this Manual, internal procedures, and the Commission’s ~~Administrative and Programmatic~~ Procurement Policies and Procedures Manual regarding purchasing, maintaining documentation, providing receipts, and reconciling the bill on a monthly basis. The Executive, ~~Deputy~~, and Business Directors will work with staff to assure procedures are properly followed. Once the monthly credit card statement is reconciled, the statement and all purchases must be reviewed and approved for payment by the designee.

Use of the business card for personal reasons is not permissible at any time, even with intention of ~~her~~ seeking reimbursement.

If the Executive, ~~Deputy~~, or Business Directors terminates employment with the Commission, the credit card must be surrendered to the Commission immediately for cancellation.

L. Accounts Payable/Cash Disbursements

Invoices received for goods and services are approved by the Executive Director or designee and forwarded for payment processing. The following table outlines the procedures for processing accounts payable and the associated four methods of cash disbursement:

1. The invoice is received and F5FC staff reviews the invoices and approves that the goods have been received or/and services have been performed. ~~The invoice is signed, dated, and the appropriate expense line is documented.~~ Then the invoice is forwarded for processing.
2. The Business Specialist/Manager reviews the invoice for accuracy and matches the invoice to the ~~supporting check request form and any receiving~~ documentation ~~and authorization to pay information~~. The Business Specialist/Manager enters the invoice into the accounting system and prepares the ~~Cash Requirement~~ Open Invoice Report for payment and forwards the ~~invoice report~~ to the Business Manager/Director.
3. The Business Manager/Director reviews all invoices for completeness and accuracy. The reviewed invoices are submitted to the Executive Director and/or designee with all invoices and supporting documentation for approval.
4. The Executive Director or designee reviews the ~~Cash Requirement~~ Open Invoice Report and approves payments in the Commission’s accounting system. ~~The Executive Director or A secondary approval is completed by the Early Childhood Initiatives Director or designee. designee prepares an Approval Invoice Report for signatures.~~ The Executive Director ~~and designee~~ may initial invoices for emails the Business Manager/Director documenting approval of invoices in the accounting system. additional approval tracking.
5. ~~The Approved Invoice Report is then forwarded to the Business Manager or Director to release all payments and saved confirmation reports. Upon receiving approval from the Executive Director and designee, the Business Manager/Director releases all payments and saves payment receipts/confirmation reports.~~

	EFT/ACH and Wire Transfers	Online (Bank Draft)	Credit Card	Check
6.	The Business Director/ Manager creates and exports ACH files from the accounting database system in the proper ACH format. The ACH file is imported and transmitted directly to the bank.	The Business Director/ Manager processes payment online.	The Business Director/ Manager processes payment over the phone or online.	The Business Director/ Manager prints out checks and forwards to Executive Director and designee for signatures, <u>tracking the handling of checks via the check tracking stamp.</u>
7.	Transaction is confirmed with the bank and the ACH Batch Summary Report is saved in the ACH bidder/payments folder.	Receipt is retained.	Receipt is retained.	The Business Manager/Specialist prepares each check for mailing utilizing the check tracking stamp.

8. Payment notifications are emailed to vendors. Paid invoices are filed.	Paid invoices are filed.	Paid invoices are filed.	Paid invoices, and check stubs, <u>and check tracking documentation</u> are filed.
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M. Payroll

The Commission utilizes a contracted payroll service to process payroll. Payroll is processed every two weeks. Physical control over personnel records is limited.

Following are procedures related to the payroll function:

1. Time is entered into the payroll system and payroll is ~~processed-prepared for review~~ by the Business Director or designee.
2. The Executive Director or designee reviews, approves, and signs the draft payroll check journal.
3. The Business Director or designee processes and submits payroll.
4. Paid time off (PTO) accrual is then reconciled for accuracy by the Business Specialist/Manager. Pay stubs are delivered by the payroll service or electronically and payroll direct deposit is issued every other Friday. If check stubs are delivered physically, A staff member, who is independent of the preparation and authorization of the payroll submission, distributes payroll remittances ~~if necessary~~.
5. Payroll reports prepared by the payroll service are reviewed by the Business Manager, not responsible ~~to-for~~ entering/submitting payroll, for any unusual items. If any unusual items occur, they should be remedied with the staff submitter or otherwise reported to the Executive Director.
6. The Business Manager prepares and posts journal entries for all payroll liabilities and expenses to be reflected in the accounting system.

Payroll increases follow the established Compensation Policy and are then documented in memo format and submitted to the Executive Director for approval. Changes to the Executive Director's payroll is authorized by the Commission. The staff member who maintains personnel files will place the original payroll increase memos s in ~~the~~ personnel files.

N. Salaries and Benefits Policy

The Commission has developed, and appropriately considered at a public meeting, a Compensation Policy, as amended, to state procedures and policies for establishing salaries. Details regarding employee benefits are outlined in the Commission's Employee Handbook.

O. Compensated Absences

Compensated absences are absences for which employees will be paid, such as paid time off (PTO). A liability for compensated absences for services already rendered and that are not contingent on a specific event shall be accrued as employees earn the rights to the benefits. The compensated absence liability shall be calculated based on the pay or salary rates in effect at the balance sheet date. Staff can reference additional details found within the financial statements included in the annual audit report.

P. Accounting for Leases

Leases entered into by the Commission are accounted for pursuant to GASB standards. A lease is defined as a contract that conveys the control of the right to use another entity's nonfinancial asset (the underlying asset) as specific in the contract for a period of time in an exchange or exchange-like transaction. Commission staff shall refer to [GASB standards and guidance](#) when accounting for leases.

Q. Travel/Expense Reimbursements

Commissioners and staff are authorized to receive reimbursement for travel and business expenses incurred while attending official functions, as long as the expenses are reasonable, prudent, and appropriate for the business of the Commission. Travel expense reimbursements by Commission staff and Commission members shall be properly authorized. Authorization for travel is approved by the Executive Director or designee for all employees. The Commission approves travel for Commissioners through the budget process. When possible, the Executive Director shall notify the Commission prior to incurring out of County travel-related expenses. In the event such notice is not possible, the ~~Deputy Director or~~ designee shall sign off on the travel and then report to the Commission at the next regularly scheduled meeting. Further travel-related expense procedures can be found in the Commission's Travel Policy and Procedures Manual that is maintained and updated as needed by Commission staff.

R. Debt

The General Long-Term Debt Account Group is used to record liabilities of governmental funds. These liabilities may be long-term debt such as bonds and notes or long-term liabilities such as leases, claims and judgments, personal and major medical leave, and pension costs.

General fixed assets acquired via lease agreements shall be capitalized in the General Fixed Asset Account Group as discussed above. Additionally, a liability in the same amount shall be recorded simultaneously in the General Long-Term Debt Account Group.

S. Journal Entries

Journal entries may be performed in order to bring an account to the correct balance and to record monthly activity. An adjusting journal entry is prepared for these types of changes. Monthly journal entries are prepared to record the monthly activity.

Staff prepares adjusting and monthly journal entries within the accounting system on an as needed basis. Journal entries ~~are~~ [supporting documentation is](#) filed/saved upon entry into the accounting system.

4. CONTRACT ADMINISTRATION

The purpose of this section is to set forth recommended contracting and contract administration guidelines for the Commission. The guidelines are based on best practices in public procurement. Best practice in governmental contracting requires a selection process that is based on the open and fair identification and selection of vendors qualified to render a particular service, taking into consideration both technical qualifications and price.

A. Procedures

1. Provider Selection

The Commission has developed the ~~Administrative and Programmatic~~ Procurement Policies and Procedures Manual based on best practices in public procurement which clearly identifies and describes the different methods of the administrative and programmatic procurement and contracting process. The Manual is reviewed and updated annually, if needed, by the Executive Director and/or the Commission. Details can be found within the Manual.

B. **Contractor Payments**

1. Advance Payments

Any provider seeking the release of funds prior to the commencement of work under the contract may make such a request in writing, on company letterhead, specifying the reason(s) advance funds are needed.

Advance funds are contingent upon the Commission's availability of cash flow. Approval is ~~based on the nature of each project and~~ contingent upon the Funded Partner's performance in meeting contractual requirements and is based on the nature of each project.

A single cash advance usually consists of 25% of the annual contract amount and may not exceed 50 percent of the agreed upon annual contract amount. Once 50% of the annual contract amount has been advanced, Aadditional funds will not be released until 75 percent of the ~~previously~~ released funds have been expended and reported. The final quarter advance of the fiscal year will only be two-thirds of the quarterly advance amount. The last month of each fiscal year is on a reimbursement basis ~~only~~. Based on the service or agreement type, Commission staff has the authority to set the frequency and amount of the advance.

If, at the end of the contract period (i.e. fiscal year), the Funded Partner has not utilized any portion of the funds advanced, the Funded Partner shall return that amount to the Commission. If the amount is not returned, the Commission will withhold funds from the subsequent year's contract (if applicable). The Commission will make every attempt to negotiate a solution before pursuing litigation. Other details on advances are outlined in the Commission's Funded Partner Manual.

2. Progress Payments

Funded Partners formally request reimbursement for services by submitting an invoice via the Commission's online programmatic database, unless advised otherwise. Funded Partners are required to upload expense details, which produces a ~~with the invoice, an expenditure~~ report comparing actual expenditures to the project budget.

Payments of invoices are contingent upon compliance with all contractual requirements, including the achievement of performance standards and the timely submission of program data and fiscal reports. The Commission staff contract managers verify satisfactory progress has been made toward project objectives, as determined by the Commission's performance monitoring and reporting system and verify that all reported expenditures are allowable under the terms of the contract.

~~The contract manager verifies that all reported expenditures are allowable under the terms of the contract and approves the release of funds.~~

Contractor reimbursement process as follows:

- a. A program progress report, as defined in the contract (which could be monthly, quarterly, or semi-annually), is required to be submitted by each Funded Partner by certain dates specified in the contract.
- b. The request for reimbursement (financial report) documents the Funded Partner's outlays for the period, by budget line item, and ~~also~~ includes any disbursement amounts received and any reimbursements due (documentation is required by each Funded Partner to support the expenditures referenced on the financial status report).
- c. The contract manager reviews the Funded Partner's request for reimbursement (financial report) to verify the accuracy of the report.
- d. The contract manager;
 1. Verifies that satisfactory progress has been made toward project objectives.
 2. Approves the request for reimbursement.
 3. Prints/saves the approved financial report and the reimbursement summary for review.
- e. The approved financial report is then forwarded through the process outlined in the Accounts Payable/Cash Disbursements section of this Manual.

C. Budget Modifications

Funded Partner budget modifications are required when any main line item (Personnel, Operating Expenses, Professional Services, Evaluation, Capital, Equipment, and Indirect) is anticipated to exceed \$5,000 (for contracts that are over \$250,000) or 10% (for contracts under \$250,000). Changes within sub-line items (Salaries, Benefits, Payroll Taxes, Operational Expenses, Travel/Training, Misc. Charges, and Program Expenses) do not require a budget revision.

Budget modification requests are considered as follows:

- Submission of a Contract Amendment Request (CAR) form prior to the submission deadline (Deadlines may be found on the Commission's website)
- Reasonable and necessary movement of funds throughout the budget excluding the increase/decrease of the Personnel category that would require additional rationale
- Submission of a revised Scope of Work, if necessary
- Requests are submitted prior to expenses incurred allowing the Commission to determine its appropriateness and minimizing any disallowed costs to the Funded Partner

Budget modifications are reviewed by the F5FC contract manager and approved by the Executive Director or designee, based on appropriate justification.

D. Authority

The Executive Director has been delegated the authority by the Commission to execute program contracts and amendments to those contracts as long as there are no material changes in the scope of work or dollar amounts does not exceed the original approved contract amount. The Executive Director has been delegated the authority by the Commission to execute operating contracts that are administrative in nature and affect the day-to-day operations of the Commission (no dollar limit).

5. FINANCIAL REPORTING

The goal of the accounting process is to produce financial reports, which accurately summarize the financial position of the organization at a particular point in time and provide information related to the revenues and expenditures for the reporting period.

A. Legal Requirements

California law requires that the State and local county Commissions adhere to specific reporting requirements (California Code Health and Safety Code Sections 130100-130155). The following are statutory requirements for financial reporting:

- Counties are to have a process to track and monitor administrative costs with periodic reports to the Commission (quarterly in many counties) (Section 130140(d)(5)) and 130151(b)(2).
- Policies are needed to assess and communicate the financial condition of the Commission (Section 130151(b)(6))
- Commissions are to track evaluation expenditures and document results of expenditures (Section 130151(b)(7))
- County Commission Reporting. On or before October 15 of each year, the State Commission and each county Commission shall conduct an audit of, and issue a written report on, the implementation and performance of their respective functions during the preceding fiscal year. At a minimum, this report shall include which funds were expended, the progress toward and the achievement of program goals and objectives, and the measurement of specific outcomes through appropriate indicators (Section 130150).
- The County Commission shall conduct at least one public hearing prior to adopting any annual audit and report (Section 130140 (G))
- Each County Commission shall make copies of its annual audits and reports available to members of the general public on request and at no cost (Section 130150 (d))
- The audits and reports of each county Commission shall be transmitted to the State Commission and the State Controller's Office by November 1 (Section 130150 (a))
- County Commission Reporting of State Commission Information. The State Commission shall make copies of each of its annual audits and reports available to members of the general public on request and at no cost. The State Commission shall furnish each county Commission with copies of those documents in a number sufficient for local distribution by the county Commission to members of the general public on request and at no cost (Section 130150 (c)).
- The County Commission shall conduct at least one public hearing on each annual report by the State Commission prepared pursuant to subdivision (b) of Section 130150 (Section 130140 (H))

B. Procedures

Annual financial statements are prepared in accordance with GAAP. Likewise, annual financial statements are independently audited in accordance with generally accepted government auditing standards (GAGAS).

