

FIRST 5 FRESNO COUNTY

ADMINISTERED BY CHILDREN & FAMILIES COMMISSION OF FRESNO COUNTY
FINANCE AND PROGRAM REVIEW COMMITTEE

DATE: Monday, June 17, 2024

Lighthouse for Children

2405 Tulare Street

TIME: 1:00 p.m.

Fresno, CA 93721

This Regular Meeting will also be broadcasted to the public via Zoom using the following link:

<https://us06web.zoom.us/j/84724857043?pwd=eIuno5H05opjTNlbbBhXbX9tMT0Imb.1>

Meeting ID: 847 2485 7043 | Passcode: 259435

The public may participate in the meeting, as otherwise permitted under the Brown Act, by joining using the link above.

AGENDA

ITEM	SUBJECT	PRESENTER
1.	CALL TO ORDER	H. Morales, Committee 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.	H. Morales, Committee Chair
3. Action Pg. 1	MINUTES FOR JANUARY 17, 2024 COMMITTEE MEETING	H. Morales, Committee Chair F. González, E.D.
4. Action Pg. 3	2024-2025 PROPOSED BUDGET AND LONG-RANGE FINANCIAL PLAN Supporting documents	F. González, E.D. A. Hillis, Staff
5. Action Pg. 23	AGREEMENT RENEWAL WITH FRESNO COUNTY SUPERINTENDENT OF SCHOOLS FOR THE LIGHTHOUSE FOR CHILDREN - CHILD DEVELOPMENT CENTER	F. González, E.D. A. Hillis, Staff
6. Action Pg. 25	FUNDED PARTNER MANUAL FOR PROGRAMMATIC AGREEMENTS Supporting Documents	H. Norman, Staff
7. 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.	H. Morales, Committee Chair
8. Information	ANNOUNCEMENTS / INFORMATION SHARING	H. Morales, Committee Chair
9. Information	ADJOURNMENT	H. Morales, Committee Chair
<i>NOTE:</i>	NEXT COMMITTEE MEETING – AUGUST 15, 2024	2405 Tulare St. Fresno, CA 93721

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

FINANCE AND PROGRAM REVIEW COMMITTEE MEETING

June 12, 2024 - 4:00 p.m.

2405 Tulare Street
Fresno, CA 93721

AGENDA ITEM NO. 3

RECOMMENDED ACTION:

Approve the January 17, 2024 Finance and Program Review Committee Meeting Minutes.

ACTION SUMMARY MINUTES

January 17, 2024 – 11:00 a.m.

Present: Hugo Morales, Susan Holt, Sabrina Beavers

Absent: None

Staff: Fabiola González, Cindy Jurado Hernandez, Ashley Hensley, Alix Hillis, Kendalyn Mack-Franklin, Luis Magallanes, Hannah Norman, Lupita Ramírez, Karen Rangel, Liliana Salcedo

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.

None heard.

3. MINUTES FROM NOVEMBER 27, 2023 COMMITTEE MEETING

Public Comment: None heard.

Motion by: Holt Second by: Beavers
Ayes: Beavers, Holt, Morales Noes: None heard.

4. 2023-2024 PROPOSED REVISED AGENCY BUDGET

Public Comment: None heard.

Motion by: Holt Second by: Morales
Ayes: Beavers, Holt, Morales Noes: None heard.

5. ACCOUNTING POLICIES AND PROCEDURES MANUAL - ANNUAL REVIEW

Public Comment: None heard.

Motion by: Holt Second by: Morales
Ayes: Beavers, Holt, Morales Noes: None heard.

6. AGREEMENT RENEWAL WITH FRESNO COUNTY DEPARTMENT OF PUBLIC HEALTH - COMMUNITY HEALTH TEAMS

Public Comment: None heard.

Motion by: Beavers Second by: Holt
Ayes: Beavers, Holt, Morales Noes: None heard.

7. AGREEMENT RENEWAL WITH ARCHER & HOUND FOR CHILD-FRIENDLY BUSINESS AWARDS MEDIA CAMPAIGN

Public Comment: None heard.

Motion by: Holt Second by: Beavers
Ayes: Beavers, Holt, Morales Noes: None heard.

8. AGREEMENT WITH MEZA STUDIOS FOR THE GLOW! PHOTOGRAPHY AND STORYTELLING PROJECT

Public Comment: None heard.

Motion by: Holt Second by: Beavers
Ayes: Beavers, Holt, Morales Noes: None heard.

9. PUBLIC COMMENT

Public Comment: None heard.

No action required.

10. ADJOURNMENT

Public Comment: None heard.

Motion by: Holt Second by: Beavers
Ayes: Beavers, Holt, Morales Noes: None heard.

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

FINANCE AND PROGRAM REVIEW COMMITTEE MEETING

June 12, 2024 - 4:00 p.m.

2405 Tulare Street
Fresno, CA 93721

AGENDA ITEM NO. 4

TO: Children & Families Commission of Fresno County
FROM: Fabiola González, Executive Director
SUBJECT: 2024-2025 Proposed Budget and Long-Range Financial Plan

RECOMMENDED ACTION

Approve, for full Commission consideration, the First 5 Fresno County (F5FC) 2024-2025 Proposed Budget and Long-Range Financial Plan.

BACKGROUND

With the 2024-2025 Proposed Budget, the Commission will continue implementing its 2020-2025 Strategic Plan by setting aside funds to invest in programs and services designed to positively impact the lives of families with young children ages 0 to 5 in Fresno County. The budget is the funding framework for the Commission's Strategic Plan. Included in the budget is the Long Range Financial Plan made up of the past year's projected expenditures, encumbrances, and revenues.

Key Points of 2024-2025 Proposed Budget:

A. Revenues

Anticipated revenues total approximately **\$7.85 million** including the following projections:

Proposition 10 Revenue	\$6.67 million
External Grant Revenue	\$559,250
Other Revenue	\$104,741
Interest Revenue (County Treasury)	\$213,510
Investment Earnings	\$300,000

B. Fund Balance

The Fund Balance is essentially the balance that remains unspent when the annual Audit Report is completed. The Commission's practice is to begin a new budget year with a zero Unassigned Fund Balance. In October 2024, the Audit Report for the prior year will be finalized showing any unspent funds which will be incorporated in the mid-year budget revision that will come before the Commission in January 2025. The Assigned Fund Balance is included to show the allocated Contingency and Reserve.

C. Investment Earnings

The amount of Interest/Profit earnings on the Commission's investment portfolio designated for future program allocation.

D. Operational Expense

Non-salary administrative costs are projected to be approximately 4.09% of the budget. The Proposed Budget includes a maximum of 11 FTE staff positions to support the Commission's work. Details are outlined in the Cost Analysis section of the document.

E. *Program Allocations*

The 2020-2025 Strategic Plan identifies the Commission's priorities and approaches to community investments. All known funding is informed by the Strategic Plan. Those priorities have been identified and detailed in the Cost Analysis section.

Long-Range Financial Plan:

With the creation of each new budget, the Long-Range Financial Plan ("the Financial Plan") is updated with actual financial data and assumptions are reviewed for continued projections. The Financial Plan is based on a model that provides actuals and projections and estimated revenues and expenses from FY 2022-2023 through FY 2031-2032. For brevity, the numbers in the Financial Plan are shown in thousands.

The calculations are based on the following assumptions:

1. **Proposition 10 Revenues** – Based on trends from prior years, projections from First 5 California, First 5 Association, and with consideration of future events that would affect incoming revenue, a proposed decrease of Proposition 10 Revenues are included. Between FY2022-23 and FY2023-24 there is an anticipated 17% decrease attributed to the ban on flavored tobacco which was written into law in November 2022. From FY2023-24 to FY2024-25, a decrease of 6% is included. The remaining years of the Plan show a projected average decrease of approximately 3% annually, as is common.
2. **Investment Income** – Interest/profit earnings on the Commission's investment portfolio are commensurate with market performance, thus a minimal and waning amount is included in forecasts of unrealized gains.
3. **External Revenue** – Revenue from external sources made up of contracts with First 5 California for IMPACT (Improve and Maximize Programs so All Children Thrive) efforts- focused on building regional capacity for childcare providers.
4. **Operating Expenses** – The financial planning model uses actuals from FY 2022-2023 as the baseline to project operating expenses for subsequent years.

First 5 Fresno County Begins FY 2024-2025 with a(n):

- Beginning Fund Balance of zero
- Anticipated annual Proposition 10 revenue of \$6.67 million
- Projected Administrative Rate of approximately 6.4%
- Proposed Strategic Plan Investment & Program & Technical Assistance Support allocation of \$6.09 million

The Financial Plan allows First 5 Fresno County to use current year Proposition 10 funds and other income to support future Strategic Plan Investments. Over the 10 years of the Financial Plan, the Commission is expected to receive \$72.6 million in revenue and allocate approximately \$61.3 million in Program Investments (made up of Program and Technical Assistance Support, Strategic Plan Investment Areas, & Externally Funded Programs).

FISCAL IMPACT:

The Financial Plan serves as a long-term guide for the management of resources and program investments as allocated by the Commission in accordance with the 2020-2025 Strategic Plan. The Proposed Budget provides a financial framework to allocate funds and cover operational costs for the Commission.

CONCLUSION:

Upon approval, staff will present, for full Commission consideration, the 2024-2025 Proposed Budget and the Long-Range Financial Plan at the next Commission meeting.