To supply appropriate individuals with the right information, at the proper time and in the correct format, the Commission reports their financial information at regular Commission

meetings and on an annual basis within the audit report. Specifically, management will take steps to achieve the following goals for external and internal reports:

- *Content* – financial reports balance competing demands for completeness and conciseness
- *Timeliness* – information is received soon enough to take effective action
- *Currency* – the information communicated is current
- *Accuracy* – the information is reliable
- *Access* – the information is accessible to those who need it

1. External Reporting

External reporting refers to the annual public distribution of “general-purpose” financial statements designed to meet the basic financial information needs of a variety of potential users, including taxpayers and citizens, oversight and legislative bodies, and investors and creditors. The goal of external reporting is to provide the information needed by interested parties to gain a fair understanding of the government’s financial position and results of operations. External reports are developed in conformity with GAAP. GAAP requirements are designed to provide all primary users of general-purpose external financial reports with the reliable information needed to assess an entity’s finances.

a. *Audit - Audit Requirements*

All Commissions are required to conduct an independent audit of the basic financial statements. The audit requirements refer to an external review required by an independent audit firm to determine that the financial statements fairly present the financial position of the agency being audited in accordance with GAAP. Auditors make this determination based on a review and testing of financial data maintained by the Commission.

Particular audit requirements include: internal controls, management letter, single audit, and acceptance of annual financial audit by the Commission.

b. *Expanded Audit*

In addition to the standard financial audit, the Commission is also required to go through an expanded audit per state code section 130151 (1 through 8).

The Commission contracts with that same auditor to complete the financial and expanded audits, and both are presented and submitted as one package. The Commission views the expanded and financial audit as one audit with two components: 1) the financial audit, which is monitored by First 5 California, and 2) the compliance audit, which is monitored by the State Controller’s Office (SCO).

The expanded audit covers the following items:

- *Contracting and procurement policies:* a policy consistent with state law and adopted in a public meeting and a legal representation letter shall be in place. A new legal representation letter is required annually even if the policy did not change.
- *Administrative costs:* administration costs shall be defined and a cap shall be established at a public meeting. Costs shall be monitored.

- County ordinance creating county Commission: policies and procedures ensure compliance with the county ordinance. The auditor reviews the Commission’s strategic plan.
- Long-range financial plans: the plans have been formally adopted by the commission in a public hearing.
- Financial condition of the Commission: policies and practices for reporting financial condition are in place.
- Amount spent on program evaluation and related results: a policy regarding evaluation is available to the auditor. The auditor verifies that the amount spent on evaluation complies with the policy and that evaluation data was collected.
- Salaries and benefits: policies and procedures for establishing employee salaries and benefits are in place.
- When audit findings have been reported in prior years, the current audit report must include a schedule of prior audit findings.

Per expanded audit requirements, the Commission has adopted the Conflict of Interest Policy for Commission members that is consistent with applicable state law. The Policy ensures the Commission complies with all applicable state and local conflict of interest statutes and regulations. The Conflict of Interest Policy is reviewed and updated every two years. The policy is in compliance as follows:

- The Conflict of Interest Policy was adopted in a public meeting (minutes of the meeting are available for auditors) and available to auditors
- Obtain a letter from legal representative that states that Commission’s policy is consistent with applicable state and local laws and regulations on an annual basis
- Minutes documenting appropriate abstentions for contract award actions are available
- Review Form 700 (economic interest) filings

2. Internal Reporting

This section does not represent reporting in accordance with GAAP, but rather reporting in accordance with budgeting processes. As was noted earlier, external financial reports that follow GAAP generally have a different look and focus than the internal reports. Internal reporting is designed to accomplish two goals:

- a. Allow management to monitor compliance with legal and contractual provisions applicable to the management of public funds
- b. Provides management and the Commission with the information on current performance data that it needs to make future financial plans

To fulfill this goal staff prepares a financial report and submits the report to the Executive Director for review. Upon the Executive Director’s approval, a final financial report is prepared for submission and acceptance at the Commission meeting.

C. **Administrative Costs**

Under the First 5 Fresno County (F5FC) Strategic Plan, the role of Commission staff is broader than just that of contract development and oversight and includes support of programmatic

services on many levels and running internal programs. The definition of administrative costs simplifies program administration in the way program services will be delivered under the Commission's strategic plan.

1. Defining Administrative, Program, and Evaluation Costs

As a result, the Commission has adopted a written policy that defines administrative costs and sets a 10% limit for administrative costs. Below are definitions for the three cost categories of which the Commission allocates costs.

- a. Administrative Costs- Costs incurred for administrative functions defined (below) by the local Commission in support of funded programs and its operations. Administrative costs are general in nature. This principle distinguishes between those costs that specifically and directly benefit a business unit, program, or evaluation activity from those that do not. Administrative costs support the Commission's basic mission rather than specific program goals. This principle distinguishes between the nature of costs that provide direct value to achieving specific program goals and objectives from those that do not.

Administrative functions performed are the following: general accounting/financial reporting; local annual reporting activities; financial planning; Commission/Association meetings and travel; human resources services; legal services and consulting; audit; strategic planning; financial and cash management; procurement and purchasing; property management; payroll and personnel management; developing and operating systems and procedures, including information systems, required for administrative functions; and oversight and monitoring of administrative functions. Only these administrative functions are to be charged as administrative costs.

- b. Program Costs- Costs incurred by the Commission readily assignable to a program or Funded Partner (other than for evaluation activities) and/or in the execution of direct service provision. Even though they are often associated with general organizational management, two types of costs that are typically classified as administrative costs, preparing program-level budgets/program scopes of work, and negotiating MOU's and other program-level agreements, are classified as program cost. Costs of such activities as information systems development and operation, travel, and evaluation are charged to program costs or administration costs, according to whether the underlying functions which they support are classified as programmatic or administrative. Program functions include direct services, program outreach and education, program and community agency technical assistance and support, and program database management.
- c. Evaluation Costs- Costs incurred by the Commission in the required evaluation of funded programs based upon their accountability framework and data collection and evaluation for required reporting to state and local stakeholders. Evaluation functions include evaluation technical assistance, evaluation database, and travel and training related to evaluation.

2. Organizing Procedures and Accountability Mechanisms

To ensure accountability, Commission staff abide by the following guidelines:

- a. Establish cost elements for each of three categories: administrative, program, and evaluation.
- b. Conduct analysis to determine and document an upper percentage limit for administrative costs.
- c. Establish within the accounting and reporting system a methodology for tracking and reporting on program, administrative, and evaluation costs.
- d. Maintain auditable records to ensure compliance with the administrative cost policy.
- e. Provide annual reports on administrative and evaluation costs that go to the public (budgets and annual financial reports).

D. Fund Balance

The Fund Balance includes funds committed for multi-year initiatives and programs. Proper reporting of fund balance provides an opportunity for the Commission to report how it has committed funds over a period of years.

The total fund balance represents the value of the funds available to the Commission. Fund balance is broken down into five components, nonspendable, restricted, committed, assigned, and unassigned. Each component is defined below.

1. Nonspendable Fund Balance

The nonspendable fund balance is defined as only an approximate measure of liquidity. One reason is that some of the assets reported in governmental funds may be inherently nonspendable from the vantage point of the current period:

- a. Assets that will never convert to cash (e.g. prepaid items and inventories of supplies)
- b. Assets that will not convert to cash soon enough to affect the current period (e.g., the long-term portion of loans receivable and non-financial assets held for resale, such as foreclosure properties)
- c. Resources that must be maintained intact pursuant to legal or contractual requirements (e.g. principal of an endowment or the capital of a revolving loan fund)

The key defining concept of nonspendable funds is that it is the legal obligation for the Commission, based on an executed contractual agreement. Examples of nonspendable funds include, but are not limited to:

- a. Future payments due to providers of services to children and families
- b. Future payments due on professional services contracts
- c. Future payments due under lease arrangements

In all cases, amounts can only be classified as nonspendable if (a) there is a fully executed written contract or purchase order detailing obligations, (b) the payment obligation is not due in the current period, and (c) it is probable or expected that future expenditures will be made in accordance with the contract terms. The latter provision means that if it is likely that a contract will be amended or terminated before all scheduled payments are made, the encumbrance must be limited to the total amount of payments that are expected to actually be incurred (if less than the full contract value).

2. Restricted Fund Balance

The restricted fund balance is defined as amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation. The restricted fund balance describes the portion of the fund balance that reflects resources that are subject to externally enforceable legal restrictions. Funds that have been received by the Commission from sources other than the county's proportionate share of Proposition 10 revenues and that contain restrictions imposed by the funding source regarding how the money can be used, by definition, are committed to the purpose designated by the funding source. Examples that fall into this category include but are not limited to:

- a. Money received from the State Commission for specific programs or initiatives, such as school readiness, or quality child care funds, that must be used exclusively for the purpose designated by the State Commission
- b. Grants received from private foundations that contain restrictions in the grant agreement regarding how the funds may be used

3. Committed Fund Balance

The committed fund balance is described as the portion of the fund balance that represents resources constrained by limitations that the government imposes upon itself at its highest level of decision making (the Commission) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation would need to occur no later than the close of the reporting period.

This category covers situations in which the Commission has explicitly authorized and directed staff to enter into an agreement with a specified agency, but the contract has not actually been executed. In order to be categorized as committed, funds must meet the following requirements:

- a. Formal action to approve the grant(s) and contract(s) must have been taken by the Commission and reflected in the public meeting minutes.
- b. The grant(s) and contract(s) must not have been executed yet, thereby avoiding any double-counting. These funds must be executed within a one-year period. After the one-year period funds will be designated to the unassigned fund.
- c. Funding that has been set aside for previously executed legally enforceable contracts but not yet spent, including multi-year contracts, if such contracts have been approved by the Commission and if cancellation of such contracts would require Commission approval.

4. Assigned Fund Balance

The assigned fund balance is the portion of the fund balance that reflects the Commission's intended use of resources. Such intent would have to be established by either the Commission or by a body thereof (e.g., finance committee).

There are two essential differences between committed fund balance and assigned fund balance. First, committed fund balance requires action by the Commission, whereas assigned fund balance allows the authority to be delegated to some other body. Second, formal action is necessary to impose, remove, or modify a constraint reflected in

committed fund balance, whereas less formality is necessary in the case of assigned fund balance. Funds are appropriately included in this component if they fall under one of four types:

- a. Funds to operate a specific program or project in the current or future fiscal years that have not yet been committed or authorized for definite contracts, where all the following criteria are met:
 - A written plan has been developed describing the program or project and the time period covered by the plan
 - The plan contains a detailed budget or expenditure plan showing the amount of funds expected to be expended and the nature of the expenditures for each fiscal year covered by the plan
 - The Commission has formally approved the plan and budget in a public meeting, as documented in the meeting minutes
 - The Commission certifies that it intends, to the best of its ability, to expend the funds in accordance with the plan and budget

- b. Funds that have been set aside for long-term program sustainability, where all of the following criteria are met:
 - A long-range financial plan has been prepared that shows the specific dollar amounts that must be reserved for program sustainability in each of the early years of the plan, the timing for when sustainability funds will start to be drawn down, and the nature of the expenditures that are envisioned in each year covered by the plan
 - The Commission has formally approved the long-range financial plan in a public meeting, as documented in the meeting minutes
 - The Commission certifies that it intends, to the best of its ability, to manage the sustainability fund in accordance with the provisions of the long-range financial plan
 - The Commission has adopted its annual budget consistent with the assumptions and plans

- c. Funds that are established to handle unexpected debts that are outside the range of the Commission's operating budget. The funds are to protect the Commission against any possible losses in the event of an emergency situation. Details of the funds are outlined in Section E & F within this Policy.

- d. Funds designated specifically to fill any gaps of existing and future capital projects. The account is established to accumulate resources on an annual basis from year end de-obligations. Use of funds must be approved by the Commission.

5. Unassigned Fund Balance

The unassigned fund balance represents funds that can be spent at the discretion of the Commission. This category includes the remainder of the fund balance: funds that either have not yet been allocated for a specific purpose or have been identified in only a general manner where the Commission has significant flexibility in changing the amount or nature of the designation.

E. Contingency Fund Policy

1. Definition and Purpose of Contingency Fund

In an effort to be proactive, the Commission has set aside a fund to handle unexpected debts that are outside of the Commission’s operating budget. The funds are to protect the Commission against any possible losses in the event of an emergency situation. To ensure the Contingency Fund reflects the Commission’s administrative costs as well as facility management costs associated with the Commission-owned Lighthouse for Children (LFC) facility owner, funds are set aside to allow for a quicker and more effective recovery from an operational setback. The probability of a significant business disruption is small; however, having a Contingency Fund may save the Commission from potential failure to recover in the event that a risk materializes.

2. Contingency Fund Target Level

The Contingency Fund shall remain at \$1,000,000 (one million dollars) as approved by the Commission. The balance of the fund represents approximately four (4) to six (6) months of both the Commission’s operational budget and the operation costs of the LFC facility. If a change to the fund amount is warranted, for example due to a significant change in these budgets, Commission staff would be required to seek approval from the Commission during the formal budget modification process.

3. Conditions for Use of Contingency Fund

Use of funds will be determined by circumstance and level of severity with the following criteria. Please note this list is non-exhaustive.

Table 1 – Contingency Fund: Conditions for Use	
Moderate	Severe
<ul style="list-style-type: none"> • State and local legislation affecting revenue or requiring compliance • Lawsuits against F5FC or LFC • Unexpected default or a decline in State and local revenues 	<ul style="list-style-type: none"> • Unanticipated major repairs or replacement of an asset used in the daily operations of the building or service to the staff • Acts of terrorism against the building or other infrastructure causing a financial hardship • Natural disasters • Expenditures arising from a claim or judgment that is otherwise not covered by insurance

The Contingency Fund shall be reported in the Committed Fund Balance in the agency’s budget at the beginning of each fiscal year. The fund may not be used to address anticipated Proposition 10 revenue shortfalls. Imbalances of this nature are generally addressed through a formal budget modification process. Appropriations for program service expenses are independent of the Contingency Fund as they are considered relevant to the Strategic Reserve Fund.

If a need arises for the potential drawing of funds allocated to the Contingency Fund outside of the above-mentioned guidelines, Commission staff shall present the request to the Commission for consideration and approval at a regularly scheduled meeting.

4. Authority of Contingency Fund Use

For unanticipated circumstances considered moderate, as described in Table 1, staff must seek approval from the Commission prior to use of the Contingency Fund.