2024-2025 PROPOSED BUDGET



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

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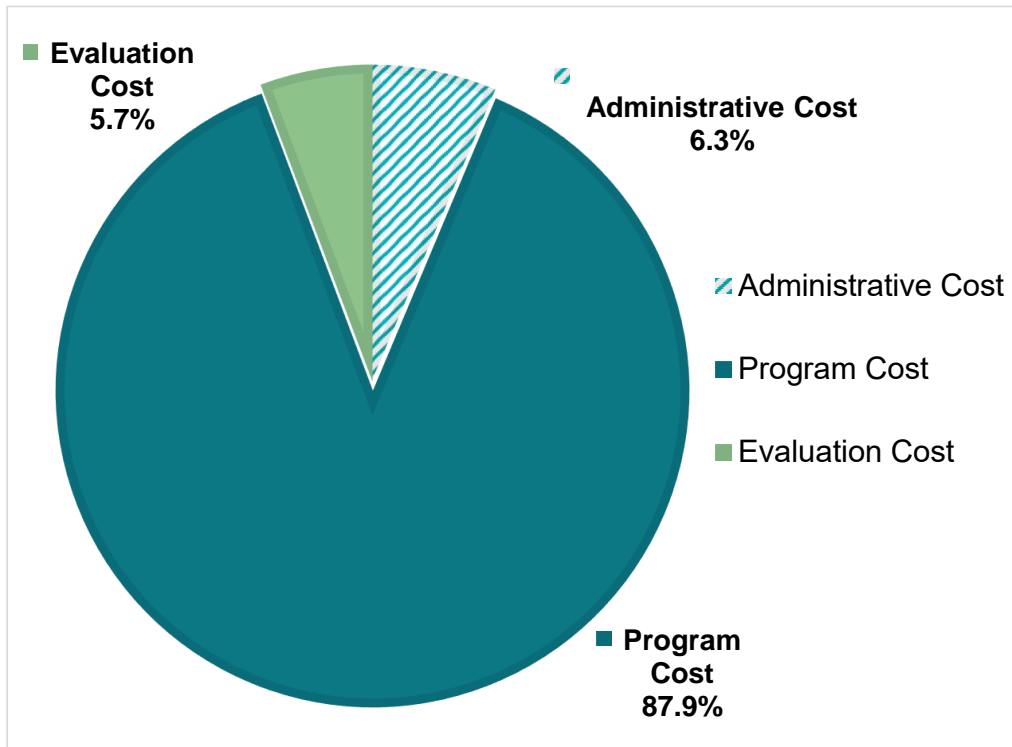
EXECUTIVE SUMMARY

At First 5 Fresno County we are committed to honoring and supporting families throughout our county. We envision a future where all children and their families are healthy, loved, and nurtured. By the age of five, 90% of a child's brain is developed. Rooted in this fact, California voters passed Proposition 10, the California Children and Families Act, in 1998. As a result, a 50-cent tax on all tobacco products was established 'to facilitate the creation and implementation of an integrated, comprehensive, and collaborative system of information and services to enhance optimal early childhood development.' Proposition 10 funds are distributed to California counties based on the county's birthrate.

FY 2024-2024 BUDGET

The development of the FY 2024-2025 Proposed Budget focused on honoring our commitment to the 2020 – 2025 Strategic Plan which was drawn up after hearing from the community. Since then, our efforts have been focused on addressing what we heard. This budget demonstrates our continued focus on supporting the early childhood system of care in Fresno County in innovative ways, while keeping long-term sustainability in mind. We invite our community to envision new ways of addressing the needs of children and families – and creating the early childhood system of care of the future, today. For details on the agency's vision, mission and more, refer to the full Strategic Plan on our website www.first5fresno.org.

The breakdown of 2024-2025 Proposed Budget expenses by cost category, as outlined in the Cost Analysis, is as follows:



Cost Category	%	Budget Amounts
Administrative Cost	6.3%	\$498,419
Program Cost	87.9%	\$6,908,150
Evaluation Cost	5.7%	\$448,191
	100%	\$7,854,761

REVENUE

2024-2025
Proposed Budget

TOTAL REVENUE BUDGET **\$7,854,760**

Proposition 10 Revenue **\$6,677,259**

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. This also includes Back-fill from Proposition 56, the California Electronic Cigarette Excise Tax and any other-related revenue received.

External Revenue **\$559,250**

First 5 California IMPACT **\$534,250**

These funds allow First 5 Fresno County (F5FC) to serve as the Lead Fiscal Agency and the Regional Hub Lead for the IMPACT Legacy project and partner with other counties in the Central Valley Region to 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.

Blue Meridian Partners - Glow! Project Collaboration & Support **\$25,000**

Blue Meridian, through Fresno County Superintendent of Schools Cradel to Career efforts, has been investing in areas related to First 5's work for the last few fiscal years. Through March 31, 2025, Blue Meridian has granted First 5 Fresno dollars to incentivize collaboration amongst and support efforts within Glow! and the other areas of interest for their investment.

Other Revenue **\$104,741**

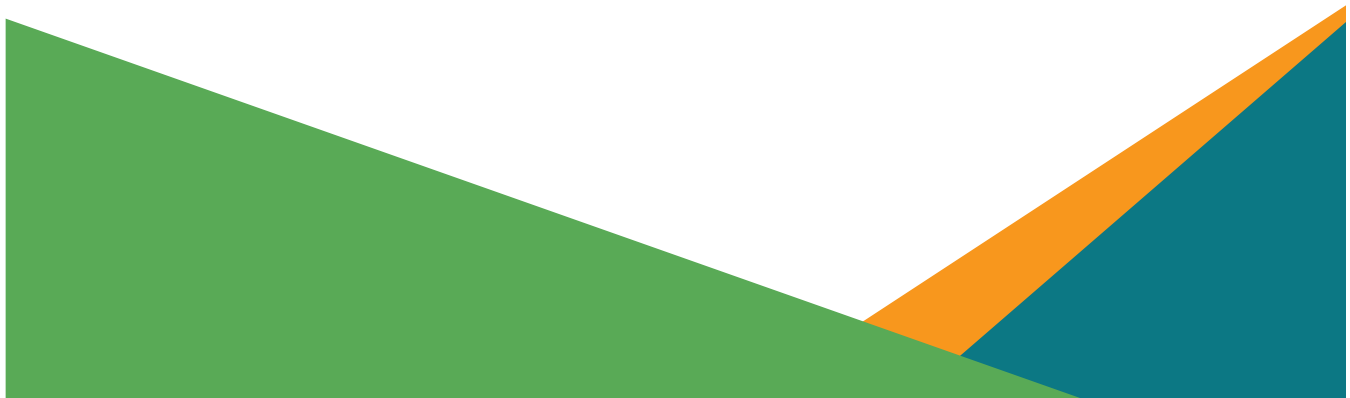
This includes rents collected from Lighthouse for Children (LFC) tenants (approximately \$10,700/month) used to offset operating costs, minimal revenue from use of conference space at the building by external partners at the LFC facility, and other outside revenue not captured above.

Interest Revenue - County Treasury **\$213,510**

Interest collected from the Proposition 10 funds held on deposit in the County of Fresno's Treasury Pool account.

Investment Earnings **\$300,000**

Anticipated unrealized, 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 2024-2025 PROPOSED BUDGET SUMMARY

	2023-2024 Approved Revised Budget	2024-2025 PROPOSED BUDGET
Revenue		
Proposition 10 Revenue	\$7,068,509	\$6,677,259
External Revenue		
First 5 CA IMPACT	\$613,164	\$534,250
First 5 CA Refugee Family Support Grant	\$93,622	\$0
Blue Meridian Partners - Glow! Collaboration Incentive	\$0	\$25,000
County DPH - Babies First Healthy Start Glow! Revenue	\$117,000	\$0
First 5 Merced County - Glow! Expansion Grant	\$12,275	\$0
First 5 Kern County - Glow! Expansion Grant	\$4,567	\$0
Other Revenue	\$131,700	\$104,741
Interest Revenue - County Treasury	\$133,559	\$213,510
Investment Earnings (Unrealized)	\$25,000	\$300,000
Total Revenue	\$8,199,396	\$7,854,760
Reserve - Assigned Fund Balance		
Assigned Fund Balance for Operations Contingency & Strategic Reserve	\$3,000,000	\$3,500,000
Unassigned Fund Balance*	\$2,847,662	\$0
	\$5,847,662	\$3,500,000
Operating Expenses		
Salaries & Benefits		
Salary Expense	\$734,650	\$777,965
Payroll Tax Expense	\$70,589	\$74,186
Retirement Expense	\$64,208	\$67,994
Employee Benefits Expense	\$259,707	\$248,427
Worker's Compensation Expense	\$6,208	\$6,208
Total Salaries & Benefits Expenses	\$1,135,362	\$1,174,780
Services & Supplies		
Audit Expense	\$26,000	\$26,000
Capital Equipment Expense	\$20,500	\$19,000
Commissioner/Advisory Expense	\$3,200	\$2,050
Dues & Subscriptions Expense	\$33,114	\$40,500
Equipment Rental/Maintenance Expense	\$47,974	\$53,070
General & Administrative Expense	\$14,994	\$18,500
Insurance Expense	\$167,795	\$176,315
Local Travel Expense - Local Mileage	\$3,500	\$4,100
Materials & Supplies Expense	\$8,600	\$7,400
Overhead Expense	\$92,000	\$95,000
Professional Services Expense	\$82,854	\$82,404
Program Development/Strategic Planning Expense	\$5,000	\$10,000
Staff Training & Conference Expense	\$20,000	\$14,000
Telephone Expense	\$27,224	\$22,204
Total Services & Supplies Expenses	\$552,755	\$570,543
Total Operating Expenses	\$1,688,117	\$1,745,324

FIRST 5 FRESNO COUNTY 2024-2025 PROPOSED BUDGET SUMMARY

	2023-2024 Approved Revised Budget	2024-2025 PROPOSED BUDGET
Strategic Plan Investment Areas		
Strategic Plan Investments		
Help Me Grow Fresno County	\$475,000	\$555,277
Thriving Families Service Programs	\$2,113,114	\$858,000
Community Learning Center	\$482,878	\$370,251
Patient-Centered Prenatal Care	\$472,898	\$396,336
African American Infant Mortality Prevention	\$1,354,860	\$928,722
QRIS - Local High Quality Training & Technical Assistance	\$1,997,847	\$1,571,000
Innovation & Learning Partnerships and Communications	\$616,718	\$470,600
Strategic Plan Investments Total	\$7,513,315	\$5,150,186
Accountability and Evaluation		
Accountability Contract Management System	\$150,000	\$100,000
Evaluation Services	\$355,000	\$300,000
Accountability and Evaluation Total	\$505,000	\$400,000
Externally Funded Programs		
First 5 CA IMPACT Legacy - Regional Fiscal Agent	\$0	\$24,000
First 5 CA IMPACT Legacy - Regional Hub Program	\$613,164	\$510,251
First 5 CA - Refugee Family Support Grant	\$93,622	\$0
Blue Meridian Grant - Glow! Project Collaboration & Support	\$25,000	\$25,000
County DPH - Glow! Enhancement Grant	\$117,000	\$0
First 5 Merced County - Glow! Expansion Grant	\$12,275	\$0
First 5 Kern County - Glow! Expansion Grant	\$4,567	\$0
Total Externally Funded Programs	\$865,628	\$559,250
Total Strategic Plan Investment Areas	\$8,883,943	\$6,109,437
Budget Summary		
Total First 5 Fresno County Budget	\$14,072,060	\$7,854,760
Reserve		
Operations Contingency Fund	\$1,500,000	\$1,500,000
Strategic Reserve Fund	\$2,000,000	\$2,000,000
	\$3,500,000	\$3,500,000

*Once the Audit Report for period ending June 30, 2024 is completed, the budget will be revised and the Unassigned Fund Balance amount for FY2024-25 will be included for Strategic Plan Investment Areas of the Commission.