For unanticipated circumstances considered severe, as described in Table 1, and that require immediate redress, the Executive Director or designee shall exercise full discretion of its appropriation in order to mitigate substantial loss of productivity. The Executive Director must report to the Commission, at the next regular meeting following the use of funds, with full explanation on how the portion of the Contingency Fund was used or is being used.

For any method employed, the process of appropriating the Contingency Fund will adhere to the guidelines within this manual to minimize risk while striving to safeguard the Commission's assets.

5. Contingency Fund Replenishment

In the event the Contingency Fund or a portion thereof is used, Commission staff will aim to restore the fund to the recommended amount, mentioned above, by the closure of the fiscal year, only if there are enough cost savings available for replenishment without impacting other budgetary commitments. If restoration cannot be accomplished within such time without severe hardship to the Commission, staff will prepare a financial plan to restore the Contingency Fund in the subsequent fiscal years until the target level is met.

F. Strategic Reserve Fund

1. Definition and Purpose of Strategic Reserve Fund

The Commission sets aside a fund to guard against any future immediate and unanticipated Proposition 10 revenue deficits or shortfalls. Funds are set aside to allow for a quicker and more effective recovery from programmatic setbacks. The probability of a significant business disruption is small; however, having a Strategic Reserve Fund may save the Commission from potential failure to recover in the event that a deficit materializes.

2. Strategic Reserve Fund Target Level

The Strategic Reserve Fund shall remain at \$2,000,000 (two million dollars) as approved by the Commission. If a change to the fund amount is warranted, for example due to a significant change in these budgets, Commission staff would be required to seek approval from the Commission during the formal budget modification process.

3. Conditions and Authority of Strategic Reserve Fund Use

Use of funds will be determined by the Commission based on circumstance and level of severity. The Strategic Reserve Fund shall be reported in the Committed Fund Balance in the agency's budget at the beginning of each fiscal year.

If a need arises for the potential drawing of funds allocated to the Strategic Reserve Fund, Commission staff shall present the request to the Commission for consideration and approval at a regularly scheduled meeting.

The process of appropriating the Strategic Reserve Fund will adhere to the guidelines within this manual to minimize risk while striving to safeguard the Commission's liabilities.

4. Strategic Reserve Fund Replenishment

In the event the Strategic Reserve Fund or a portion thereof is used, Commission staff will aim to restore the fund to the recommended amount, mentioned above, by the closure of the fiscal year, only if there are enough cost savings available for replenishment without impacting other budgetary commitments. If restoration cannot be accomplished within such time without severe hardship to the Commission, staff will prepare a financial plan to restore the Strategic Reserve Fund in the subsequent fiscal years until the target level is met.

G. Record Retention

Financial records are required to be retained a minimum of five years after the annual audit and are subject to inspection, monitoring, copying and audit by the Bureau of State Audits.

APPENDIX A

Glossary of Terms

Accounting Procedures

The day-to-day operation of a particular system so that accounting information will be reflected in the accounting records in a consistent, proper and orderly manner.

Accounting System

All the records, formal and informal, together with the procedures related to the assembling, classifying, recording and reporting of information concerning the financial operations and conditions of a fiscal entity.

Accrual Basis of Accounting

Transactions are recorded when they occur regardless of when cash is paid or received. The Commission uses a modified form of accrual accounting (see Modified Accrual Basis) for Governmental funds. However, the accrual basis of accounting is used for the preparation of annual government-wide financial statements where governmental reported (governmental activities are defined later).

Administrative Costs

Costs incurred for a common or joint purpose that benefits more than one cost objective, supports the general management and administration of the Commission, and/or those costs not readily assignable to a specifically benefited cost objective.

Advance Payment

Any payment made to a contractor before work has been performed or goods have been delivered.

Appropriation

A statutory authorization granted by the legislative body to an agency allowing it to incur obligations and make expenditures for specific purposes within a specified period of time and generally for a maximum dollar amount.

Assigned

Amounts that are intended by the Commission to be used for specific purposes, but are neither restricted nor limited, shall be reported as assigned fund balance. Intent may be expressed by the Commission itself or a subordinate high-level body or official possessing the authority to assign amounts to be used for specific purposes in accordance with policy established by the Commission. This would include ANY activity reported in a fund other than the general fund that is not otherwise restricted more narrowly by the above definitions.

Automated Clearing House (ACH)

ACH payment is the method of electronic remittance to individuals or entities that are made electronically within the banking system.

Balance Sheet

The financial statement disclosing the assets, liabilities and equity of the governmental funds (which includes general funds and special revenue funds). Governments are also required to disclose assets, liabilities and equity on a "government-wide entity" basis, using accrual accounting. This is known as the Statement of Net Assets.

Budget

A plan of proposed expenditures and the means of financing them with respect to a specific period of time.

Cash

Currency, checks, postal and express money orders, and banker's drafts on deposit.

Capital Assets

Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Capital assets historically were also referred to as fixed assets, but that terminology is no longer used in practice.

Cash Basis of Accounting

Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

Chart of Accounts

A numeral listing of all assets, liability, fund balance/equity, revenue and expenditure accounts used to record accounting transactions.

Committed

Includes amounts that are committed for specific purposes by formal action of the Commission. Amounts classified as “committed” are not subject to legal enforceability like restricted fund balance; however, those amounts cannot be used for any other purpose unless the Commission removes or changes the limitation by taking the same form of action it employed to previously impose the limitation.

Compensated Absences

A liability for future personal, major medical and other leave benefits accrued by an employee and for which the employee may be paid upon termination of employment.

Contingency

A provision to cover an unexpected expense, future event or circumstance that is possible but cannot be predicted with complete certainty.

Contract

A legally binding agreement between two parties for the provision of goods or services.

Electronic Funds Transfer (EFT)

EFT is a system of transferring money from one bank account directly to another without paper money changing hands.

Encumbrances

Contractual obligations to make future payments. Encumbrances represent the estimated amount of future expenditures that will result when, for example, purchase orders are placed and contracts are signed. Since the amount of an appropriation cannot be legally exceeded, the placing of purchase orders and the signing of contracts are critical events in controlling the Commissions’ funds. The financial resources of a fund are said to be encumbered when a transaction is executed that requires performance on the part of another party before the Commission becomes liable to perform its part of the transaction (make payment to the entity).

Evaluation Costs

Costs incurred by the Commission in the evaluation of funded programs, in accordance with their accountability framework, and data collection and evaluation for required reporting to state and local stakeholders.

Expenditures

Take place when a vendor or contractor performs on a contract or a purchase order, as well as when goods or services are received. An expenditure and a corresponding liability or cash disbursement will be recorded at the time goods or services are received or at the time funds are granted to an authorized recipient.

Fiduciary Funds

Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the Commission's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Fixed Assets

Assets of a long-term nature which are intended to be held or used. These include land, buildings, improvements, machinery, furniture and other equipment.

Fund Balance

The value of the funds available to the Commission. Fund balance is the difference between fund assets and fund liabilities of governmental funds.

GAAP

Abbreviation for "Generally Accepted Accounting Principles," which are conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements. The Governmental Accounting Standards Board (GASB) is responsible for setting GAAP for state and local governments.

Governmental Accounting Standards Board (GASB)

Ultimate authoritative accounting and financial reporting stand-setting body for state and local governments. The GASB was established in June 1984.

Governmental Accounting

The activity of analyzing, recording, summarizing, reporting and interpreting the financial transactions of governmental units and agencies.

Governmental Funds

Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Internal Control

The methods and measures adopted within a fund or agency to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies.

Long-term Financial Plan

A plan that assesses the long-term financial implications of current and proposed policies, programs, and assumptions and develops appropriate strategies to achieve its goals. A financial plan illustrates the likely financial outcomes of particular courses of actions or factors affecting the environment in which the government operates. A financial plan is not a forecast of what is certain to happen but rather a device to highlight significant issues or problems that must be addressed if goals are to be achieved.

Modified Accrual Basis of Accounting

The basis of accounting adapted to government fund accounting where revenues are recognized when received in cash or when resources are considered available (except for material or available revenues which shall be accrued to reflect properly the taxes levied and the revenues earned – not applicable to county Commissions). Expenditures are recognized when the related fund liability is incurred.

Non-Spendable

Includes amounts either not in spendable form or legally or contractually required to be maintained intact. This would include inventory, prepaids, and non-current receivables.

Program Costs

Costs incurred by the Commission readily assignable to a program, grantee, or Funded Partner (other than post-contract program evaluation activities) and/or in the execution of direct service provision.

Progress Payments

Partial payments related to steps or phases toward the completion of the required services under a contract.

Progress Reports

A report on contract performance or fiscal compliance made at specific interval during the term of a contract.

Proprietary Funds

Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Purchase Order

A document that authorizes the delivery of specified merchandise or the rendering of certain services.

Reserve Fund Balance

The portion of a government funds' balance that is not available for appropriation (i.e., not available for the following period's budget). Legal restrictions or even third-party entities may impose a limitation on the use of funds or resources that may not be available for spending.

Restricted

Reflects the same definition as restricted net assets: constraints placed on the use of amounts are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. This would generally include amounts in bonded capital projects funds, debt service funds, and cafeteria and center program funds funded with federal program dollars.

Statement of Activities

A government-wide presentation of its activities by function or program using the accrual basis of accounting. The statement presents revenues, expenditures, and a reconciliation of net assets.

Statement of Net Assets

The government-wide presentation of assets, liabilities and equity of governmental activities which includes all funds. It is the government-wide balance sheet. The Statement of Net Assets is presented on an accrual basis.

Statute

A law enacted by the legislature.

Unassigned

Includes any remaining amounts after applying the above definitions. Planned spending in the subsequent year's budget would be included here and can no longer be described as "designated" unless formally committed or assigned.

FIRST 5 FRESNO COUNTY
ADMINISTERED BY CHILDREN & FAMILIES COMMISSION OF FRESNO COUNTY

REGULAR BUSINESS MEETING

January 25, 2023 - 11:30 a.m.

2405 Tulare Street
Fresno, CA 93721

CONSENT AGENDA ITEM NO. 5c

TO: Children & Families Commission of Fresno County

FROM: Fabiola González, Executive Director

SUBJECT: Agreement Renewal with Archer & Hound for the Child-Friendly Business Awards Media Campaign

RECOMMENDED ACTION:

Approve an agreement renewal with Archer & Hound to design, promote, and implement the 2023 Child-Friendly Business Awards Media Campaign in an amount not to exceed \$60,000.

BACKGROUND:

On November 28, 2022, this item was approved for full Commission consideration by the Finance and Program Review Committee.

On October 21, 2020, the Commission approved Archer & Hound as the chosen marketing and advertising firm to execute the 2021 Child-Friendly Business Awards in an amount not to exceed \$60,000 with the option to renew for a total of five years to align with the 2020-2025 Strategic Plan, based on performance and availability of funds. Below is background on the 2022 Child-Friendly Business Awards Campaign.

During the 2022 campaign, Archer and Hound continued to bring a creative and fresh new feel to the Campaign by accessing the solid social media presence gained from the previous year. Archer & Hound re-introduced the marketing approach involving local "influencers" to promote Child-Friendly Business practices, leveraging the influencers & engaging past winners to promote the Campaign with a total reach of 112,712 users on social media. We had a record-breaking 72 nominations submitted this year compared to 60 received last year and 58 from the year before. Additionally, Archer & Hound created template content to be utilized for awareness about child-friendly practices throughout the year. Overall, Archer & Hound listened, learned, and adapted to the Campaign's needs while continuing to stretch the resources and the reach of the Campaign. Staff is pleased with Archer & Hound's performance and recommends funding for an additional year with fiscal year 2022-2023 being year 3.

Procurement: On August 17, 2020, the Commission released a public procurement opportunity in search of a public relations/advertising firm to help design, promote and execute a media campaign for the Child-Friendly Business Awards Public Education Media Campaign. Archer & Hound was the awarded agency recommended by panel of community reviewers after assessing the firm's strengths and experience with similar successful public education campaigns that advocate for community

change. With the option to renew for up to five years based on performance and availability of funds, staff recommends year three of this partnership.

Alignment with Strategic Plan: The Child-Friendly Business Award Media Campaign combines two strategies identified in our Strategic Plan – Communication - to highlight the importance of early childhood development and Advocacy - by engaging with decision-makers at all levels to promote family-centered policies. The Child-Friendly Business Awards Media Campaign supports the adoption and/or improvement of policies that affect families with young children, and it educates the public (parents and caregivers) and key stakeholders (business owners) about the importance of supporting early childhood within our community’s workplaces.

Short-term goal(s) and long-term outcomes: The short-term goal of the Public Media Campaign is to bring awareness, and education about the benefits of businesses adopting child-friendly practices, including employee recruitment, retention, and loyalty – all of which impact the bottom line of a business. The long-term outcome is to have child-friendly workplaces be the norm in Fresno County, offering benefits to their parent employees that go above and beyond what is required by law.

Fiscal Impact: Funding for this agreement has been allocated from the 2022-2023 Agency Budget, Innovation and Learning Partnerships line item, in an amount not to exceed \$60,000 for one year.

CONCLUSION:

The Child-Friendly Business Award Media Campaign is an opportunity for the Commission to lead the community in innovative messaging to support early childhood development within the business/ employer community. It's a way for early childhood to be embedded in spaces outside the norm and promote the importance of companies understanding their role in promoting optimal child development through their support for their parent employees' wellbeing. If approved, staff will execute the agreement and begin planning for the 2023 Child-Friendly Business Awards Campaign. If the Commission chooses not to move forward with the recommendation, the momentum and reputation created over the last 16 years that other First 5 Commissions have recognized as an innovative approach to partnering with the business community/private sector would be in jeopardy of being lost.

FIRST 5 FRESNO COUNTY
ADMINISTERED BY CHILDREN & FAMILIES COMMISSION OF FRESNO COUNTY

REGULAR BUSINESS MEETING

January 25, 2023 - 11:30 a.m.

2405 Tulare Street
Fresno, CA 93721

CONSENT AGENDA ITEM NO. 5d

TO: Children & Families Commission of Fresno County

FROM: Fabiola González, Executive Director

SUBJECT: Lease Agreement Renewal with Simpson Speech and Language for Office Space at the Lighthouse for Children

RECOMMENDED ACTION:

Approve the renewal to the lease agreement with Simpson Speech and Language for use of space at the Lighthouse for Children (LFC).

BACKGROUND:

Simpson Speech and Language (SSL) has been a tenant at the Lighthouse for Children (LFC) facility since 2018. Nori Simpson, a Speech Therapist and owner of SSL, first utilized the LFC via of the Community Learning Center in 2015 when she did contract work for the Central Valley Regional Center (CVRC). It was in 2018 Nori approached Commission staff to discuss leasing space at the facility for her speech therapy services business given the high volume of clients they saw weekly.

Simpson Speech & Language (SSL), provides consultations, screenings, comprehensive evaluations, and individualized speech and language therapy to children including young children ages 0 to 5 with 85% of SSL's clients being CVRC families.

Currently, SSL occupies a total of 975.80 sq. ft. in office space on the second floor of the LFC. The agreement is set to expire and SSL would like to extend their lease agreement. With this interest from SSL, staff recommends renewing the lease for an additional year with the option to continue based on continued service alignment with the Lighthouse for Children's mission and availability.

Alignment with Strategic Plan: The services being offered by Simpson Speech and Language directly align with the Commission's 2020-2025 Strategic Plan Core Investment the Lighthouse for Children: "An innovative community hub offering services, resources and opportunities to transform the first five years of a child's life."

Fiscal Impact: The renewal of the lease with SSL will outline the terms of use of 975.80 square feet of office space at \$1.70/sq. ft. along with internet service provided for an annual total of \$22,786.32 in rent. The total annual rental income from this lease agreement will aid in offsetting overhead expenses for the facility.

CONCLUSION:

Offering specialty services such as language and speech therapy out of the centrally located Lighthouse for Children has been an added benefit for a large number of Fresno County families.

FIRST 5 FRESNO COUNTY
ADMINISTERED BY CHILDREN & FAMILIES COMMISSION OF FRESNO COUNTY

REGULAR BUSINESS MEETING

January 25, 2023 - 11:30 a.m.

2405 Tulare Street
Fresno, CA 93721

CONSENT AGENDA ITEM NO. 5e

TO: Children & Families Commission of Fresno County

FROM: Fabiola González, Executive Director

SUBJECT: Lease Agreement Renewal with Fresno County Superintendent of Schools for Office Space at the Lighthouse for Children

RECOMMENDED ACTION:

Approve the renewal to the lease agreement with Fresno County Superintendent of Schools Early Care and Education Department for use of office space at the Lighthouse for Children (LFC).

BACKGROUND:

In 2015, the Commission entered into Agreements with Fresno County Superintendent of Schools (FCSS) Early Care and Education (ECE) Department to manage and operate the Lighthouse for Children Child Development Center (CDC) at the Lighthouse for Children. Resulting in the administrative staff of the department, the CDC teachers, and assisting staff occupying the first floor of the facility.

Through the expansion of the FCSS ECE Department as a result of their 2019 award of the California Statewide Early Math Initiative grant, their Department grew to accommodate the pilot trainings and collaboration within the LFC CDC classes. required more space for staff. That funding award tasked FCSS to improve math scores in the county by training, coaching, and providing professional development to teachers, administrators, and parents to better educate young children through third grade.

With space available the alignment with the LFC's mission FCSS ECE has been a tenant on the second floor of the LFC, occupying 686 sq. ft. of office space since 2019. That renewed sublease agreement is now set to expire.

With FCSS ECE's interest in renewing the lease agreement as their work continues, staff recommends renewing the lease for an additional one year with the option to continue based on the continued alignment with LFC's Mission and the continued need by the Department.

Alignment with 2013-2020 Strategic Plan: The services being offered by Fresno County Superintendent of Schools Early Care and Education Department directly align with the Commission's 2020-2025 Strategic Plan Core Investments - Quality Counts California focused on high quality early care and education, and the Lighthouse for Children programming and services that promote and support optimal early childhood experiences.

Fiscal Impact: The lease agreement with FCSS outlines the terms of use of a total of 702 square feet of indoor space at \$1.70/sq. ft for an annual total of \$14,320.80 in rent. The annual rental income from this sublease agreement will aid in offsetting overhead expenses for the facility.

CONCLUSION:

The FCSS ECE Department has benefited from having their entire team in one location both operating the Child Development Center and their Quality Early Learning team occupying some second-floor space. Having the county-wide ECE Department housed at the LFC strengthens opportunities for new partnerships to increase our impact on young children and families.

FIRST 5 FRESNO COUNTY
ADMINISTERED BY CHILDREN & FAMILIES COMMISSION OF FRESNO COUNTY

REGULAR BUSINESS MEETING

January 25, 2023 - 11:30 a.m.

2405 Tulare Street
Fresno, CA 93721

AGENDA ITEM NO. 6

TO: Children & Families Commission of Fresno County
FROM: Fabiola González, Executive Director
SUBJECT: Public Hearing on the First 5 Fresno County 2020-2025 Strategic Plan

BACKGROUND:

Each fiscal year the Commission is required by statute to conduct a public hearing to review its current Strategic Plan to receive testimony from interested members of the public. In a public hearing, the members of the community are permitted to offer comments, and Commissioners are not obliged to act on them or, typically, to respond publicly.

A copy of the 2020-2025 Strategic Plan is available on the Commission's website and will be available during the meeting.

The chair will open and close the public hearing period. There is no further action required on this item.

FIRST 5 FRESNO COUNTY
ADMINISTERED BY CHILDREN & FAMILIES COMMISSION OF FRESNO COUNTY

REGULAR BUSINESS MEETING

January 25, 2023 – 11:30 a.m.

2405 Tulare Street
Fresno, CA 93721

AGENDA ITEM NO. 7

TO: Children & Families Commission of Fresno County

FROM: Fabiola González, Executive Director

SUBJECT: 2022-2023 Proposed Revised Agency Budget

RECOMMENDED ACTION

Approve the First 5 Fresno County (F5FC) 2022-2023 Proposed Revised Budget.

BACKGROUND

On January 17, 2023, this item was approved for full Commission consideration by the Finance and Program Review Committee.

The agency budget exists to implement the Commission’s adopted Strategic Plan in order to fund programs, services, and efforts designed to positively impact families with young children in Fresno County.

In June 2022, the Commission approved the 2022-2023 budget. The current budget revision being presented is necessary due to the completion of the fiscal year 2021-2022 audit and the subsequent designation of an available fund balance of \$10.9 million, to support Strategic Plan Investments.

Key Points of the 2022-2023 Proposed Revised Budget:

Fund Balance – \$10,984,116

- Unassigned Fund Balance: At year-end, the Contingency and Strategic Reserve amounts are de-obligated and then reassigned at the start of the new fiscal year, as outlined in the Commission’s Accounting Policies and Procedures Manual. The remaining amount of \$2.15 million, shown is made available for awards by the Commission.
- Assigned Fund Balance: Based on the Commission’s Accounting Policies and Procedures Manual, year-end de-obligations and unspent funds are allocated to fill any gaps of existing funding in FY 2022-2023. With the completion of the 2021-2022 audit report, the Assigned Fund Balance is \$8.82 million.

Revenues – Increase of \$702,792

- Investment Earnings: With current market volatility and the impending recession, the revised amount for our investments earnings has been set at zero.
- External Revenue

- First 5 California - Refugee Family Support Grant: The annual budget revision now includes the Refugee Family Support Grant that was awarded to the Commission by First 5 California in September 2022.
- CalViva- Group Prenatal Care Project Support: CalViva Health awarded the Commission \$25,000 in July 2022 to support the Glow!, the Group Prenatal Care Project.

Operating Expenses - Increase by \$225,230

- Salary Expense: Changes to this line item include Commission-approved salary increases and salary adjustments resulting from an increase in state mandated minimum wage as of the first of the calendar year.
- Insurance Expense: Increase due to a higher premium for the Commission's Special Property Insurance as the result of the Commission taking ownership of the Lighthouse for Children Facility.
- Overhead Expense: Legal Counsel is currently appealing property tax billing for the LFC facility due to the nature of the entity. An increase to this line item is included in the case that it is deemed that property taxes are due.

Program Allocations (Strategic Plan Investment Areas) - Increase by \$10.5 million

- Increases made to these investments are due to the available Assigned Fund Balance which allows the Commission to invest in multi-year innovative contracts. The Strategic Plan identifies the Commission's priorities and approaches to community investments. All known adjustments in funding have been identified in the cost analysis and justification section.
 - To allow for more contract opportunities, staff is recommending an increase to the upcoming Thriving Families/ Direct Service procurement opportunity from the approved \$1.1 million per year to \$1.7 million per year for a total of three years (two years with an option to renew for an additional year) for a total of \$5.1 million.

Fiscal Impact: Approval of the 2022-2023 Proposed Revised Budget will provide an updated financial framework to allocate funds and cover operational costs for the Commission.

CONCLUSION:

The mid-year revision to the agency budget accounts for unanticipated revenue and cost savings from the prior year offering the Commission the opportunity to allocate funding for the Programmatic Investments of the Strategic Plan through fiscal year 2022-2023.



2022-2023

PROPOSED REVISED BUDGET



2405 Tulare Street, Suite 200 | Fresno, CA 93721
(559) 558-4900 | www.first5fresno.org

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FUND BALANCE & REVENUES - REVISED

FUND BALANCE \$10,984,116

Unassigned Fund Balance **\$2,158,417**

The Contingency and Strategic Reserves are deobligated at year-end each year and then reassigned with the start of the new fiscal year, as stated in the agency's Accounting Policies and Procedures Manual. This amount represents that amount and any funds not assigned, but available for use.

Assigned Fund Balance **\$8,825,699**

The agency's Accounting Policies and Procedures Manual states that, year-end de-obligations and unspent funds, as made final with the Audit Report, are to be allocated to fill any gaps of existing funding in FY 2021-2022.

REVENUE BUDGET \$11,257,161

Proposition 10 Revenue **\$8,794,832**

The State collects the state tobacco tax revenue and distributes each proportionate share to the 58 California counties based on birth-rate, in accordance with the Children and Families Act of 1998.

External Revenue **\$2,214,374**

First 5 California IMPACT Revenue **\$572,624**

These funds allow First 5 Fresno County (F5FC) to serve as the Lead Agency for the First 5 IMPACT project and partner with Fresno County Superintendent of Schools (FCSS) as the implementation lead. FCSS leads the county's local Quality Rating and Improvement System (QRIS) known as Fresno County Early Stars, to create a more effective statewide early learning and care quality improvement system.

First 5 California IMPACT Hub Revenue **\$641,483**

These funds allow First 5 Fresno County to serve as the Hub Fiscal Lead Agency for IMPACT Hub Region 5 and provide ongoing coordination and targeted support to neighboring counties working to raise the quality of early care and education in their communities to ensure children have the skills, knowledge, and disposition necessary to be ready for school and life.

First 5 CA Refugee Family Support Grant **\$570,357**

These funds were awarded by the First 5 California for First 5 Fresno County to be the fiscal lead agency for the new created Refugee Family Support project. First 5 Fresno County (F5FC) will subcontract with refugee family serving agencies and community partners to support refugee children and their families transition to life within seven Central California counties.

Blue Meridian Partners - Early Childhood Human Capital Investment **\$248,909**

The Commission was awarded funds from the Blue Meridian Partners in collaboration with the Fresno Cradle to Career Partnership to enhance two active place-based preconception to age 5 initiatives (Glow! Group Prenatal Care and Fresno GROWS – Best Babies Zone) with the intent to invest in human capital in the Central Valley.

County DPH Babies First - Healthy Start Revenue **\$156,000**

The Fresno County Department of Public Health (DPH) received multi-year funding from the U.S. Department of Health & Human Services to provide group prenatal care services as part of an integrated prenatal care system including curriculum and wrap-around services, in partnership with medical provider offices, to enhance supports for pregnant women. Due to the direct alignment with this grant and Glow!, DPH entered into a partnership with the Commission to support the current Glow! Group Prenatal Care and Support program.

Glow! Group Prenatal Care Project Support **\$25,000**

CalViva Health committed to support the direct implementation of the Patient-Centered Prenatal Care initiative, also known as the EMBRACE Study, to aid in the expansion of the Glow! Group Prenatal Care Project.

Other Revenue **\$162,956**

This includes rents collected from Lighthouse for Children (LFC) tenants (approximately \$9,800/month) used to offset operating costs, minimal revenue from use of space at the building by external partners at the LFC facility and other outside revenue not captured above.

Interest Revenue - County Treasury **\$85,000**

Interest collected from the funds held on deposit in the County of Fresno's Treasury account.

Investment Income **\$0**

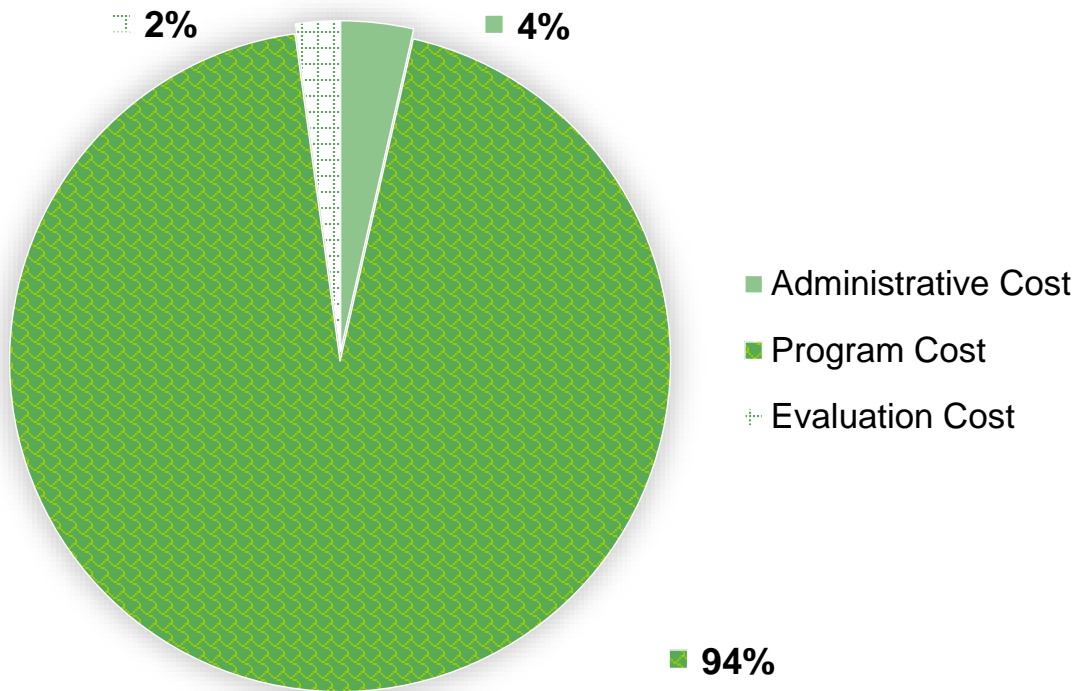
Anticipated net investment income (interest, dividends, gains, and losses) from F5FC investments managed by the Commission's Investment firm for future program allocation.