COST ANALYSIS
BUDGET LINE ITEM DETAIL

OPERATING EXPENSES

Salary Expense **2024-2025 Proposed Budget**

Original Justification: \$777,965

Salaries for a total of 8.6 FTE operating positions for the administration of Commission business. Salary expense for 2.47 additional program staff FTE (shown below in grey) are presented under the Strategic Plan Investments (1.5 FTE) and the Externally Funded Programs (.87 FTE) accounted for in the Strategic Plan Investments portion of the budget for a total of 11 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.

<u>Operating FTE</u>	<u>Program FTE</u>	<u>Position</u>	<u>Operating Budget</u>	<u>Program Budget</u>
1.0	0	Executive Director	\$141,625	\$0
0.8	0.2	Director	\$78,139	\$19,535
1.0	0.1	Director	\$93,534	\$9,353
0.8	0.2	Manager	\$66,308	\$13,341
0.9	0.1	Manager	\$66,984	\$7,443
0.0	1.0	Manager	\$0	\$73,878
0.4	0.6	Manager	\$27,998	\$41,997
1.0	0.0	Manager	\$69,995	\$0
0.9	0.1	Manager	\$62,996	\$7,000
1.0	0.0	Manager	\$69,187	\$0
0.8	0.2	Manager	\$54,400	\$13,600
8.6	2.47		\$731,165	\$186,146 **
		Salaries Total	\$731,165	
		Compensated Absences & Salary Increase	\$46,800	
		Total Operating	\$777,965	

Some approved positions in the Commission structure are not /may not be utilized currently and therefore not reflected in the current budget. This budget does not include two of those position levels (italicized). Future budget iterations and Commission needs may consider unused position levels based on evolving work of the Commission.

Positions: Executive Director | Deputy Director | Director | Manager | Specialist

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

Total Evaluation Expense	777,965	x	3%	23,339
Total Program Expense	777,965	x	74%	575,694
Total Administration Expense	777,965	x	23%	178,932

Payroll Tax Expense **2024-2025 Proposed Budget**

Original Justification: \$74,186

Federal Unemployment Tax Act (FUTA). Estimated 6% on first \$7,000 earned by each employee at 8.5 FTE. The remaining 2.5 FTE is accounted for in Externally Funded Programs and in

A. Strategic Plan Investments (captured in the program portion of the budget) to total 11 FTE.	FTE	8.6	x	\$7,000	x	6%	=	\$3,626
B. Medicare Employer Tax. The employer's share is set by the federal government at 1.45% of each gross salary.		\$777,965	x	1.45%	=			\$11,280
C. Social Security Employer Tax. The employer's share is set by the federal government at 6.2% of each gross salary.		\$777,965	x	6.2%	=			\$48,234
D. CA State Unemployment Insurance - Estimated 6.2% on first \$7,000 earned by each employee at 8.3 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 11 FTE. (Rates subject to change)	FTE	8.6	x	\$7,000	x	6.2%	=	\$3,747
								Other Taxes/ Unexpected Expense
								\$7,300
								Total
								\$74,186

Total Evaluation Expense	74,186	x	3%	2,226
Total Program Expense	74,186	x	74%	54,898
Total Administration Expense	74,186	x	23%	17,063

COST ANALYSIS
BUDGET LINE ITEM DETAIL

					2024-2025 Proposed Budget
Retirement Expense					\$67,994
Original Justification:					
The cost of retirement benefits for full-time, permanent employees is calculated at 8.74% of each gross salary.					
	\$777,965	x	8.74%	=	\$67,994
	<u>Salaries Amount</u>		<u>Percentage</u>		<u>Total Amount</u>
Total Evaluation Expense			67,994	x	3%
Total Program Expense			67,994	x	74%
Total Administration Expense			67,994	x	23%
					2,040
					50,316
					15,639

					2024-2025 Proposed Budget
Employee Benefits Expense					\$248,427
Original Justification:					
The Commission's contracted insurance benefits broker recommended a conservative 15% increase to the projected actuals assuming no large plan changes are made. The calculation shows the cost breakdown and includes the deduction of the benefits expense for Strategic Plan Investments & Externally Funded program staff FTE. 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.					
	\$225,210	x	8%	+	\$5,200
	<u>FY 2023-24 Projected Actuals</u>		<u>Rate Increase</u>		<u>Auto Allowance</u>
				=	\$248,427
					<u>Budget Amount</u>
Total Evaluation Expense			248,427	x	3%
Total Program Expense			248,427	x	74%
Total Administration Expense			248,427	x	23%
					7,453
					183,836
					57,138

					2024-2025 Proposed Budget
Worker's Compensation Expense					\$6,208
Original Justification:					
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.					
	\$5,644	x	10%	=	\$6,208
	<u>FY22-23 Premium</u>		<u>Est. Annual Rate Increase</u>		<u>Budgeted Amount</u>
Total Evaluation Expense			6,208	x	3%
Total Program Expense			6,208	x	74%
Total Administration Expense			6,208	x	23%
					186
					4,594
					1,428

					2024-2025 Proposed Budget
Audit Expense					\$26,000
Original Justification:					
Original Justification: Expenses for mandatory independent audit services for the Commission are projected to be \$24,500 for the fiscal year. The estimate is based on the proposal provided by the awarded auditing firm in their submission resulting from the Commission's Request for Quotations procurement in 2020 for auditing services.					
Total Evaluation Expense			26,000	x	0%
Total Program Expense			26,000	x	0%
Total Administration Expense			26,000	x	100%
					0
					0
					26,000

COST ANALYSIS
BUDGET LINE ITEM DETAIL

				2024-2025 Proposed Budget
Capital Equipment Expense				\$19,000
Original Justification:				
Currently, the Commission owns 13 staff workstations (computer, monitor, printer, keyboard, etc.). Staff recommends setting aside \$14,000 for possible replacement of six computers (estimated at \$2,000 per computer with taxes included) that are reaching their useful life which were not replaced in the prior fiscal year, an additional \$5,000 for unforeseen replacement or repairs of other equipment and/or furniture.				
Total Evaluation Expense	19,000	x	3%	570
Total Program Expense	19,000	x	74%	14,060
Total Administration Expense	19,000	x	23%	4,370

				2024-2025 Proposed Budget
Commissioner/Advisory Expense				\$2,050
Original Justification:				
This line item is budgeted for a maximum of seven Commissioners for potential meeting-related equipment or expenses, trainings/workshops, meeting-related, etc., associated with the agency's business. Examples include but are not limited to the F5 State Annual Conference attendance, mileage reimbursement, etc. The estimated annual amount is budgeted at \$150 per Commissioner, maximum seven.				
	\$1,000	+	7	x
				\$150
				=
				\$2,050
	Misc. Expense		Commissioners	Average Cost
				Annual Amount
Total Evaluation Expense	2,050	x	0%	0
Total Program Expense	2,050	x	0%	0
Total Administration Expense	2,050	x	100%	2,050

				2024-2025 Proposed Budget
Dues and Subscriptions Expense				\$40,500
Original Justification:				
The cost associated with dues and subscriptions for the twelve-month period comprises required dues to the First 5 Association (each county pays a proportionate share of the cost of maintaining the Association) plus the allotment of \$7,000 for the cost of miscellaneous subscriptions, publications, and dues (i.e. Adobe Acrobat Pro, Microsoft 365 Suite, Canva, Fresno Bee, Zoom Video Conferencing, etc.).				
		FY 24-25 F5 Assoc. Dues	\$20,114	
		Technology- Related Subscription Fees	\$13,386	
		Miscellaneous Subscriptions	\$7,000	
		Total	\$40,500	
Total Evaluation Expense	40,500	x	3%	1,215
Total Program Expense	40,500	x	74%	29,970
Total Administration Expense	40,500	x	23%	9,315

COST ANALYSIS
BUDGET LINE ITEM DETAIL

					2024-2025 Proposed Budget
Equipment Rental/Maintenance Expense					\$53,070
Original Justification:					
Equipment Maintenance: The Commission's equipment maintenance for their copier/scanner. The estimated cost breakdown is:					
<u>Monthly</u>			=	<u>Annual Total</u>	
\$405	x	12		\$4,860	Copier/Scanner Maintenance \$4,860
					Equipment Maintenance Sub-total \$4,860
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 Office365.					
<u>Monthly</u>			=	<u>Annual Total</u>	
\$1,825	x	12		\$21,900	IT Support \$21,900
\$100	x	12		\$1,200	Hosted Email & Storage \$1,200
					Adobe \$360
					Computer Maintenance Sub-total \$23,460
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
					Software Sub-total \$14,750
					Unforeseen Expense \$10,000
					Equipment Rental/ Maintenance Expense Total \$53,070
Total Evaluation Expense	53,070		x	3%	1,592
Total Program Expense	53,070		x	74%	39,272
Total Administration Expense	53,070		x	23%	12,206

					2024-2025 Proposed Budget
General and Administrative Expense					\$18,500
Original Justification:					
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 \$1,000 per month. This expense line item is based on prior year expenses.					
Total Evaluation Expense	18,500		x	0%	0
Total Program Expense	18,500		x	0%	0
Total Administration Expense	18,500		x	100%	18,500

					2024-2025 Proposed Budget
Insurance Expense					\$176,315
Original Justification:					
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 actuals from the prior year and on the maximum estimated increases provided by brokers.					
	Special Property Insurance Policy	\$	163,055		
	Special Liability Insurance Policy	\$	9,660		
	Cyber Crime Insurance	\$	3,600		
	Total	\$	176,315		
Total Evaluation Expense	176,315		x	3%	5,289
Total Program Expense	176,315		x	74%	130,473
Total Administration Expense	176,315		x	23%	40,552

COST ANALYSIS
BUDGET LINE ITEM DETAIL

				2024-2025 Proposed Budget
Local Travel Expense - Local Mileage				
Original Justification:				\$4,100
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 GSA mileage rate is 0.67¢ per mile.				
Total Evaluation Expense	4,100	x	3%	123
Total Program Expense	4,100	x	74%	3,034
Total Administration Expense	4,100	x	23%	943
Materials and Supplies Expense				
Original Justification:				\$7,400
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 \$200 per month x 12 months for a total of \$2,400 per year. Staff recommends setting aside an additional \$5,000 for any unexpected materials costs, such as mandatory document printing, signage, etc.				
Total Evaluation Expense	7,400	x	3%	222
Total Program Expense	7,400	x	74%	5,476
Total Administration Expense	7,400	x	23%	1,702
Overhead Expense				
Original Justification:				\$95,000
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.				
Total Evaluation Expense	95,000	x	3%	2,850
Total Program Expense	95,000	x	74%	70,300
Total Administration Expense	95,000	x	23%	21,850