FIRST 5 FRESNO COUNTY

FY 2022-2023 BUDGET ACTIVITY SUMMARY- REVISED

Based on its strategic plan, First 5 Fresno County invests in three areas: Families, Communities, and Systems through established strategies: Communication, Advocacy, Collaboration, Skill-building, and Innovation & Learning.

The breakdown of expenses by cost category, as outlined in the Cost Analysis portion of this budget, is as follows:



Line Items	%	Budget Amounts
Administrative Cost	4%	\$791,089
Program Cost	94%	\$20,965,739
Evaluation Cost	2%	\$484,450
	100%	\$22,241,278 *

*Total budget amount now includes fund balance.

**FIRST 5 FRESNO COUNTY
2022-2023 PROPOSED REVISED BUDGET SUMMARY**

	2022-2023 Approved Budget	2022-2023 Proposed Revised Budget	Variance
Fund Balance			
Unassigned Fund Balance	\$0	\$2,158,417	\$2,158,417
Assigned Fund Balance	\$0	\$8,825,699	\$8,825,699
	\$0	\$10,984,116	\$10,984,116

Revenue			
Proposition 10 Revenue	\$8,794,832	\$8,794,832	\$0
External Revenue			
First 5 CA - IMPACT Revenue	\$572,624	\$572,624	\$0
First 5 CA - IMPACT Hub Revenue	\$610,601	\$641,483	\$30,882
First 5 CA Refugee Family Support Grant	\$0	\$570,357	\$570,357
Blue Meridian Partners - Early Childhood Human Capital Investment	\$199,563	\$248,909	\$49,346
County DPH - Babies First Healthy Start Revenue	\$156,000	\$156,000	\$0
CalViva - Group Prenatal Care Project Support	\$0	\$25,000	\$25,000
Other Revenue	\$120,750	\$162,956	\$42,206
Interest Revenue - County Treasury	\$50,000	\$85,000	\$35,000
Investment Earnings (Unrealized)	\$50,000	\$0	(\$50,000)
Total Revenue	\$10,554,370	\$11,257,162	\$702,792

Fund Balance & Revenue			
Total Fund Balance & Revenue	\$10,554,370	\$22,241,278	\$11,686,908

Operating Expenses			
Salaries & Benefits			
Salary Expense	\$713,971	\$736,511	\$22,540
Payroll Tax Expense	\$72,071	\$73,283	\$1,212
Retirement Expense	\$62,401	\$64,371	\$1,970
Employee Benefits Expense	\$242,550	\$242,550	\$0
Worker's Compensation Expense	\$5,748	\$5,748	\$0
Total Salaries & Benefits Expenses	\$1,096,740	\$1,122,463	\$25,722
Services & Supplies			
Audit Expense	\$26,000	\$26,000	\$0
Capital Equipment Expense	\$20,500	\$24,500	\$4,000
Commissioner/Advisory Expense	\$3,200	\$3,200	\$0
Dues & Subscriptions Expense	\$31,671	\$34,338	\$2,667
Equipment Rental/Maintenance Expense	\$47,974	\$47,974	\$0
General & Administrative Expense	\$25,381	\$25,381	\$0
Insurance Expense	\$124,666	\$151,006	\$26,340
Local Travel Expense - Local Mileage	\$2,500	\$4,000	\$1,500
Materials & Supplies Expense	\$11,000	\$11,000	\$0
Overhead Expense	\$90,000	\$270,000	\$180,000
Professional Services Expense	\$99,180	\$99,180	\$0
Program Development/Strategic Planning Expense	\$5,000	\$5,000	\$0
Staff Training & Conference Expense	\$18,000	\$23,000	\$5,000
Telephone Expense	\$24,224	\$34,224	\$10,000
Total Services & Supplies Expenses	\$529,296	\$758,804	\$229,508
Total Operating Expenses	\$1,626,037	\$1,881,267	\$255,230

**FIRST 5 FRESNO COUNTY
2022-2023 PROPOSED REVISED BUDGET SUMMARY**

	2022-2023 Approved Budget	2022-2023 Proposed Revised Budget	Variance
Strategic Plan Investment Areas			
Strategic Plan Investments			
Help Me Grow Fresno County	\$300,000	\$525,000	\$225,000
Thriving Families Service Programs	\$2,500,235	\$8,380,704	\$5,880,469
Community Learning Center	\$334,845	\$469,380	\$134,535
Patient-Centered Prenatal Care	\$235,000	\$1,073,810	\$838,810
African American Infant Mortality Prevention	\$1,405,128	\$3,499,181	\$2,094,053
QRIS - Local High Quality Training & Technical Assistance	\$1,635,338	\$2,547,829	\$912,491
Innovation & Learning Partnerships and Communications	\$579,000	\$1,000,000	\$421,000
Strategic Plan Investments Total	\$6,989,546	\$17,495,903	\$10,506,357
Accountability and Evaluation			
Accountability Contract Management System	\$100,000	\$150,000	\$50,000
Evaluation Services	\$300,000	\$300,000	\$0
Accountability and Evaluation Total	\$400,000	\$450,000	\$50,000
Externally Funded Programs			
First 5 CA - QRIS-IMPACT Program	\$572,624	\$572,624	\$0
First 5 CA - QRIS-IMPACT Regional Hub Program	\$610,601	\$641,483	\$30,882
First 5 CA - Refugee Family Support Grant	\$0	\$570,357	\$570,357
Blue Meridian - Early Childhood Human Capital Investment	\$199,563	\$248,909	\$49,346
CalViva Health - Glow! Group Prenatal Care Project Support	\$0	\$224,734	\$224,734
County DPH - Babies First Healthy Start Glow! Enhancement	\$156,000	\$156,000	\$0
Total Externally Funded Programs	\$1,538,788	\$2,414,107	\$875,319
Total Strategic Plan Investment Areas	\$8,928,334	\$20,360,011	\$11,750,639
Budget Total			
Total First 5 Fresno County Budget	\$10,554,370	\$22,241,278	\$11,686,908
Reserve			
Operations Contingency Fund	\$1,000,000	\$1,000,000	\$0
Strategic Reserve Fund	\$2,000,000	\$2,000,000	\$0

COST ANALYSIS

BUDGET LINE ITEM DETAIL

OPERATING EXPENSES

Salary Expense 2022-2023 Proposed Revised Budget

Original Justification: \$736,511

Salaries for a total of 9.3 FTE operating positions for the administration of Commission business. Salary expense for 2.7 additional program staff FTE (shown below in grey) are presented under the Community Learning Center (0.5 FTE) and the Externally Funded Programs (2.2 FTE) accounted for in the Strategic Plan Investments portion of the budget for a total of 12 FTE. All vacant positions are captured within this budget document. If the Commission requires additional or different staffing, this would be noted in the budget revision that occurs mid-year. Any salary increases are budgeted, recommended by supervisors, and are based on First 5 Fresno County's Employee Compensation Policy. Potential salary increase amounts are based on number of staff eligible and annual performance reviews. Additionally, the budgeted amount includes compensated absences, the liability of employee banked Personal Time Off (PTO), potential overtime budget, and a portion for potential future salary increases are included here.

Original FTE			Original Budget		Budget Revise		Revised FTE	
<u>Operating</u>	<u>Program</u>	<u>Position</u>	<u>Operating Budget</u>	<u>Program Budget</u>	<u>Operating</u>	<u>Program</u>	<u>Operating</u>	<u>Program FTE</u>
<u>FTE</u>	<u>FTE</u>				<u>Budget</u>	<u>Budget</u>	<u>FTE</u>	
1		Executive Director	\$125,000	\$0	\$137,500	-	1	0
0.9	0.1	Director	\$78,694	\$8,744	\$84,310	\$9,368	0.9	0.1
1		Director	\$82,380	\$0	\$88,620	-	1	0
1		Manager	\$62,582	\$0	\$68,822	-	1	0
1		Manager	\$67,553	\$0	\$73,793	-	1	0
1		Manager	\$58,240	\$0	\$64,480	-	1	0
0.2	0.8	Manager	\$11,648	\$46,592	\$12,896	\$51,584	0.2	0.8
0.2	0.8	Manager	\$12,412	\$49,648	\$13,660	\$54,640	0.2	0.8
1		Manager	\$58,240	\$0	\$51,584	\$12,896	0.8	0.2
0	1	Specialist - Vacant	-	\$41,500	-	\$45,136	0.3	0.7
1		Manager/ Specialist - Vacant	\$43,130	\$0	\$64,480	-	1	0
1	0	Manager/ Specialist - Vacant	\$66,000	\$0	\$19,344	\$45,136	0.3	0.7
9.3	2.7		\$665,879	\$146,484	\$679,489	\$218,760**	8.7	3.3
		Salaries Total	\$665,879		\$679,489			
		Overtime	\$7,022		\$7,022			
		Compensated Absences & Salary Increase	\$41,070		\$50,000			
		Total Operating	\$713,971		\$736,511			
		Original Amount	713,971		Revised Amount	736,511		Variance
								22,540

Revised Justification: Changes to this line item include Commission-approved salary increases and salary adjustments resulting from an increase in minimum wage as of the first of the calendar year. Total FTE remains at 12 with 8.7 FTE categorized as operating and three vacant positions at the time of publishing.

While some positions approved within the Commission structure are not /may not be reflected in the current budget, the use of these approved position levels are based on the need within the Commission's evolving work. This budget does not include two of those position levels (italicized). Future budget iterations and Commission needs may consider unused position levels.

Positions: Executive Director | *Deputy Director* | Project Director | Project Manager | Project Specialist | *Project Assistant*

**Represents the total amount of salaries for program staff, funded by external revenue or program dollars only.

Total Evaluation Expense	736,511	x	2%	14,730
Total Program Expense	736,511	x	61%	449,272
Total Administration Expense	736,511	x	37%	272,509

COST ANALYSIS

BUDGET LINE ITEM DETAIL

					2022-2023 Proposed Revised Budget		
Payroll Tax Expense					\$73,283		
Original Justification:							
Federal Unemployment Tax Act (FUTA). Estimated 6% on first \$7,000 earned by each employee at 9.3 FTE. The remaining 2.7 FTE is accounted for in Externally Funded Programs and in							
A. Strategic Plan Investments (captured in the program portion of the budget) to total 12 FTE.							
FTE	8.7	x	\$7,000	x	6%	=	\$3,654
B. Medicare Employer Tax. The employer's share is set by the federal government at 1.45% of each gross salary.							
	\$736,511	x	1.45%	=			\$10,679
C. Social Security Employer Tax. The employer's share is set by the federal government at 6.2% of each gross salary.							
	\$736,511	x	6.2%	=			\$45,664
D. CA State Unemployment Insurance - Estimated 6.2% on first \$7,000 earned by each employee at 9.3 FTE. The remaining 2.7 FTE is accounted for in Externally Funded Programs and Strategic Plan Investments (captured in the program portion of the budget) to total 12 FTE. (Rates subject to change)							
FTE	8.7	x	\$7,000	x	6.2%	=	\$3,776
							\$9,510
						Other Taxes/ Unexpected Expense	\$9,510
						Total	\$73,283
			Original Amount			Revised Amount	Variance
			72,071			73,283	1,212
Revised Justification: A small increase to this line item corresponds with the increase to the Salaries Expense Line Item.							
Total Evaluation Expense			73,283		x	2%	1,466
Total Program Expense			73,283		x	61%	44,703
Total Administration Expense			73,283		x	37%	27,115

					2022-2023 Proposed Revised Budget		
Retirement Expense					\$64,371		
Original Justification:							
The cost of retirement benefits for full-time, permanent employees is calculated at 8.74% of each gross salary.							
	\$713,971	x	8.74%	=	\$62,401		
	<u>Original Salaries Amount</u>		<u>Percentage</u>		<u>Total Amount</u>		
	\$736,511	x	8.74%	=	\$64,371		
	<u>Revised Salaries Amount</u>		<u>Percentage</u>		<u>Total Amount</u>		
			Original Amount		Revised Amount	Variance	
			62,401		64,371	1,970	
Revised Justification: A small increase to this line item corresponds with the increase to the Salaries Expense Line Item.							
Total Evaluation Expense			64,371		x	2%	1,287
Total Program Expense			64,371		x	61%	39,266
Total Administration Expense			64,371		x	37%	23,817

COST ANALYSIS

BUDGET LINE ITEM DETAIL

Employee Benefits Expense					2022-2023 Proposed Revised Budget	
Original Justification:					\$242,550	
The Commission's contracted insurance benefits broker recommended a conservative increase to the prior budget amount of 7% assuming no plan changes are made. The calculation shows the cost breakdown and includes the deduction of the benefits expense for Externally Funded program staff. Benefits for full time, permanent staff include dental, life, medical, and vision insurance and a health savings account and health reimbursement account. This line item also includes the auto allowance, up to \$400/month, for the Executive Director for the wear-and-tear and other travel-related expenses of their personal vehicle for business use in lieu of mileage reimbursement based on the County of Fresno's policy of use.						
\$221,822	x	7%	+	\$5,200	=	\$242,550
<u>FY 2021-22 Projected Amount</u>		<u>Rate Increase</u>		<u>Auto Allowance</u>		<u>Budget Amount</u>
		Original Amount 242,550		Revised Amount 242,550	Variance 0	
Revised Justification: No change to this line item						
Total Evaluation Expense				242,550	x	2% 4,851
Total Program Expense				242,550	x	61% 147,956
Total Administration Expense				242,550	x	37% 89,744
Worker's Compensation Expense					2022-2023 Proposed Revised Budget	
Original Justification:					\$5,748	
The budgeted amount for worker's compensation is based on the prior year amount provided by the Commission's contracted insurance firm which defines staff within the salesman category for contract managers' responsibility to execute county-wide site visits and in-person annual contract reviews. The Commission's insurance firm included a conservative increase of 10% to the prior full-year actual amount each fiscal year in their estimate.						
	\$5,225	x	10%	=		\$5,748
	<u>FY21-22 Premium</u>		<u>Est. Annual Rate Increase</u>			<u>Budgeted Amount</u>
	Original Amount 5,748		Revised Amount 5,748		Variance 0	
Revised Justification: No change to this line item.						
Total Evaluation Expense				5,748	x	2% 115
Total Program Expense				5,748	x	61% 3,506
Total Administration Expense				5,748	x	37% 2,127
Audit Expense					2022-2023 Proposed Revised Budget	
Original Justification:					\$26,000	
Expenses for mandatory independent audit services for the Commission are projected to be \$24,100 for the fiscal year. The estimate is based on the proposal provided by the contracted auditing firm in their awarded submission resulting from the Commission's Request for Quotations procurement in 2020 for auditing services. A small contingency of \$1,900 is included.						
	Original Amount 26,000		Revised Amount 26,000		Variance 0	
Revised Justification: No change to this line item.						
Total Evaluation Expense				26,000	x	0% 0
Total Program Expense				26,000	x	0% 0
Total Administration Expense				26,000	x	100% 26,000

COST ANALYSIS

BUDGET LINE ITEM DETAIL

Capital Equipment Expense					2022-2023 Proposed Revised Budget
Original Justification:					\$24,500
Currently, the Commission owns 15 staff workstations (computer, monitor, printer, keyboard, etc.). Staff recommends setting aside \$12,000 for possible replacement of six computers (estimated at \$2,000 per computer with taxes included), \$5,000 to replace an aging server and an additional \$3,500 for unforeseen replacement or repairs of other equipment and/or furniture.					
Original Amount 20,500	Revised Amount 24,500	Variance (4,000)			
Revised Justification: Slight increase to allow for a potential update to remote work stations. Current equipment was pieced together and include aged items. Remote work items include but are not limited to mobile monitors, laptop docking stations, etc.					
Total Evaluation Expense	24,500	x	2%	490	
Total Program Expense	24,500	x	61%	14,945	
Total Administration Expense	24,500	x	37%	9,065	

Commissioner/Advisory Expense					2022-2023 Proposed Revised Budget	
Original Justification:					\$3,200	
This line item is budgeted for a maximum of seven Commissioners for potential equipment, trainings, workshops, meeting-related expenses, etc., associated with the agency's work. Examples include but are not limited to the F5 State Annual Conference attendance, mileage reimbursement, etc. The estimated annual amount is budgeted at \$300 per Commissioner, maximum seven.						
\$1,100	+	7	x	\$300	=	\$3,200
<u>Misc. Expense</u>		<u>Commissioners</u>		<u>Average Cost</u>		<u>Annual Amount</u>
Original Amount 3,200		Revised Amount 3,200		Variance 0		
Revised Justification: No change to this line item.						
Total Evaluation Expense	3,200	x	0%	0		
Total Program Expense	3,200	x	0%	0		
Total Administration Expense	3,200	x	100%	3,200		

Dues and Subscriptions Expense					2022-2023 Proposed Revised Budget
Original Justification:					\$34,338
The cost associated with dues and subscriptions for the twelve-month period comprises required dues to the First 5 Association and the First 5 Association Policy Fund (each county pays a proportionate share of the cost of maintaining the Association) plus the allotment of \$5,000 for the cost of miscellaneous subscriptions, publications, and dues (i.e. Government Finance Officers Association, Fresno Bee, Zoom Meetings, etc.).					
	FY 22-23 F5 Assoc. Dues	\$26,671			
	Potential F5 Assoc. Dues Increase (10%)	\$2,667			
	Miscellaneous Subscriptions	\$5,000			
	Total	\$34,338			
Original Amount 31,671	Revised Amount 34,338	Variance 2,667			
Revised Justification: Small Increase to this line item to anticipate a slight increase in forthcoming dues from the First 5 Association.					
Total Evaluation Expense	34,338	x	2%	687	
Total Program Expense	34,338	x	61%	20,946	
Total Administration Expense	34,338	x	37%	12,705	

COST ANALYSIS

BUDGET LINE ITEM DETAIL

Equipment Rental/Maintenance Expense						2022-2023 Proposed Revised Budget
Original Justification:						\$47,974
Equipment Maintenance: The Commission's equipment maintenance for their copier/scanner. The estimated cost breakdown is:						
<u>Monthly</u>				=	<u>Annual Total</u>	
\$390	x	12			\$4,680	Copier/Scanner Maintenance \$4,680
						Equipment Maintenance Sub-total \$4,680
Computer & Information Technology Maintenance: The Commission contracts out Information Technology (IT) support for workstation/desktop management, server management, anti-virus software, support for Adobe products and supports and deploys hosted email and storage via Office 365.						
<u>Monthly</u>				=	<u>Annual Total</u>	
\$1,817	x	12			\$21,804	IT Support \$21,804
\$90	x	12			\$1,080	Hosted Email & Storage \$1,080
						Adobe \$360
						Computer Maintenance Sub-total \$23,244
Software Maintenance: Monthly and annual estimated costs for each software type as quoted by the Commission's IT contractor or are based on actuals from the prior budget year. The Commission pays a flat rate for its accounting system software on an annual basis of \$14,750. Lastly, staff recommends allocating \$5,000 for unforeseen costs associated with this line.						
						Accounting System Maintenance \$14,750
						Fax Service \$150
						Software Sub-total \$14,900
						Unforeseen Expense \$5,150
						Equipment Rental/ Maintenance Expense Total \$47,974
		<u>Original Amount</u>			<u>Revised Amount</u>	<u>Variance</u>
		47,974			47,974	0
Revised Justification: No changes to this line item.						
Total Evaluation Expense		47,974	x		2%	959
Total Program Expense		47,974	x		61%	29,264
Total Administration Expense		47,974	x		37%	17,750

General and Administrative Expense						2022-2023 Proposed Revised Budget
Original Justification:						\$25,381
Costs associated with management, finances, and other expenses which are incurred by or allocated to the Commission for general management and administration of the Commission that cannot be assigned to a specific line item. Costs include bank charges, operational advertising costs, dependent care plan, etc. Bank charges average \$1,090 per month. This expense line item is based on prior year expenses.						
		<u>FY 21-22 Budget Amount</u>	\$23,074	+	10%	=
						<u>FY 2022-23 Amount</u>
						\$25,381
		<u>Original Amount</u>			<u>Revised Amount</u>	<u>Variance</u>
		25,381			25,381	0
Revised Justification: No changes to this line item.						
Total Evaluation Expense		25,381	x		0%	0
Total Program Expense		25,381	x		0%	0
Total Administration Expense		25,381	x		100%	25,381

COST ANALYSIS

BUDGET LINE ITEM DETAIL

Insurance Expense					2022-2023 Proposed Revised Budget
Original Justification:					\$151,006
The Commission is required to carry liability insurance, types described below. Insurance costs typically increase year-over-year; therefore, staff is recommending the following based on the maximum estimated increases provided by brokers.					
	<u>Original Budget</u>	<u>Budget Revised</u>			
Special Property Insurance Policy	\$ 113,533	\$ 139,416			
Special Liability Insurance Policy	\$ 8,434	\$ 8,754			
Cyber Crime Insurance	\$ 2,700	\$ 2,837			
Total	\$ 124,666	\$ 151,006			
Original Amount	Revised Amount		Variance		
124,666	151,006		26,341		
Revised Justification: The increase to this line item is mainly due to the increase in the cost of property insurance being more than anticipated based on the prior year expenses. The increase will be pulled from other operating line items and the available fund balance. The remaining types of insurance coverage are increased only slightly.					
Total Evaluation Expense	151,006	x	2%	3,020	
Total Program Expense	151,006	x	61%	92,114	
Total Administration Expense	151,006	x	37%	55,872	
Local Travel Expense - Local Mileage					2022-2023 Proposed Revised Budget
Original Justification:					\$4,000
Annually, Commission Staff or contract managers are required to administer Annual Contract Reviews to all funded Service Providers which may require traveling locally on behalf of the Commission throughout Fresno County. Additionally, staff occasionally travels for the Commission for various reasons including off-site technical assistance to Service Providers and various Community Partner convenings. Estimated costs are projected based on past expense trends. Currently, the IRS mileage rate is 58.5¢ per mile.					
	<u>Original Amount</u>	<u>Revised Amount</u>	<u>Variance</u>		
	2,500	4,000	(1,500)		
Revised Justification: A small increase to this line item is to both accommodate the increase in the IRS reimbursable rate for mileage (to 65.5¢ per mile) and to anticipate more staff traveling locally for Commission-related work now that the COVID-19 pandemic restrictions have eased.					
Total Evaluation Expense	4,000	x	2%	80	
Total Program Expense	4,000	x	61%	2,440	
Total Administration Expense	4,000	x	37%	1,480	
Materials and Supplies Expense					2022-2023 Proposed Revised Budget
Original Justification:					\$11,000
This line item includes costs associated with general office supplies, postage costs, in-house and outside printing, and other expenses required for operating the Commission's business. Cost break down includes \$340 per month x 12 months for an approximate total of \$4,000 per year. Staff recommends setting aside an additional \$5,000 for any unexpected materials costs, such as mandatory document printing, signage, business cards, etc.					
	<u>Original Amount</u>	<u>Revised Amount</u>	<u>Variance</u>		
	11,000	11,000	0		
Revised Justification: No changes to this line item.					
Total Evaluation Expense	11,000	x	2%	220	
Total Program Expense	11,000	x	61%	6,710	
Total Administration Expense	11,000	x	37%	4,070	

COST ANALYSIS

BUDGET LINE ITEM DETAIL

				2022-2023 Proposed Revised Budget
Overhead Expense				
Original Justification:				\$270,000
The Commission occupies 15% of the leasable space within the Lighthouse for Children facility and so is responsible to pay its proportionate share of the overhead costs. Overhead costs include utilities (water, waste, gas & electricity, etc.), facility contracted services (security, janitorial, landscaping, etc.), insurance and taxes and a facility management services contract. The remaining amount for the facility is budgeted within the Strategic Plan Investments for the Child Development Center and Community Learning Center.				
Original Amount		Potential Property Taxes		
90,000	+	180,000	=	270,000
				Variance 180,000
Revised Justification: The Commission's Legal Counsel has submitted an appeal to the County regarding the property tax bill received due to the nature of our agency. Changes to this line item include dollars set aside in the case it is deemed that the Commission must pay property taxes.				
Total Evaluation Expense				270,000 x 2% 5,400
Total Program Expense				270,000 x 61% 164,700
Total Administration Expense				270,000 x 37% 99,900

				2022-2023 Proposed Revised Budget
Professional Services Expense				
Original Justification:				\$99,180
The Commission utilizes this line item to obtain a specific technical or unique function performed by independent contractors or consultants whose occupations are not fulfilled by Commission staff. Examples of professional services include attorneys, business consultants, business development managers, law firms, human resources, payroll services, investment custodial services and other specialized administrative roles. Budget amounts are based on past trends, average monthly rates and quotes multiplied by 12 months. Staff recommends including \$20,000 for other miscellaneous professional services to include services for consultants, translators (services when needed), administrative cost for health savings accounts (average cost per month = \$125), human resources coaching and other short-term consultants.				
<u>Monthly</u>		<u>Add'l Services</u>		
\$2,500	x 12 =	\$30,000	+ \$15,000 =	\$45,000
\$400	x 12 =	\$4,800	+ \$7,000 =	\$11,800
\$990	x 12 =	\$11,880	=	\$11,880
\$292	x 12 =	\$3,500	=	\$3,500
\$167	x 12 =	\$2,000	+ \$5,000 =	\$7,000
				Legal Services \$45,000
				H.R. Services \$11,800
				Investment Services \$11,880
				Custodial Services \$3,500
				Payroll Services \$7,000
				Misc. Professional Services \$20,000
				Professional Services Total \$99,180
		Original Amount		Variance
		99,180		0
Revised Justification: No changes to this line item.				
Total Evaluation Expense				99,180 x 0% 0
Total Program Expense				99,180 x 0% 0
Total Administration Expense				99,180 x 100% 99,180

COST ANALYSIS BUDGET LINE ITEM DETAIL

Program Development Expense/Strategic Planning Implementation					2022-2023 Proposed Revised Budget
Original Justification:					\$5,000
This line item exists for additional or unforeseen costs for program development, the implementation of the Strategic Plan, and/or printing materials to showcase the Commission's Strategic Plan. Staff recommends budgeting \$5,000.					
Original Amount	Revised Amount		Variance		
5,000	5,000		0		
Revised Justification: No changes to this line item.					
Total Evaluation Expense	5,000	x		0%	0
Total Program Expense	5,000	x		100%	5,000
Total Administration Expense	5,000	x		0%	0
Staff Training, Travel & Conference Expense					2022-2023 Proposed Revised Budget
Original Justification:					\$23,000
Estimated cost for Commission staff to attend local and out of town trainings/conferences on behalf of the Commission. All trainings & conferences attended are required to be aligned with the Strategic Plan per the Commission's Travel Policy and Procedures Manual. Trainings/conferences include, but are not limited to, collaborative meetings, the First 5 State annual conference, First 5 Association quarterly meetings and summits, annual planning days, Government Finance Officer Association trainings, Early Care & Education meetings/conferences, legislative visits, State Conferences, etc. Average cost of travel for one staff on one trip is \$200 which includes transportation, lodging, registration, per diem, etc. With the relaxation of pandemic protocols and travel restrictions, travel is expected to increase.					
Original Amount	Revised Amount		Variance		
18,000	23,000		5,000		
Revised Justification: Slight increase to this line item to accommodate an increase in travel for business post pandemic.					
Total Evaluation Expense	23,000	x		2%	460
Total Program Expense	23,000	x		61%	14,030
Total Administration Expense	23,000	x		37%	8,510
Telephone Expense					2022-2023 Proposed Revised Budget
Original Justification:					\$34,224
Telephone expenses include the Commission's phone landlines and data lines (internet) for accessibility all to aid in the operations of the agency. That monthly cost is now included in the calculations below. Staff recommends \$2,000 for unforeseen expenses.					
	<u>Monthly Amount</u>			<u>Annual Amount</u>	
Landlines & Data lines	\$1,852	x	12	=	\$22,224
Unforeseen Phone Expenses					\$2,000
					<u>\$24,224</u>
					Telephone Expense Total
					<u>\$10,000</u>
					Revised Budget Increase
					<u>\$34,224</u>
Original Amount	Revised Amount		Variance		
24,224	34,224		10,000		
Revised Justification: Increase to this line item to anticipate the switch of phones from analog to digital.					
Total Evaluation Expense	34,224	x		2%	684
Total Program Expense	34,224	x		61%	20,877
Total Administration Expense	34,224	x		37%	12,663