COST ANALYSIS
BUDGET LINE ITEM DETAIL

						2024-2025 Proposed Budget	
Professional Services Expense						\$82,404	
Original Justification:							
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>			
	Legal Services	\$1,810	x 12 =	\$21,720	+ \$13,000 =	\$34,720	
	H.R. Services	\$400	x 12 =	\$4,800	+ \$3,000 =	\$7,800	
	Investment Services	\$990	x 12 =	\$11,880	=	\$11,880	
	Custodial Services	\$292	x 12 =	\$3,500	=	\$3,500	
	Payroll Services	\$167	x 12 =	\$2,004	+ \$5,000 =	\$7,004	
	Misc. Professional Services					\$17,500	
	Professional Services Total					\$82,404	
Total Evaluation Expense		82,404		x		0%	0
Total Program Expense		82,404		x		0%	0
Total Administration Expense		82,404		x		100%	82,404
Program Development Expense/Strategic Planning Implementation						\$10,000	
Original Justification:							
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 \$10,000 as development will take place in the budget year. Various potential costs may arise such as materials for community input sessions, translation services, materials printing, etc.							
Total Evaluation Expense		10,000		x		0%	0
Total Program Expense		10,000		x		100%	10,000
Total Administration Expense		10,000		x		0%	0
Staff Training, Travel & Conference Expense						\$14,000	
Original Justification:							
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 has increased.							
Total Evaluation Expense		14,000		x		3%	420
Total Program Expense		14,000		x		74%	10,360
Total Administration Expense		14,000		x		23%	3,220
Telephone Expense						\$22,204	
Original Justification:							
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	\$1,267	x 12 =	\$15,204			
	Unforeseen Related Expenses			\$7,000			
	Telephone Expense Total			\$22,204			
Total Evaluation Expense		22,204		x		3%	666
Total Program Expense		22,204		x		74%	16,431
Total Administration Expense		22,204		x		23%	5,107

COST ANALYSIS
BUDGET LINE ITEM DETAIL

STRATEGIC PLAN INVESTMENT AREAS

Strategic Plan Investments **2024-2025 Proposed Budget**

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, it is called 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 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 in the early childhood system of care work. In the Central Valley Region, First 5s have been working toward a regional approach to the Help Me Grow Model. With this exciting potential to create a more seamless system to connect young-child-facing services and those providing services, the Commission has set aside funds to invest in the future of this model beyond just a local iteration of the model. As system change work continues to be the work that the Commission is leading, staff continue to have conversations about collaboration to work together to make systems work for our Fresno families.

Help Me Grow Fresno County _____ **\$555,277**

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, contracts with local Community-Based Organizations and grassroots entities, 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. In May 2023, the Commission awarded 20 organizations* contracts which were the results of the Thriving Families RFP. The funds for those contracts were committed in prior budgets in order to secure multi-year funding for these partners, a best practice in grant making.

This portion of the budget also includes dollars set aside for things like funded partner training costs (\$7,500), collaborative meeting expenses (\$4,500) and translation services (\$5,000), a small amount to allow for community storytelling from families, what we call Community Scientists, (\$10,000), and funds to purchase Ages & Stages Questionnaires (ASQ) kits for funded partners and potential ASQ trainings. This area is also where development of programs, that align with the Commission's Strategic Plan, would originate.

Early Matters	
Fresno	55,000
Partner Training	7,500
Collab Meetings	20,000
Program Contingency	507,500
Investment Gains "throw away"	250,000
Translation Services	8,000
Family Stories	10,000
	858,000.00

Thriving Families Service Programs _____ **\$858,000**

COST ANALYSIS
BUDGET LINE ITEM DETAIL

**2024-2025 Proposed
Budget**

Strategic Plan Investments Cont'd 2

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 0.3 FTE for a First 5 Fresno staff who is 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.

CLC Salaries - First 5 Fresno Staff Liason (0.3 FTE F5FC)	\$21,043
Staff Benefits, Payroll Taxes, Leave Accrual - F5FC	\$15,645
Overhead & Operating Expense	\$333,564
Community Learning Center	\$370,251

Patient-Centered Prenatal Care

Resources are allocated for the group prenatal care project, Glow!, which is harnessing the projects pilot phase (2017-2020) and the recently concluded EMBRACE Study. The Study was 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 allowed UCSF-PTBi to research an enhanced prenatal care model (group prenatal care named Glow!) compared to traditional prenatal care in the Central Valley. The pilot was initiated after the publishing of the Commission-funded African American Infant Mortality Needs Assessment. There, group prenatal care was a finding/recommendation to reduce stressor and disrespectful care which cause high rates of preterm births and infant mortality.

At the winddown of the EMBRACE Study and the anticipation of the published outcomes, the Commission is in the process of maintaining and developing partnerships with clinics and pregnancy care settings to continue to implement group prenatal care in the Central Valley as we band together with our partners to advocate for policy change to center the patient in prenatal care. Glow! includes partnerships with Community-Based Organizations to act as Glow! program facilitators (known as the Glow! Contracted Network) who work with physicians to administer the program. This portion of the budget is to fund the Network with proper trainings, Staff coordination, and program expansion efforts as outlined below.

Glow! Facilitation Expense	Glow! Contracted Network Contracts	\$175,000
	Glow! Future Expansion Post EMBRACE Study	\$50,000
Glow! Coordination Expense	Group Prenatal Care - First 5 Fresno Staff Liason (0.9 FTE F5FC)	\$99,736
	Glow! Programmatic Materials (Curriculum Materials, Site Licenses, etc.)	\$48,800
	Trainings: CenteringPregnancy Curriculum, Equity Trainings, Materials	\$22,800
	Patient-Centered Prenatal Care	\$396,336

African American Infant Mortality Prevention

The Commission remains committed to working with the community and its professionals to tackle the high rates of infant mortality among Fresno's African American community. Embracing our unique role as a county-wide convener and coordinator in the early childhood system, the Commission will continue to explore innovative and collaborative ways to address societal issues that contribute to infant mortality through investment and partnerships. Combined with portions of some investments listed above including direct service contracts and Patient-Centered Prenatal Care, it is the Commission's goal to dedicate approximately 20-25% of its total program investments to African American infant mortality prevention work.

Some innovative projects include but are not limited to infusing the Glow! Group Prenatal Care curriculum with culturally appropriate content, organizational capacity building to support those serving Fresno's African American 0-5 population, and the local development of the Black Child Legacy Campaign- a community-driven movement working to reduce deaths of African American children. There is potential within this portion of the budget to support innovative pilot efforts and community-driven grant making to reduce African American infant mortality and preterm birth. This portion of the budget also includes 0.3 FTE of F5FC staff.

African American Infant Mortality Prevention	\$928,722
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COST ANALYSIS
BUDGET LINE ITEM DETAIL

				2024-2025 Proposed Budget
Strategic Plan Investments Cont'd 3				
QRIS - Local High Quality Training & Technical Assistance				
<p>The Commission's investments like the Quality Rating and Improvement System (QRIS) leverages dollars received from First 5 California's IMPACT project to increase technical assistance and training opportunities for early childhood providers throughout the county. This portion of the budget sets aside funds for a contract extension, to not have a gap in services, as the First 5 California procurement unfolds. Staff will work with partners and evaluate how the Commission's funds (\$950k in this budget) can continue to complement First 5 California's investment in improving the quality of childcare in the county. This portion of the budget also includes the overhead expense (\$221k) for the LFC Child Development Center, a high-quality demonstration childcare site that stands as a model for center-based childcare. The Office of the Fresno County Superintendent of Schools Early Care and Education Department operates the space that the Commission provides.</p> <p>Additionally, this section includes funds (\$400k) for the Commission to potentially explore supporting the childcare infrastructure in Fresno County and or a scholarship structured similarly to the LFC Child Development Center. This could take shape possibly through convening partners to collaborate on policy, incentivizing more providers to provide care, supplementing high quality care costs for families, or possibly a joint local measure, etc.</p>				
QRIS - Local High Quality Training & Technical Assistance				\$1,571,000
Innovation & Learning Partnerships and Communications				
<p>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.</p>				
Innovation & Learning Partnerships Subtotal				\$200,000
<p>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 and advocacy of the importance of the first 5 years of life. To this the Commission will invest in the following:</p>				
				\$75,000
				\$40,000
				\$63,500
				\$20,000
				\$13,000
				\$9,100
				\$50,000
			Communications Subtotal	\$270,600
			Innovation & Learning Partnerships and Communications Total	\$470,600
Strategic Plan Investment Areas Total				\$5,150,186
Total Evaluation Expense	5,150,186	x	0%	0
Total Program Expense	5,150,186	x	100%	5,150,186
Total Administration Expense	5,150,186	x	0%	0

COST ANALYSIS
BUDGET LINE ITEM DETAIL

				2024-2025 Proposed Budget
Accountability and Evaluation				\$400,000
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.				
			Contract Management System	\$100,000
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.				
			Evaluation Services	\$300,000
			Accountability and Evaluation Total	\$400,000
Total Evaluation Expense	400,000	x	100%	400,000
Total Program Expense	400,000	x	0%	0
Total Administration Expense	400,000	x	0%	0

				2024-2025 Proposed Budget
Externally Funded Initiatives				
<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>				
IMPACT Legacy - Regional Fiscal Agent				
The Commission is also serving as the Fiscal Lead Agency (Fiscal Lead) for the IMPACT Legacy Regional Hub grant from First 5 California. The Fiscal Lead receives the grant award funding from First 5 CA on behalf of the region and distributes the funds to counties via subcontracts. The Fiscal Lead will be tasked with reviewing and recording expenditures made by the Hub and requesting reimbursement from First 5 CA on a quarterly basis. The Commission will receive funding to cover employee costs related to the tasks noted above, approximately 0.27 FTE. This is a two-year grant, 2024-25, being the first year.				
			First 5 CA - IMPACT Fiscal Agent Subtotal	\$24,000
IMPACT Legacy - Regional Hub Program				
IMPACT Legacy Regional Hub (called the Hub) serves as the training and technical assistance (T&TA) coordination leads for IMPACT Legacy grant from First 5 California. The Hub's goal is to strengthen the early learning and care system across the region by providing regional coordination, professional development, and high-quality trainings to seven counties across the central valley. As the Regional Hub Lead agency, F5FC will serve as the coordinator to fulfill reporting requirements and ensure First 5 CA's goals for the program are being met. The Commission will receive funding to cover employee costs related to the tasks noted, approximately 0.6 FTE. This is a two-year grant, 2024-25, being the first year.				
			First 5 CA - IMPACT Regional Hub Subtotal	\$510,251
Blue Meridian Grant - Glow! Project Collaboration & Support				
Blue Meridian, through Fresno County Superintendent of Schools Cradel to Career efforts, has been investing in areas related to First 5's work for the last few fiscal years. Through March 31, 2025, Blue Meridian has granted First 5 Fresno dollars to incentivize collaboration amongst and support efforts within Glow! and the other areas of interest for their investment.				
			Blue Meridian Grant - Glow!\ Subtotal	\$25,000
			Externally Funded Initiatives Total	\$559,250
Total Evaluation Expense	559,250	x	0%	0
Total Program Expense	559,250	x	100%	559,250
Total Administration Expense	559,250	x	0%	0