COST ANALYSIS

BUDGET LINE ITEM DETAIL

STRATEGIC PLAN INVESTMENT AREAS

Strategic Plan Investments	2022-2023 Proposed Revised Budget
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Help Me Grow Fresno County

Help Me Grow Fresno County is a nationally utilized model of doing collaborative work for young children that promotes collaboration across sectors to build a more efficient and effective system for young children and their families. Locally, we call it Help Me Grow Fresno County (HMGFC). This is the over-arching investment that binds all our work together and this investment area can also be referred to as the early childhood system of care. Acting as convener and connector, the Commission brings the community and stakeholders together in support of changing the way our systems work all for better outcomes for our children. A successful approach to addressing the key challenges facing Fresno County families requires systemic change. The amount allocated is for the future of this investment to continue to build on the early childhood system of care work that is already taking place. As HMGFC continues to connect young-child facing service providers through the last year of its HMGFC Strategic Plan, the Commission will set aside funds to invest in the future of this model.

	Original Amount	Revised Amount	
	300,000	525,000	
			Help Me Grow Fresno County <u> </u> \$525,000
			Variance <u> </u> 225,000

Revised Justification: The proposed increase to this line item will allow for a potential contract extension as agencies and First 5 county Commissions explore a regional approach to the Help Me Grow model. Conversations and planning are taking place facilitated within the Help Me Grow Fresno County (HMGFC) Leadership Table, a multi-agency advisory committee which includes representation from First 5 Fresno County Staff. This amount also includes the potential for dollars to evaluate HMGFC and other initiatives that aid in connections to the connected system that serves our families that may enhance the HMGFC model.

Thriving Families Service Programs

This long-standing area of investment is a compilation of community-based partnerships that provide direct support to families across the county. Under this area, with eight contracts with local Community-Based Organizations, the Commission remains committed to funding a navigable, effective, and culturally responsive network of direct services to fill gaps in the early childhood system of care. To compliment this investment, this area also includes the Commission's investment in the local home visitation services with contracts that resulted from a joint procurement with the County of Fresno Department of Public Health to fund a community health team approach to home visiting. Funds under Thriving Families Service Programs are set aside for future procurements for these initiatives as the last year of the previously procured contracts were awarded in the prior fiscal year.

This portion of the budget also includes dollars set aside for things like funded partner collaborative meeting expenses and translation services (\$5,300), a small amount to allow for community storytelling from families, what we call Community Scientists, (\$10,689), dollars for the Commission to explore how to support families experiencing homelessness and families who are victims of domestic violence (\$600,000), and funds to explore an updated iteration of the Birth to Third Grade Initiative to potentially engage elected officials, rural school districts, and other institutions to convey the shared importance of the early years on all sectors (\$700,000).

	Original Amount	Revised Amount	
	2,500,235	8,380,704	
			Thriving Families Service Programs <u> </u> \$8,380,704
			Variance <u> </u> 5,880,469

Revised Justification: With the completion of the prior year's audit, available dollars are allocated back to programmatic efforts. The increase to this line item, allows the continuation of multi-year contracts for the Commission's Home Visitation investments and allows for the continuation of the partnership with the County of Fresno Department of Social Services for the focus on young children and their families at their Neighborhood Resource Center (NRC) network. Additionally, the fund balance allows for dollars to be set aside for the upcoming procurement opportunity for the Thriving Families Service Programs to be made available to community organizations in Fresno County and allows the one-year amount available for the Thriving Families Core Contracts to be increased to \$1.7 million.

COST ANALYSIS

BUDGET LINE ITEM DETAIL

**2022-2023 Proposed
Revised Budget**

Strategic Plan Investments Cont'd

Community Learning Center

The Lighthouse for Children Community Learning Center (CLC) is a network of community partners working together to provide classes and workshops that encourage and foster healthy relationships between young children and their caregivers all while increasing early literacy, language, and school readiness skills. Along with family services, the CLC supports professionals working with young children. In June 2022, via a Request for Proposals, Fresno Economic Opportunities Commission became the CLC Operator. They are tasked with coordinating use of space and the local agencies who provide services to families with young children. This section of the budget contains the 0.5 FTE for the Early Childhood Initiatives Specialist who will be the liaison for the CLC Operator contract along with the overhead and operating costs (phones, internet, utilities, program supplies, etc.) of the CLC space and the other partner space at the Lighthouse for Children.

	<u>Original Budget</u>	<u>Revised Budget</u>
CLC Operating Contractor [Potential] Contract Renewal	\$0	\$150,000
CLC Salaries - Early Childhood Specialist (0.5 FTE F5FC)	\$20,750	\$21,788
Staff Benefits, Payroll Taxes - F5FC	\$14,539	\$8,324
Leave Accrual - F5FC	\$3,400	\$3,400
Overhead & Operating Expense	\$296,156	\$307,656
Community Learning Center	\$334,845	\$469,380
Original Amount	Revised Amount	Variance
334,845	469,380	134,535

Revised Justification: The proposed revised amount includes dollars for the potential renewal year with the current contractor, Fresno Economic Opportunities Commission, of the Center based on performance and availability of funding along with increases in the cost for staff project management and operating expenses.

Patient-Centered Prenatal Care

Resources are allocated for the group prenatal care project which is leveraging a four-year \$5.6 million grant awarded to University of California, San Francisco's Preterm Birth Initiative-California (UCSF-PTBi) from the Patient-Centered Outcomes Research Institute (PCORI). The grant's intent is to research an enhanced prenatal care model (group prenatal care named Glow!) compared to traditional prenatal care in the Central Valley. This project is being referred to as the EMBRACE Study. As one of three findings from the African American Infant Mortality Needs Assessment (2016), the Glow! group prenatal care project was piloted from 2017 to 2020 via a grant from UCSF to focus on maternal wellness and support for women in Fresno County. In this current form, Glow! includes partnerships with three Community-Based Organizations (Reading & Beyond, West Fresno Family Resource Center & Fresno EOC) to act as Glow! satellite sites (known as the Glow! Contracted Network) for the EMBRACE Study. The Commission sees this Study as a win for Fresno County and the region as it enrolls 2,600 women, half enrolled in Glow! group prenatal care and half enrolled in traditional care. The Commission has committed to contracts with the Contracted Network via prior budgets. These funds are to maintain the Network with its proper trainings and expansion efforts as outlined below.

	<u>Original Budget</u>	<u>Revised Budget</u>
Glow! Facilitation Sub-Contracts		
Glow! Contracted Network Contracts	\$175,000	\$175,000
Glow! Future Expansion Post EMBRACE Study	-	\$805,810
Glow! Coordination Expense		
Glow! Programmatic Materials (Curriculum Materials, Site Licenses, etc.)	\$40,000	\$40,000
Trainings: CenteringPregnancy Curriculum, Equity Trainings, Materials	\$20,000	\$53,000
Patient-Centered Prenatal Care	\$235,000	\$1,073,810
Original Amount	Revised Amount	Variance
235,000	1,073,810	838,810

Revised Justification: Along with an increase to materials and licenses, the proposed updates to this portion of the budget includes an additional year for the Glow! Contracted Network to finish the EMBRACE Study and dollars for the future of Glow! Group Prenatal Care beyond the EMBRACE Study. The future may require a contractor or staff member to help advocate for Glow! model in state policy decisions, to scale evaluate the program, to scale the scope of the project, etc.

COST ANALYSIS

BUDGET LINE ITEM DETAIL

**2022-2023 Proposed
Revised Budget**

Strategic Plan Investments Cont'd 3

Innovation & Learning Partnerships and Communications

Lasting improvements to the health and development of the county's youngest residents are possible when community organizations, businesses, policy makers, families and the Commission find innovative ways to collaborate and create a more integrated and comprehensive support system for young children and their families. The Commission will invest in emerging, innovative partnerships that directly align with the Strategic Plan and the agency's mission along with communication strategies to further convey the importance of the early childhood development.

	<u>Original Budget</u>	<u>Revised Budget</u>
Innovation & Learning Partnerships Subtotal	\$350,000	\$659,964

The Commission engages in communication and community relations efforts to connect with community leaders, stakeholders, businesses, elected officials, and the broader Fresno County audience. By engaging with Fresno County residents and leaders alike, the Commission has the opportunity to promote and enhance our message of the importance of the first 5 years of life. To this the Commission will invest in the following:

	<u>Original Budget</u>	<u>Revised Budget</u>
Annual Child-Friendly Business Awards	\$75,000	\$75,000
Community Relations Expense	\$37,500	\$41,000
Outreach & Communications Efforts/ Materials	\$10,000	\$70,600
Communicating Families Stories	\$10,000	\$10,000
Other Communication Efforts (Photos, Website, Community Outreach Materials, etc.)	\$96,500	\$143,436
Communications Subtotal	\$229,000	\$340,036
Innovation & Learning Partnerships and Communications Total	\$579,000	\$1,000,000

Original Amount	Revised Amount	Variance
579,000	1,000,000	421,000

Revised Justification: The available fund balance, clearly defined at the close of the prior year audit, allows for this portion of the budget to be increased. The increase provides the Commission flexibility in supporting the community through organic and innovative approaches to meet the needs of families with young children. The increase to this line item will offer the Commission the chance to serve populations and people groups who have not traditionally been served. Staff is exploring ways to serve families experiencing homelessness and guardians of young children who are domestic violence victims.

				Strategic Plan Investment Areas Total		\$17,495,903
Total Evaluation Expense	17,495,903	x			0%	0
Total Program Expense	17,495,903	x			100%	17,495,903
Total Administration Expense	17,495,903	x			0%	0

COST ANALYSIS

BUDGET LINE ITEM DETAIL

Accountability and Evaluation			2022-2023 Proposed Revised Budget
			\$450,000
Accountability Contract Management System			
Organizations that receive Commission funds report financial, programmatic, and evaluation data to ensure compliance with the agency's contractual obligations. The fiscal reporting structure of the Commission is modeled after the First 5 Financial Management Guide. The Commission is in contract with Social Solutions, Inc., for data management system & services, for use of their system Apricot 360. This system collects programmatic data and allows for fiscal reporting to ultimately be able to report to the state each year as per our requirements.			
			\$150,000
Evaluation Services			
The effectiveness of the Commission's investments is monitored regularly by staff along with a contracted evaluation firm. With evaluation being mandatory, the contracted evaluator works with the Commission, staff, and grantees to inform ongoing program practices and to evaluate progress towards the Commission's desired outcomes in line with the strategic plan. The Commission uses accountability and evaluation data to inform its decision-making; ensuring that funds are used as efficiently and effectively as possible. The Commission is in contract with Harder+Company for evaluation services.			
			\$300,000
Accountability and Evaluation Total			\$450,000
Original Amount 400,000	Revised Amount 450,000	Variance 50,000	
Revised Justification: A minimal increase to this line item exists to accommodate an increase in users of our evaluation database as we anticipate new contracts with the upcoming release of procurements.			
Total Evaluation Expense	450,000	x	100% 450,000
Total Program Expense	450,000	x	0% 0
Total Administration Expense	450,000	x	0% 0

Externally Funded Initiatives			2022-2023 Proposed Revised Budget
			\$2,414,107
<i>These externally funded initiatives create strong partnerships while furthering the Commission's impact in the community. Funding for these projects, as detailed below, comes from revenue streams separate from the Proposition 10 Revenue received by the Commission.</i>			
First 5 California - IMPACT Program			
Original Justification: First 5 IMPACT (Improve and Maximize Programs so All Children Thrive) is an innovative approach that forges partnerships between First 5 California and counties to achieve the goal of helping children ages 0 to 5 and their families thrive by increasing the number of high-quality early learning settings, including supporting and engaging families in the early learning process. IMPACT is centered around the state's childcare Quality Rating and Improvement System (QRIS). First 5 Fresno County currently serves as the Lead Agency for the IMPACT project and the Commission partners with Fresno County Superintendent of Schools as the implementation lead. These funds are received and monitored by Commission staff. This is a 3-year agreement, 2022-23, being the third year.			
Revised Justification: No Changes			
First 5 CA - IMPACT Subtotal			\$572,624
First 5 California - IMPACT Regional Hub Program			
Original Justification: The IMPACT Hub funding builds upon the First 5 IMPACT investments by creating regional efficiencies and coordinated efforts to seven QRIS/IMPACT Region 5 counties including Mariposa, Merced, Madera, Fresno, Kings, Tulare and Kern. The primary focus of the IMPACT Hub program funding, is to provide coordination and specialized support to Region 5 to create economies of scale while building a local early learning system focused on access to high quality early care and education. The Commission's role is to lead the region as the Fiscal lead Agency with the responsibility for convening regular meetings with key partners, facilitating regional data collection and fiscal reporting to First 5 California. This portion of the budget includes the Regional Hub Coordinator staff position (.6 FTE), a First 5 staff member. These funds are received and monitored by Commission staff. This is a 2-year agreement, with 2022-23 being the second year.			
Revised Justification: No Changes			
First 5 CA - IMPACT Regional Hub Subtotal			\$641,483

COST ANALYSIS

BUDGET LINE ITEM DETAIL

				2022-2023 Proposed Revised Budget
Externally Funded Initiatives Cont'd				
First 5 California - Refugee Family Support Grant				
Revised Justification: First 5 Fresno County in partnership with seven Central California First 5 Commissions including First 5 Stanislaus, First 5 Merced, First 5 Madera, First 5 Kings, First 5 Tulare, First 5 Kern and First 5 San Luis Obispo counties aims to support refugee families as they transition to life in the 7 Central California counties. The workplan and budget are products of a series of community planning sessions and conversations with First 5 Commissions, refugee family serving agencies and community partners invested in serving young children and their families. The California Refugee Family Support aims to assist refugee children and their families with: System Navigation Support, Peer Connection/Social Support, Regional Refugee Family Support Collaboration and Basic Family Needs.				
First 5 CA - Refugee Family Support Subtotal				\$570,357
Blue Meridian Partners - Early Childhood Human Capital Investment				
Original Justification: In March 2021, the Commission accepted funds from the Fresno Cradle to Career Partnership received from the Blue Meridian Partners in a total amount of \$380,000 over two years. This is Year 2. A portion of the funds will be allocated to the three Glow! Contracted Network agencies to offset some of the Commission's investment and wrap around program service expenses. The remaining amount will be allocated to the Fresno GROWs – Best Babies Zone Initiative and will include the execution of a new contract with the Black Maternal Wellness Innovation Lab which aligns with the Fresno GROWs Initiative, a current Commission-funded program.				
Revised Justification: No Changes				
Blue Meridian Partners Subtotal				\$248,909
CalViva Health - Glow! Group Prenatal Care Project Support				
Revised Justification: To aid in the expansion of the Glow! Group Prenatal Care Pilot Project, also known as EMBRACE, in July 2022, CalViva Health contributed \$25,000, to support the direct implementation of the Patient Centered Prenatal Care. These dollars also include CalViva Health's contribution from prior years to cover Physician Reimbursement for participating in the study and Glow! in the Evening sessions. The previously unspent funds provided by CalViva have also been accounted for within this line. Funds from prior FYs remain restricted for this purpose and CalViva has emphasized the expansion to serve mothers outside of the County. Additionally, contributions from prior years that came from Cal Viva and other external partners for the purpose of expanding Glow! group prenatal care amounts to \$199,734. These funds are available to supplement where local Prop 10 cannot reach.				
CalViva - Glow! Support Subtotal				\$224,734
County Department of Public Health - Babies First Healthy Start Grant				
Original Justification: In May 2021, the Commission accepted funds from the Fresno County Department of Public Health (DPH) in a total amount of \$468,000 over three years. These funds come from a grant awarded to DPH. Their grant alignment with the Commission-funded Glow! Group Prenatal Care project made this an ideal partnership. These funds partially offset the Commission's investment in Glow! and its contracted network of Community-Based Organizations. The expenses outlined in this section include 1.3 staff FTE (0.8 FTE Early Childhood Initiatives Manager and 0.5 FTE Early Childhood Initiatives Specialist) to coordinate the service delivery of the Glow! Contracted Network as it pertains to the EMBRACE Study along with other expenses necessary to carryout Glow!				
Revised Justification: No Changes				
DPH Healthy Start Grant Subtotal				\$156,000
Externally Funded Initiatives Total				\$2,414,107
Total Evaluation Expense	2,414,107	x	0%	0
Total Program Expense	2,414,107	x	100%	2,414,107
Total Administration Expense	2,414,107	x	0%	0

COST ANALYSIS
BUDGET LINE ITEM DETAIL

RESERVE

					2022-2023 Proposed Revised Budget
Operations Contingency Fund					\$1,000,000
<p>The Operations Contingency Fund was established to guard against possible losses and meet unforeseen and unavoidable requirements that may arise during the budget year. Parameters of usage are outlined in the agency's Accounting Policies and Procedures Manual. This fund will remain at \$1,000,000, being deobligated and then reobligated at the start of each fiscal year.</p>					
Revised Justification: No change to this line item.					
Total Evaluation Expense	1,000,000	x	0%	0	
Total Program Expense	1,000,000	x	0%	0	
Total Administration Expense	1,000,000	x	100%	1,000,000	

					2022-2023 Proposed Revised Budget
Strategic Reserve Fund					\$2,000,000
<p>The Strategic Reserve Fund is a separate fund to guard against any future immediate and unanticipated Proposition 10 revenue deficits or shortfalls that may arise during the budget year. Parameters of usage are outlined in the agency's Accounting Policies and Procedures Manual. This fund will remain at \$2,000,000, being deobligated and then reobligated at the start of each fiscal year.</p>					
Revised Justification: No change to this line item.					
Total Evaluation Expense	2,000,000	x	0%	0	
Total Program Expense	2,000,000	x	100%	2,000,000	
Total Administration Expense	2,000,000	x	0%	0	

FIRST 5 FRESNO COUNTY
ADMINISTERED BY CHILDREN & FAMILIES COMMISSION OF FRESNO COUNTY

REGULAR BUSINESS MEETING

January 25, 2023 - 11:30 a.m.

2405 Tulare Street
Fresno, CA 93721

AGENDA ITEM NO. 8

TO: Children & Families Commission of Fresno County

FROM: Fabiola González, Executive Director

SUBJECT: Agreement with Reading Heart for the Commission’s Mobile Unit

RECOMMENDED ACTION:

Approve an agreement to transfer ownership of the Commission’s Mobile Unit to Reading Heart.

BACKGROUND:

On November 28, 2022, this item was approved for full Commission consideration by the Finance and Program Review Committee.

In 2010, the Commission purchased and refurbished an Airstream trailer (Mobile Unit) to create the *Breastfeeding Friendly (BFF) Express*, a breastfeeding friendly mobile unit, as part of the Breastfeeding Friendly Initiative - a larger community campaign to raise awareness and support for breastfeeding as the healthiest start for babies and normalize support for lactating persons and their families at home, at work, and during community events. Over the last decade, laws protecting breastfeeding, community support and awareness of the benefits of breastfeeding have increased in Fresno County and across our state. Hospitals continue to implement policies around breastfeeding support to attain the Baby Friendly Hospital designation, more expansive lactation accommodation laws have been signed into law and breastfeeding friendly spaces have been permanently established at prominent places like the Fresno Yosemite International Airport, Fresno City Hall, Fresno Chaffee Zoo, and the Fresno Fairgrounds. Over time, staff capacity combined with decreased demand for the Mobile Unit at large, outdoor community events have kept the Mobile Unit in storage for longer periods of time.

In October 2021, the Commission authorized staff to release a Request for Proposals (RFP) procurement opportunity, with the goal of eliciting new, innovative uses for the Mobile Unit in support of Fresno County children and families.

Procurement: An RFP was released in October 2021 to partner with a local entity with the capacity to take on ownership of, use, manage and maximize the Commission’s Mobile Unit. No submissions were received and the RFP was re-released in September 2022, resulting in one (1) submission. A panel of community reviewers reviewed and scored the proposal and requested additional details from Reading Heart to better understand their proposed use of the Mobile Unit. After assessing all the information provided, the reviewer panel recommends Reading Heart to be considered by the full Commission for an award.

Reading Heart local 501(c)(3) Community-Benefit Organization that spearheads a book donation program dedicated to serving children ages 0-12 that are currently in hospitals, schools, and neighborhood/communities with limited access to books. If awarded, their vision for the Mobile Unit is to convert it into a mobile library/tutoring center that would travel to underserved areas and provide families access to free books, technology and tutors to assist them with their educational needs. Their current partners include CalViva Health, Fresno, Clovis and Central Unified School Districts, the Fresno County Superintendent of Schools, Every Neighborhood Partnership, Amazon and Wal-Mart. Reading Heart intends to partner with these agencies to upgrade and convert the Mobile Unit to its new use.

Alignment with Strategic Plan: The proposed recommendation aligns with three of the strategies identified in our Strategic Plan - Innovation & Learning - confronting persistent community challenges through unconventional approaches; Collaboration - strengthening connections and information-sharing between community partners in all sectors; and Skill-Building - supporting professionals and parents to ensure they have the knowledge and resources.

Short-term goal(s) and long-term outcomes: If approved, the ownership (title) of the Mobile Unit will be transferred to Reading Heart effective February 1, 2023. The long-term desired outcome is to repurpose the use and maximize the Mobile Unit in support of Fresno County children and families.

Fiscal Impact: If awarded, only the title of the Mobile Unit will be transferred to Reading Heart upon receipt of a \$10,000 good-faith deposit, which will be returned to Reading Heart at the end of the one-year contract term. Should Reading Heart not use the Mobile Unit as proposed and/or sell the Mobile Unit before the one-year agreement, the Commission would permanently keep the deposit.

CONCLUSION:

If approved, staff will work with Reading Heart to transfer ownership of the Mobile Unit. Should this agreement not be approved to move forward, the Commission will continue to incur the expenses of owning and storing the Mobile Unit while being able to lend it to community agencies seeking various types of uses for the unit on a very limited, as requested basis by the community.

FIRST 5 FRESNO COUNTY
ADMINISTERED BY CHILDREN & FAMILIES COMMISSION OF FRESNO COUNTY

REGULAR BUSINESS MEETING

January 25, 2023 - 11:30 a.m.

2405 Tulare Street
Fresno, CA 93721

AGENDA ITEM NO. 10

TO: Children & Families Commission of Fresno County

FROM: Fabiola González, Executive Director

SUBJECT: Executive Director's Report

General Administration

- On January 18, 2023, the Commission released a Request for Proposals (RFP) procurement opportunity seeking proposals from nonprofit/community organizations/groups to provide a range of family-centered supports that promote the well-being of young children and their families in Fresno County. This is a reminder, that per our Procurement Policies and Procedures, Commissioners and staff are specifically directed NOT to hold any meetings, conferences, or technical discussions regarding this RFP with prospective applicants. The RFP is available on the First 5 Fresno County website at www.first5fresno.org/funding and the deadline for submissions is **Monday, March 13, 2023, at 11:59 p.m.**
- Due to the rise in cases of COVID-19, Flu & RSV preceding the holiday season, staff paused in-person Annual Contract Review (ACR) visits with our Funded Partners during the month of December. Visits began in October 2022 and are set to conclude in February 2023. The ACR is an opportunity for contract managers to visit funded partner programs, review administrative and fiscal requirements, and reflect on successes and challenges from the last fiscal year. This is also an opportunity for partner agencies to provide feedback to First 5 on how we can further support partners in their work of serving families with children including any technical assistance and our contracting processes.
- Over half of the Fresno team participated in a Race Equity Diversity and Inclusion (REDI) Learning Exchange Workshop hosted by First 5 San Luis Obispo for the Central Region on Friday, December 9th. The workshop focused on equity principles and pillars, and strategies to integrate REDI into Strategic Plans, policies and grantmaking. Approximately forty colleagues from seven different counties participated in this full-day workshop.
- For the first time since 2019, the First 5 Association of California is hosting its in-person annual summit at the end of this month in San Diego. The annual summit is an opportunity for First 5 staff from all 58 counties to come together and connect with one another, reflect on challenges and triumphs, and build the strength of our First 5 Network. Commission staff will be out of the office January 30th – February 1st to participate in this 3-day summit.

Local and Statewide Involvement in Early Childhood Efforts

- First 5 California Executive Director, Jackie Wong nominated me to be part of the statewide *Universal PreKindergarten (UPK) Quality and Access Workgroup* established by Assembly Bill 185. The California Legislature charged the State Superintendent of Public Instruction with

convening a statewide interest holder workgroup charged with providing recommendations on best practices for increasing access to high-quality universal preschool programs for three- and four-year-old children offered through a mixed-delivery model and equitable learning experiences across a variety of settings. I am proud to be one of two members representing the Central Valley!

- On November 29th, I traveled to Palo Alto to participate in the First 5 Association of California's Board Retreat. The gathering provided Board members an opportunity to connect in-person for the first time this year, discuss and clarify roles and responsibilities, strengthen governance practices, and discuss the current and future work of the organization.
- As the co-lead for the Preconception to Age 5 Workgroup attached to the Fresno DRIVE Initiative, time has been spent working closely with partner organizations and members from the WestEd firm to develop a new strategic framework that aligns our collective work under one goal and helps us prioritize direct services, capacity, and infrastructure needed to move the work into the future. The focus now is to develop a cost analysis to understand the resources needed to implement proven strategies under the following four categories: healthy starts, safe and affirming environments, quality early education settings, and family supports.

Media and Community Relations

- On October 26th, Commissioner Sablan and her husband joined me at Focus Forward's Stories of Hope Magazine Launch Event. The Stories of Hope Magazine is an annual collection of real-life stories of people in our community who have overcome adversity, and are now leading healthy, productive lives inspiring hope. We were a magazine sponsor promoting our Sleep Safe Baby campaign.
- On November 18th, Commissioners and staff participated in the Mexican Consulate's *Reconocimiento Ohtli and Mexicanos Distinguidos* Awards Ceremony. Commissioner Hugo Morales was presented with the *Distinguished Mexicans Award* and Emilia Reyes, former First 5 Fresno County Executive Director was presented with the *Ohtli Award*. Chair Pacheco and I had the honor of introducing and sharing a few words about Emilia.
- On November 30th, I was invited back to Clovis East High School's Child Development class to present to High School Juniors about First 5 Fresno County and our work to support the first five years of a child's life. Commission staff colleagues, Ashley Hensley and Cindy Jurado Hernandez joined me in discussing the importance of social emotional development, policy and advocacy, child-friendly workplaces, Adverse Childhood Experiences (ACEs), and the various career pathways available within the early childhood field.

Farewell to Commissioner Davies-Balch

- Our deepest gratitude to Commissioner Davies-Balch for her service on the Commission from May 2019 through January 2023. We are indebted to her for her guidance, leadership, and insight to help the Commission's investments better support our most vulnerable children and families and for her unwavering commitment to improve systems in place to achieve optimal maternal and child health.