COST ANALYSIS
BUDGET LINE ITEM DETAIL

RESERVE

Operations Contingency Fund	2024-2025 Proposed Budget
	\$1,500,000
<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>	
Total Evaluation Expense	1,500,000 x 0% 0
Total Program Expense	1,500,000 x 0% 0
Total Administration Expense	1,500,000 x 100% 1,500,000

Strategic Reserve Fund	2024-2025 Proposed Budget
	\$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>	
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 Long Range Financial Plan

Dollars in Thousands

	2020-2025 Strategic Plan										TOTAL
	2022/23 Actuals	2023/24 Projected	2024/25 Proposed Budget	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	
Beginning Fund Balance (Unobligated)	8,984.1	2,628.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Reserved Fund Balance (Obligated)	3,000.0	3,500.0	3,500.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Revenue											
Annual Prop. 10 Projected Allocation	8,544	7,068.5	6,677.3	6,343.4	6,178.5	6,017.9	5,867.4	5,726.6	5,600.6	5,488.6	63,513.1
Revenue A - County Treasury Interest	378.2	133.6	213.5	235.9	216.3	179.8	190.2	185.0	173.5	163.9	2,069.9
Revenue B - Investment Earnings	-13.9	25.0	300.0	245.0	175.0	175.0	150.0	150.0	150.0	150.0	1,506.1
Revenue C - Other Revenue	182.9	131.7	104.7	125.0	135.0	135.0	140.0	140.0	140.0	140.0	1,374.3
Revenue D - External Program Revenue	1,628.8	865.6	534.2	534.2	267.1	156.0	156.0	0.0	0.0	0.0	4,141.9
Subtotal Revenue	10,720.3	8,224.4	7,829.7	7,483.5	6,971.9	6,663.7	6,503.6	6,201.6	6,064.2	5,942.5	72,605.4
Total Fund Balance & Revenue	10,720.3	14,353.0	11,329.7	7,483.5	6,971.9	6,663.7	6,503.7	6,201.6	6,064.1	5,942.6	82,234.1
Expenses											
Administrative Expenses	618.0	793.6	798.8	791.2	801.3	800.3	794.3	796.4	791.9	790.6	7,776.4
Program and Technical Assistance Support	917.9	985.5	921.8	875.8	843.8	801.7	753.6	718.4	689.7	655.2	8,163.3
Accountability and Evaluation	400.0	505.0	400.0	400.0	350.0	350.0	350.0	300.0	250.0	251.0	3,556.0
Strategic Plan Investment Areas	4,557.7	7,578.3	5,174.9	4,882.3	4,709.6	4,555.7	4,449.8	4,386.8	4,332.5	4,245.8	48,873.5
Externally Funded Programs	1,628.8	990.6	534.2	534.2	267.1	156.0	156.0	0.0	0.0	0.0	4,266.9
Total Expenses	8,122.4	10,853.0	7,829.7	7,483.5	6,971.9	6,663.7	6,503.6	6,201.6	6,064.1	5,942.6	72,636.1
Contingency Fund	1,000.0	1,500.0	1,500.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Strategic Reserve	2,000.0	2,000.0	2,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Ending Fund Balance (Unobligated)	8,582.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

Long Range Financial Plan Key & Notes:	
County Treasury Interest:	Anticipated interest earned on dollars held in the County Treasury.
Investment Earnings:	Earnings on the Commission's investment portfolio.
Other Revenue:	Revenue not accounted for in the above categories.
External Program Revenue:	Dollars received from externally funded contracts.
Administrative Expenses:	Cost associated with operations of Commission business.
Program and Technical Assistance Support:	Dollars associated with functions of programmatic contracts and Funded Partner assistance.
Accountability and Evaluation:	Costs include database and evaluator.
Strategic Plan Investment Areas:	Program dollars in contract with community-based organizations and public entities to further the Strategic Plan.
Externally Funded Programs:	Dollars from externally-funded contracts.
Contingency Fund & Strategic Reserve	Amounts are released at the end of each fiscal year and then reallocated at the start of the subsequent fiscal year

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

FINANCE AND PROGRAM REVIEW COMMITTEE

June 12, 2024 - 4:00 p.m.

2405 Tulare Street
Fresno, CA 93721

AGENDA ITEM NO. 5

TO: Children & Families Commission of Fresno County

FROM: Fabiola González, Executive Director

SUBJECT: Agreement Renewal with Fresno County Superintendent of Schools for the Lighthouse for Children - Child Development Center

RECOMMENDED ACTION:

Approve, for full Commission consideration, the renewal of the Facility Use Agreement and Program Services Agreement, with Fresno County Superintendent of Schools, which includes the Tuition Scholarship Program, for an amount not to exceed \$102,500 per year, for two years, to continue the operation and management of the Lighthouse for Children Child Development Center.

BACKGROUND:

The Child Development Center (Center) is a key component of the original mission and vision of the Lighthouse for Children facility. The Center serves as a demonstration site for high quality early care and education utilizing a blended funding model to serve infants, toddlers and preschool-age children from diverse socioeconomic backgrounds. With six classrooms, the Center has the capacity to serve approximately 90 children.

Procurement: In August 2015, the Commission approved and entered into the Agreements with Fresno County Superintendent of Schools (FCSS) to operate and manage the Lighthouse for Children (LFC) Child Development Center. In March 2021, the Commission again renewed contract through June 30, 2024.

The contractual partnership involves a Facility Use Agreement and a Program Services Agreement for the operations of the LFC Child Development Center. The Facility Use Agreement outlines the terms of use of the 13,427 square feet of indoor and 10,000 square feet of outdoor Center space and includes annual rent of \$12.00 for the Center's leased space. In addition, 522 square feet of additional office/conference space are leased for \$12,396.88 annually.

The Program Services Agreement outlines the requirements of FCSS for services performed on the leased premises, the upkeep of the Center's licenses and the Tuition Scholarship Program for eligible families. As the operator, FCSS is responsible for the ongoing management of the Child Development Center, including program development, enrollment, hiring, as well as achievement and maintenance of high quality early care and education standards.

The Tuition Scholarship Program is a partial tuition support for eligible families of children attending the Center that was established in 2015 to support families whose household income sets them between state subsidized child care support and the private pay enrollment level. The Commission committed \$102,500 per year to support approximately 15-20 children.

Staff recommends renewing the terms of both, the Facilities Use and Program Agreements, which are mutually exclusive, with Fresno County Superintendent of Schools for an additional two years with the option to continue being renewed based on performance and availability of funds. Doing so ensures continued operation of the Child Development Center with no interruption of care to enrolled children including the allocated slots for the Tuition Scholarship Program.

Alignment with Strategic Plan: The services being offered at the Child Development Center directly align with two of the 2020-2025 Strategic Plan Core Investments - Quality Counts California focused on high quality child care and the Lighthouse for Children focused on relevant, needed and high quality programing and services hosted within the facility.

Fiscal Impact: Funds for the Center's Tuition Scholarship Program, within the Program Services Agreement, will be allocated from the Commission's 2023-2024 Approved Revised Budget under QRIS - Local High-Quality Training & Technical Assistance line item in an amount not to exceed \$102,500 annually for two years with the option to continue based on performance. Additionally, the rent collected from the Facility Use Agreement (\$12,398.88) will be put toward facility overhead costs.

CONCLUSION:

The partnership with Fresno County Superintendent of Schools, starting in 2015, has been valuable in services to Fresno's families in their operation of the Lighthouse for Children Child Development Center. Our collaboration to ultimately bring high quality child care to the LFC has positively impacted our community. With child care continuing to be inaccessible for many families based largely on the high cost of quality care throughout the state and nation, it is now more important than ever to have space for care and to learn more about the infrastructure to a part of improving access to care. The continuation of the Tuition Scholarship Program would sustain access and population diversity of children served, benefiting all children enrolled in this blended-funding child care site. If renewals are approved, access to high quality child care for infants, toddlers and preschoolers from varying economic backgrounds will be maintained and continued into the near future.

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

FINANCE AND PROGRAM REVIEW COMMITTEE MEETING

June 12, 2024 - 4:00 p.m.

2405 Tulare Street
Fresno, CA 93721

AGENDA ITEM NO. 6

TO: Children & Families Commission of Fresno County
FROM: Fabiola González, Executive Director
SUBJECT: Funded Partner Manual for Programmatic Agreements

RECOMMENDED ACTION:

Approve the updated Funded Partner Manual for programmatic agreements.

BACKGROUND:

The Funded Partner Manual provides Funded Partners with comprehensive information on fiscal, administrative and programmatic requirements to implement a Commission contract. This includes programs providing direct services to parents, children and/or professionals and partners providing non-direct service activities aligned with the Commission's strategic plan. The fiscal reporting structure outlined in the manual was developed in accordance with the First 5 Financial Management Guide and ensures best practices are utilized.

Commission staff update the manual as necessary to ensure all processes continue to align with internal policies and procedures along with the Commission's mission and vision. As stewards of public funds, staff is committed to an ongoing review of our contracting practices in the pursuit of equitable, accountable and accessible funding opportunities, knowing that the Commission's Funded Partners are directly serving Fresno's young children and their families and should not be overburdened by their funding sources.

With that in mind, the following are highlights of the primary adjustments being recommended. All adjustments are reflected in red-line in the supporting document.

- The Commission's existing Administrative Policies (e.g. Faith-based Funding Policy, Tobacco Policy, and Supplanting Policy) and reference documents (e.g. Disallowed Costs and Budget Line Item Definitions) are now directly added to the manual in lieu of linking to the Commission's website.
- The description of program reporting requirements is updated to more succinctly reflect the types programmatic reporting required of Funded Partners. In addition to this manual, Funded Partners receive specific reporting steps, forms and requirements based on their contract's scope of work.

- The eligibility documentation and case file standardization sections have been updated to better reflect the Commission's role as one piece of a contract's budget and reduce barriers to families participating in a wide range of Commission funded programs/resources. Partners will continue to be responsible for ensuring their contracts meet Commission funding requirements, including participant eligibility and documentation of deliverables/activities, but with a less prescriptive requirement of how to standardize this information.
- Further clarification of the documentation and process required for expenses to be reimbursed by the Commission.

The manual will continue to be brought back to the Commission for review and approval when new or revised administrative, programmatic and/or fiscal requirements are proposed. Updates that clarify existing requirements will be made by staff on an as needed basis during the course of the fiscal year. The last revision to the Funded Partner Manual was approved by the Commission in 2022.

CONCLUSION:

If approved by the full Commission, the Funded Partner Manual will replace the previous version and will be made available to all Commission Funded Partners.

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Funded Partner Manual

Revised June 2024

www.first5fresno.org
559-558-4900

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Introduction

Overview of First 5 Fresno County

Our Vision: *We envision a future where all children and their families are healthy, loved, and nurtured.*

Our Mission: *We run after this vision by partnering with our community to create a seamless system of quality, accessible services that support the well-being of every child and family.*

At First 5 Fresno County (F5FC), we know that children thrive when their families thrive. The First 5 Fresno County Commission (the Commission) was created in 1998 when voters passed Proposition 10, which added a 50-cent sales tax to every pack of cigarettes or tobacco product sold in California. The State of California collects the money and distributes it to each county based on birthrate. The Commission is responsible for developing a strategic plan to guide local funding decisions that are consistent with the purpose of Proposition 10, which is to promote, support and improve the early development of children from the prenatal stage to five years of age.

The full [2020-2025 Strategic Plan](#) is available on our website.

Funded Partner Manual & Contract

We at F5FC are dedicated to making sure all Funded Partners receive the resources and assistance needed to successfully plan and implement programs and services. This Funded Partner Manual has been developed to provide you with ~~critical comprehensive~~ information on our requirements and to assist you in managing your F5FC contract. We recognize that some requirements may vary based on the Funded Partner's specific contract type. To this end, your assigned F5FC Contract Manager will provide guidance on any approved exceptions to the requirements herein. Otherwise, Funded Partners are expected to adhere to all requirements and procedures outlined in this manual.

Funded Partners are responsible for maintaining a current copy of their contract and the most up to date Funded Partner Manual. Both documents contain everything you need to know about our partnership. So, please let the following pages guide you through our requirements. Contact your contract manager if any questions arise.

Contract Monitoring

As a public agency, F5FC must abide by state and federal laws, and is required to implement policies and procedures for contracting and procurement.

Contract monitoring helps us:

- Ensure deliverables outlined in the scope of work, evaluation and budget are met
- Promote continuous quality improvement of program services and F5FC processes
- Enable F5FC to obtain information regarding the quality and effectiveness of a program/contract
- Ensure costs are reasonable, necessary and justifiable with intended and actual outcomes

Contact your F5FC Contract Manager if you have any questions or concerns regarding F5FC policies, requirements and final contract determinations. We want to address any issues or concerns as soon as they arise to avoid interruption of services/deliverables. Your F5FC Contract Manager will work closely with you to address any challenges throughout the contract term and monitor your contract to ensure requirements are met.

Administrative

Administrative monitoring gives us the opportunity to ensure the terms and conditions outlined in the contract are understood and followed.

Client Eligibility

With our undivided focus on families with children prenatal to age 5 in Fresno County, we make our youngest residents the biggest priority. We do this by ensuring F5FC funds are only used toward programs and efforts that impact:

- Children prenatal through 5 years of age (the eve of their 6th birthday) who reside in Fresno County
- Parents, primary caregivers, or legal guardians of children prenatal through 5 years of age who reside in Fresno County
- Professionals who provide services to Fresno County children prenatal through 5 years of age and/or the parents, primary caregivers, or legal guardians of these children

Funded Partners must ensure contract activities adhere to the participant eligibility requirements above, in accordance with each contract's scope of work. ~~directly serving families with young children are required to maintain documentation to verify client age and residency eligibility. Accepted documentation includes birth certificates and immunization records for proof of age, and a utility bill for proof of residency. Other forms of documentation must be approved by F5FC.~~

Confidentiality

During the term of the contract and depending on the services provided, Funded Partners may have access to confidential client (participant) information and records to support effective coordination and delivery of services. Records pertaining to any individual client are confidential and should not be open to examination for any other purpose besides evaluation and verifying contract compliance. Funded Partners must not disclose any confidential client information to any third party without written authorization from the client, F5FC, and/or legally authorized representative.

Standard procedures for keeping client level information confidential include, but are not limited to:

- Storing completed questionnaires, client case files or other paper records in a locked location where only designated project staff have access
- Keeping electronic information in password-protected, secure files
- Limiting the number of users in the data system
- Replacing names, addresses and other identifying information with codes on paper and/or electronic records (including email correspondence with First 5 Fresno County)

See the ***Proper Client Consenting Procedures*** section of the manual for more information on client intake/consent.

For additional information please refer to the Confidentiality section of your contract.

Department of Justice Fingerprint Clearance

For the safety of children, Funded Partners must ensure all employees, agents, volunteers and subcontractors, funded or not funded by F5FC, who directly provide services and/or may have direct, unsupervised access to children must be fingerprinted in accordance with state and federal laws and must have a criminal clearance which states they do not have a criminal history. Verification of fingerprint clearance must be maintained for all parties listed above.

Child Abuse Mandated Reporter Training

F5FC funded employees, agents, volunteers, or subcontractors who directly provide services to children and their families are required to receive annual child abuse mandated reporter training and must sign a statement acknowledging they understand and will comply with child abuse reporting laws. Verification of annual mandatory child abuse reporter training must be maintained for all parties listed above.

Breastfeeding Friendly

The Commission embraces the importance of supporting and encouraging mothers to breastfeed their babies for as long as possible as breastfeeding is a low-cost strategy to improve the health outcomes of babies and mothers. Society's stigma associated with breastfeeding, lack of information, support at home, at the workplace, and in public places influences a mother's decision to breastfeed. In California, mothers have the right to breastfeed in public (CA Civil Code Section 43.3) and employees have lactation accommodation protections in the workplace (California Labor Code 1030-1033).

Our expectation is that all of our Funded Partners adhere to Federal and State ordinances and codes that do both, protect and support the right to breastfeed.

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.

In addition to the explicit understanding that Proposition 10 funds are to be used exclusively for the benefit of children birth to five years old in accordance with California Law, Fresno County Ordinance and Commission's approved Strategic Plan, this policy is meant to further clarify the relationship between Proposition 10 objectives and faith-based partners.

The Commission acknowledges the right of 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.

The Commission thoughtfully established the following safeguards to protect religious freedom and maximize inclusiveness. Those safeguards are as follows:

1. The Commission shall not discriminate against an organization which is or applies to be a contractor based upon its status as a faith-based organization so long as it is willing to adhere to the policies and procedures that the Commission has established for all organizations receiving Proposition 10 support.
2. The Commission shall not attempt to regulate or abridge the rights of a faith-based organization to retain independence over the definition, development, practice and expression of its religious beliefs.
3. The Commission expects that no eligible program beneficiary would be denied access to services due to their race, color, religion, ancestry, national origin, age, sex, gender, marital status, sexual orientation, gender identity, gender expression, disability, medical condition, military or veteran status, citizenship or known disability.
4. The Commission expects all Proposition 10 funds to be used for non-religious activities and expects that no eligible program beneficiary will be subjected (before, during or after the program activity) to religious messages when he or she participates in Proposition 10-funded services. Program activity is defined as all verbal, written and visual information provided directly or indirectly (decorations, background music, etc.) to the participant in the course of their participation in Prop 10-funded activities.

To this end, the Commission will work with funded Service Providers to ensure that appropriate space is available for service delivery, including the use of alternative service delivery sites if the Service Provider is housed in a faith-based organization.

5. The Commission, through its funding practices, will not support religious or other forms of discrimination (e.g. race, color, ancestry, national origin, age, sex, gender, marital status, sexual orientation, gender identity, gender expression, disability, medical condition, military or veteran status, citizenship) in the personnel practices of organizations receiving Proposition 10 funding.

6. The Commission anticipates the ability to conduct fiscal and programmatic audits of all organizations who receive Prop 10 support. Minimally, each funded organization must have proper accounting practices such that the funds are not co-mingled and an accurate delineation between Prop 10 related expenses and non-Prop 10 related expenses can be traced. Because religious organizations have different legal requirements concerning the disclosure of financial information, the Commission minimally requires that appropriate firewalls (e.g. separate bank accounts) between Prop 10-funded services and the core religious activities of a faith-based organization be developed. While the exact nature of this firewall is the prerogative of the organization it must minimally be able to define structures that will ensure Prop 10 dollars cannot be channeled into other religious activities of faith-based organizations.

7. The Commission expects Prop 10 funded Service Providers and program recipients 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.

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 partners contracting to receive funding from the Commission must provide abide by the Commission's a written copy of an established tobacco-free Tobacco-Free Policy prior to the disbursement of granted funds. This policy applies to all employees, contractors, service employees, visitors, and others, and includes, but is not limited to:

1. The use of tobacco products, including smokeless tobacco, is prohibited within the confines of the Funded Partner's buildings and vehicles. This includes the lobby, entryways, offices, break/lunchroom, restrooms, and any other enclosed areas or buildings leased, occupied or owned by the Funded Partner.

2. The advertisement and promotion of tobacco companies, tobacco brands, tobacco products, including smokeless tobacco, is prohibited by the Funded Partner. Advertising and promotion include, but is not limited to, the use of signage, banners, logos, and incentive items.

3. As applicable, Funded Partner shall provide information and training to staff, parents and/or clients regarding smoking cessation and support programs.

4. As applicable, Funded Partner shall provide staff, parents, and/or clients with information and materials regarding secondhand smoke exposure and tobacco-related topics.

5. Funded Partner must comply with applicable Federal, State, County ordinances and codes, including Labor Code section 6404.5.

All Funded Partners must agree to comply with this policy throughout the duration of their contract term.

Organizational Chart, Job Descriptions & Staffing Changes

Unless otherwise directed by your F5FC Contract Manager, Funded Partners are required to submit job descriptions for all F5FC funded employees and an agency organizational chart to F5FC. If any staffing changes related to the contract occur, Funded Partners are asked to contact their F5FC Contract Manager within five business days of the change. If the staffing change is related to an F5FC data reporting system user, partners must contact their Contract Manager as soon as possible, no later than the last day the user requires access to the data system.

If the agency fails to fill a vacant F5FC funded position in a timely manner, F5FC reserves the right to suspend the contract and/or withhold payment. Please refer to the Corrective Measures portion of the Administrative section of this manual.

Insurance & Licensure Requirements

Funded Partners must maintain valid licenses, certifications, and insurance coverage as applicable. Please refer to the Insurance section of your contract for more details on insurance requirements.

Expulsion

The health and well-being of children determine the prosperity of our community. We understand that sometimes challenges will arise with families receiving services. We expect Funded Partners directly serving families with young children to take into consideration the “whole child” (cognitive, social, emotional and physical needs) and act in the best interest of the child and their family as an alternative to expulsion.

Funded Partners are required to work closely with families to ensure the services provided best meet the needs of the individual child, their family and, when needed, connect them with other community organizations for additional resources.

Cultural Humility

Cultural humility is a stance toward understanding culture. It requires a commitment to lifelong learning, continuous self-reflection on one’s own assumptions and practices, comfort with ‘not knowing’, and recognition of the power/privilege imbalance that exists between participants and service providers. A cultural humility approach is interactive involving approaching another person with openness to learn; asking questions rather than making assumptions; and striving to understand rather than to inform (Tervalon & Murray-Garcia, 1998).

In relation to Funded Partners, all services, documents and program materials must be culturally and linguistically relevant to meet the diverse needs of our community and the populations served. We know cultural humility is an ongoing process. Because of this, we encourage ongoing professional development to nurture cultural sensitivity, focusing on family strengths.

Partner Collaboration

To create a strong network within the early childhood system of care, F5FC evaluates the levels of interaction among F5FC funded and non-funded partners to assess how to strategically align efforts in our community. This strategic alignment is particularly critical as Funded Partners are called upon to meet the increasing needs of families with young children at times when budgets and resources diminish. To strengthen the system of care for families with young children, Funded Partners are expected to collaborate and identify new ways of networking and coordinating services to maximize resources and build innovative partnerships.

F5FC may provide opportunities throughout the year for funded and non-funded partners to meet and interact. It is important that each Funded Partner, as applicable, participate and send an appropriate representative to these meetings. Please contact your F5FC Contract Manager for additional information.

Communications

We are passionate about the work we do together and the brand we have built. Help us showcase Proposition 10 funds at work in Fresno County by displaying the F5FC logo. With proper application, our logo on print and electronic publications in support of funded programs, events or projects can help promote our partnership and the impact of our work on families with young children.

Logo Treatment

Our logo is the single mark that represents us wherever we go. Which is why it is important that we always use it properly. This section is intended to serve as an initial guide for the proper way to publish, portray and apply our visual identity. We have laid out a few do's and don'ts and other details that will help ensure the F5FC logo is properly represented:

Size: A minimum size of 1" wide, scaled proportionately, is necessary to maintain legibility.



Space: A clear space equal to the width and height of the "hand" box should be maintained around all four sides of the logo.



Color



Reversed



Black



Incorrect Usage: Please do not change logo colors, skew the logo, place the logo on busy backgrounds, rearrange or alter the logo elements.



In rare cases, if determined suitable for any document, the logo may be substituted with the following: “Funded by First 5 Fresno County.” or “Partially Ffunded by First 5 Fresno County.”

Media Inquiries 101

In addition to logo use, media relations can further support our effort ~~of highlighting~~ to highlight Prop 10 funds at work and the impact of our partnership. Whether you are actively soliciting the media or have been contacted by the media, we want to support you in telling the story of your F5FC funded program/project. Here are some steps to guide you:

Before soliciting the media about a F5FC funded program/project:

1. Reach out to your F5FC Contract Manager about your plan to engage the media. This will help determine if and how F5FC can support you
2. Submit a draft press release/media advisory to your F5FC Contract Manager
 - a. Ideal timeframe is one month with a minimum of two weeks

Before responding to media requests about your F5FC funded program/project:

1. Tell the reporter you would like to help and confirm the appropriate person to provide comment. If you are unsure, you can have someone get back to them and take down the following information:
 - Reporter’s contact information (name, email, phone)
 - What is the story about?
 - Deadline for a call back?
 - Who else is being interviewed for the story?
 - When will the story air or be published?
2. Reach out to your F5FC Contract Manager about the media request to inform F5FC about the funded program/project media coverage and to determine what role F5FC will have, if any. It could be F5FC may need to also:
 - Respond to the media outlet
 - Review press release or media statements
 - Provide talking points about F5FC
 - Tune in and promote the story

We understand the media works under tight deadlines and will always do our best to respond promptly. Notify your contact manager with story information after airing to help promote the efforts being highlighted by the media. [We Are Here to Help!](#)

Call, email or visit us for support or questions regarding brand guidelines. The current logo and Brand Guidelines are available for download on the F5FC website in the [News & Resource](#) tab. Your F5FC Contract Manager is happy to review materials/documents with you prior to publication.

End of Fiscal Year and Contract Term Requirements

At the end of each fiscal year, Funded Partners are required to submit/address the requirements listed in the table below, unless otherwise directed by your F5FC Contract Manager. Funded Partners whose contract with F5FC is ending will receive a contract close-out letter which will include any necessary steps to formally close the contract. See the following table for further information:

General End of Fiscal Year and Contract Term Requirements	
<i>Contact your F5FC Contract Manager to confirm which requirements apply to your contract.</i>	
Requirement	Due Date
<p>Annual Audit Report The Funded Partner’s annual audit report covering expenses in the current fiscal year is required by no later than April 30th of the subsequent year. <i>Note: All documents and records must be retained for at least four years from the expiration of the contract term.</i></p>	As Requested
<p>Equipment for Non-Continuing Contracts If Funded Partners wish to retain equipment purchased through their F5FC contract, a request on agency letterhead to F5FC must be submitted identifying the equipment and verifying items will be used to further support children ages 0 to 5 in Fresno County. If Funded Partners do not wish to retain equipment, contact your F5FC Contract Manager for next steps.</p>	Within 30 days prior to contract term date
<p>Contract Review Following the end of the fiscal year or contract term, a contract review may be conducted. If findings were discovered during the review, findings must be fully resolved within 10 business days.</p>	Within 10 business days of contract review report
<p>Program and Deliverable Reports All required program/deliverable reporting must be accurate and complete.</p>	July 15th
<p>Financial Report (Invoice) A final financial report for the period ending June 30th or the remainder of the contract term, as applicable, must be submitted.</p>	July 31st-15th or 30 days after contract term date

Corrective Measures

As stewards of public funds designated to benefit young children and their families, F5FC takes steps to ensure investments are met as described in each scope of work and budget per the contract. Failure to adhere to administrative, programmatic and/or fiscal requirements may result in any of the corrective measures listed below. Corrective measures may be imposed on a contract and/or agency level.

Some examples of fiscal findings are detailed below:

- Expenses exceeding an approved amount by more than 10% per line item specified in the budget
- Incurred expenses not detailed in the SOW and/or budget
- Expenses not directly related to the funded project
- Late submission of reports (defined as the submission of all required documents at any time beyond the due date)
- Incomplete or inaccurate reports (e.g. missing General Ledger reports, receipts, Purchase Orders, packing slips etc.)

Note: Based on the severity of the finding(s) and at the sole discretion of F5FC, corrective measures may or may not be imposed in the following order.

Step	Action
One	A compliance warning letter or email will be sent to the Funded Partner and payment may be withheld until all issues are resolved.
Two	<p>A Corrective Action Plan may be implemented. Corrective Action Plans may include one or more of the following:</p> <ul style="list-style-type: none"> ○ Reimbursement to F5FC for services inaccurately reported/administered and/or a 5% penalty may be imposed on balance due to Funded Partner ○ Suspension of contract without payment ○ Increased frequency of financial reporting to F5FC (e.g. from quarterly to monthly) ○ Contracts receiving advance payments may be placed on reimbursements ○ F5FC Commissioners may be notified
Three	Termination of contract, expenses are considered disallowed and agency may be ineligible for future F5FC funding.

Corrective Action Plan

A Corrective Action Plan is developed when a Funded Partner is not meeting their contractual obligations and is in breach of contract. In such cases, F5FC will require a Corrective Action Plan to resolve all issues identified within an agreed upon timeframe.

Instances warranting a Corrective Action Plan include, but are not limited to, the following:

- Underperforming and/or inaccurate reporting on outputs and services by more than 10%
- Inaccurate, incomplete and/or late programmatic reporting
- Incorrect, incomplete and/or late fiscal invoicing and/or reporting
- Specific contractual requirements are not being met per the original intent or expected level of quality

Failure to meet Corrective Action Plan requirements may result in additional corrective measures or termination of contract.

Programmatic

Programmatic monitoring helps us ensure all deliverables outlined in the Scope of Work (SOW)/contract are met and promote continuous quality improvement of services to families with young children.

Scope of Work

In collaboration with your F5FC Contract Manager, you will prepare a SOW document that details all services and deliverables to be achieved. This includes the number of anticipated participants and the frequency of services/activities, as applicable. Please refer to the Fiscal section of this manual for information regarding SOW modifications/amendments.

Evaluation

The effectiveness of F5FC investments are monitored regularly by staff as well as our contracted evaluator who works with F5FC staff and applicable Funded Partners to inform ongoing practices that best meet the needs of families with young children in Fresno County. The goal of our evaluation work is to track progress towards the desired outcomes for our community, inform decision-making, and ensure funds are used as efficiently and effectively as possible.

As applicable, F5FC will work with Funded Partners to facilitate and maintain evaluation plans by (a) attending meetings relating to evaluation issues; (b) aiding in the selection of outcomes, indicators, and data collection tools and forms; and (c) reviewing and analyzing demographics, services, narratives, and other outcomes/indicators.

Proper Client Consenting Procedures

F5FC is committed to ensuring all participants included in our work are protected from harm, are informed about the evaluation, and willingly agree to participate in evaluation activities.

Proper client (participant) consenting procedures have been established by F5FC. To support the consenting process for our Funded Partners, we have developed client intake/consent forms to be used when providing direct client services funded by F5FC. At the time of enrollment for services or before asking families and/or participants to take part in evaluation activities (including entering information into the F5FC data system), Funded Partners must request informed consent using the provided intake/consent forms and Evaluation and Data Collection Information Sheet located on our website. Signed intake/consent forms must be filed for everyone for the purpose of consent verification. Participation in F5FC's evaluation is voluntary and clients do not have to agree to share their information in order to receive services. Clients who do not agree to share their information must be deidentified in the Commission's data system. Please contact your Contract Manager for more information on data entry and consent processes and procedures.

Data Reporting Requirements

A web-based monitoring, tracking and reporting data system is used as the primary tool for data collection and reporting requirements. Funded Partners will receive access to the data system, [or alternate data submission form](#), after their contract has been executed. If you experience problems with entering and submitting data, your F5FC Contract Manager is available for support.

There are different reporting requirements based on the type of data being collected and/or information submitted for each contract. [Funded Partner directly supporting children, families and early childhood professionals typically report demographic and service information including participant and service counts.](#)

In addition, narrative reports give partners the opportunity to share outcomes, successes, and challenges of the project. Your contract manager will provide guidelines and information on submitting a narrative report, if applicable. When submitting a narrative report:

- Do not include any participant information
- Keep the narrative brief and factual
- Check reports for grammar, punctuation, overall quality and accuracy
- Each narrative should be unique and not identical to previous submissions
- Any successes, challenges and impact on participants should be directly related to the F5FC funded program.

Note: Narratives may be incorporated into applicable F5FC public evaluation reports.

Together with your F5FC Contract Manager, you will determine the type of submission requirements, access and training need based on your individual contract. Staff responsible for entering data must participate in data system em/reportingem training. Below are details on each of the primary data and reporting types:

Direct Service, Client Level Data & Reporting

Through this data collection method, Funded Partners report individual client and service information for each deliverable as detailed in your SOW.

Client level data is submitted via the data system capturing demographic and service information including, but not limited to: intake and consent forms, client numbers, service counts, duration and frequency, and other information as outlined in your contract SOW.

Quarterly Narrative and Aggregate Reports

Aggregate data includes basic demographic and general information collected about events, group activities, workshops, etc. A narrative report gives you the opportunity to share outcomes, successes, and challenges of the project. Your contract manager will provide guidelines and information on submitting a narrative report, if applicable. Helpful tips for completing a narrative report:

- Do not include any numbers (client numbers, client names, service counts) in the narrative that are already reported in the data system.
- Keep the narrative brief and factual; adhere to the word limitations.
- Check reports for grammar, punctuation, overall quality and accuracy.
- Each narrative should be unique and not identical to previous submissions.
- Any successes, challenges and impact on clients should be directly related to the F5FC funded program.

Note: Narratives may be incorporated into applicable F5FC public evaluation reports.

Data Reporting Deadlines

Quarterly Reports	Fiscal Year Reporting Period	Due Date
1 st Quarter	July 1 – Sept. 30	Oct. 31
2 nd Quarter	Oct. 1 – Dec. 31	Jan. 31
3 rd Quarter	Jan. 1 – Mar. 31	Apr. 30
4 th Quarter	Apr. 1 – June 30	July 15

Notes: If the due date falls on a weekend or holiday the due date shall be the next business day.

F5FC reviews all data and reporting to determine accuracy with contract expectations. A 10% variance from the contract service/participant numbers and frequency requirements is probable and allowed when justification is provided in the narrative/reporting to F5FC. All data submitted must correspond with backup documentation including services, dates and participant information per the Funded Partner's records.

Documentation of Services and Record Retention

Funded Partners must maintain backup documentation for all contract services/deliverables in a secure, locked storage space including, but not limited to: contact logs, participant files, intake/consent forms, eligibility documentation, agendas, attendance records, handouts, sign-in sheets, event flyers, financial records, handouts, agendas, etc., as applicable to each contract. Missing and/or incomplete documentation may result in disallowed costs.

Due to F5FC audit mandates and needs, all documents and records for funded programs must be retained for at least four years from the expiration of the contract term. During this time, Funded Partners must archive records to facilitate simple retrieval and make them available during audit inspection. All records should clearly indicate on their storage container(s) the following information:

- Agency name
- Project name and contract number
- Beginning and end date of the contract
- Type/description of the records included in the container

When the four years have expired, Funded Partners must destroy and eliminate all identifying information and records.

Case file standardization

~~Funded Partners providing direct services to clients must maintain case files, unless otherwise specified by your F5FC Contract Manager. To promote accuracy with record keeping, protect client information, and facilitate easier file review and/or reassignment, case files must be standardized. It is the Funded Partner's responsibility to ensure the structure of files for the program is understood and maintained.~~

~~In addition, for validity, all documents/forms in the file must have authorized original signatures and/or original initials with dates where applicable.~~

~~The following documents are expected to be included and maintained in F5FC funded program client files. Please contact your Contract Manager with questions or to confirm any exceptions to the below documentation.~~

- ~~— F5FC Client Intake/Consent Form (or Provider Registration Form for professionals serving children and families)~~
- ~~— F5FC Photo/Media Consent Form~~
- ~~— Eligibility Documentation
 - ~~○ Proof of age (e.g. birth certificate/immunization record, etc.)~~
 - ~~○ Proof of residency (e.g. utility bill)~~
 - ~~○ For professional clients: proof of providing services to young children and families in Fresno County (e.g. preschool license)~~~~
- ~~— Service records corresponding to contract/program deliverables (e.g. developmental screenings, sign-in sheets, lesson plan/agenda, etc.)~~

Best Practice & Capacity Building

F5FC is committed to maintaining the highest possible standards of quality in our work on behalf of families with young children. Whenever possible, evidence, research and community-informed programs and practices are implemented.

To increase the capacity of Funded Partners, F5FC ~~will~~ may provide opportunities for training and technical assistance. For more information contact your F5FC Contract Manager.

~~Annual~~ **Contract Review (ACR) & Partner Visits**

As stewards of public funds designated to benefit young children and their families, F5FC obtains information to ensure the quality and effectiveness of our investments. Depending on the contract type, Funded Partners can expect to receive a minimum of one partner visit and contract review per contract term. ~~may receive an ACR following the end of the contract term and/or fiscal year.~~ The frequency of visits/reviews varies for each Funded Partner. F5FC reserves the right to make unannounced visits.

~~The ACR includes a~~ Contract reviews and visits ~~review~~ may include a review of administrative, fiscal, programmatic and/or evaluation backup documentation for the specified fiscal year or contract term. The purpose of a contract review is to discuss the contract and to verify backup documentation is consistent with what has been reported to F5FC through fiscal and program reports. All items referenced in the Funded Partner Manual may be reviewed.

In the case where Funded Partners have subcontracts, Funded Partners are expected to have all appropriate subcontractor documentation available at the time of the review. Reviews and visits may take place in person, remotely and/or a combination of both. Funded Partners will be notified of requirements and expectations for this type of review in email from your F5FC Contract Manager.

After a review is completed, F5FC staff will issue a summary email highlighting results. Any follow-up items identified require immediate attention and resolution within 10 business days. Failure to address follow-up items within the timeline and to F5FC's satisfaction may result in corrective measures. Please refer to the Corrective Measures portion of the Administrative section of this manual.

F5FC will bear reasonable costs in connection with or resulting from its regular monitoring, evaluation, data collection, visits, reviews, inspection, or other oversight activities. If, however, F5FC determines a need to conduct further oversight activities to determine whether or not a Funded Partner committed fraud, breach, or other misrepresentation related to the services or contract performance, the Funded Partner will bear any, and all costs incurred.

Situations requiring an independent audit may include:

- ~~Repeatedly R~~ Repeatedly Rescheduling a review/visit without valid justification
- Funded Partner is not able or refuses to meet or respond to for a visit/review within a reasonable timeline
- Required documents and/or key staff members are not provided/present during a review

Past Performance Review

Past performance is taken into consideration for contract renewals, advancements, payments and funding. F5FC will consider not funding agencies with a history of unresolved contract findings.

Urban & Rural Designations

We are committed to serving both the rural and urban areas of Fresno County. For reporting purposes, F5FC has identified all zip codes in the cities of Fresno and Clovis as urban and all others as rural.

Fiscal

Fiscal monitoring examines financial statements, records, and procedures. Funded Partners are responsible for knowing the details of their contracts and pertinent codes, regulations, local, state and federal laws that are applicable. While F5FC staff provide some technical assistance, Funded Partners are ultimately responsible for monitoring their contracts and expenditure levels. The Funded Partner is responsible for knowing what steps are needed to ensure contract compliance and acquire the proper expertise to manage the contract's finances. Contract budgets are monitored on a line-by-line basis.

Note: All finance forms and guidelines referenced below are located on the [F5FC website](#).

Restricted Funds

Payments made to Funded Partners by F5FC are restricted funds. Receipt and disbursement of F5FC funds must be accounted for separately from any other revenue in bookkeeping systems and records. This means Funded Partners must account for/track the payments received as restricted funds, showcasing F5FC dollars separately from other revenue received.

Funded Partners must retain receipts and other documents related to contract expenditures and make these records available for F5FC's review upon request. F5FC or a designated representative reserves the right to audit the Funded Partner's books and records relating to the expenditure of any F5FC funds.

Unspent Funds

Unspent funds of multi-year contracts will generally be allocated to the next fiscal year. Any unspent funds at the end of the contract's term will be returned to F5FC and de-obligated.

Budget

In collaboration with your F5FC Contract Manager, Funded Partners will prepare a budget document and narrative to specify how the project will achieve its outcomes with F5FC funds. The budget narrative details how a figure was calculated and demonstrates how the funds requested are essential to the overall success of the project. For multi-year contracts, budgets are updated each fiscal year to reflect all funds remaining or projected renewal amounts.

To minimize payment delays, please follow these guidelines:

- The budget must be submitted electronically to the designated F5FC Contract Manager on a form approved by F5FC
- Budgets must be submitted on time to be processed and approved
- The budget should reflect all available funds in the contract
- A narrative justification and delineation of each line item must be provided
- Budgets should directly support activities outlined in the SOW including personnel delivering services, as applicable

Budget Line Item Definitions:

- **Personnel**

Salaries - ~~— First 5 Fresno County (F5FC) Funded Partner staff funded position positions~~ that will be charged to the contract based on the percentage of time that the position is charged to the contract.

Benefits – Include medical, dental, vision, 401K, etc. ~~For each category, include a detailed cost price analysis as to how the benefits are calculated.~~

Taxes – Include FICA, SUI, FUI (if applicable), and worker’s compensation

- ~~— Federal Insurance Contributions Act (FICA) rate is currently at 7.65%.~~
- ~~— State Unemployment Insurance (SUI) should be calculated on the first \$7,000 per calendar year, per individual.~~
- ~~— Federal Unemployment Insurance Tax (FUI) should be calculated on the first \$7,000 per calendar year, per individual.~~
- ~~· ___ Worker’s Compensation— indicate the rate for each group of employees.~~

· **Operating Expenses**

Facilities costs – Building rent, regular maintenance, utilities, and telephone expenses that are direct cost to the project.

Operational Supplies – Includes expenses such as leases, regular equipment maintenance, office supplies, printing, advertising, etc. that directly support the staff. Office furniture (e.g. desks, chairs, computer monitors, etc.) are typically considered equipment and not Operational Supplies unless otherwise specified in the approved contract budget.

Training/Travel – Includes local and out of town travel, and conferences. Travel costs are the expenses for transportation, lodging, and related items incurred by employees who are in travel status on official business of the organization. Travel costs are allowable when they are directly attributable to specific work under the F5FC contract. See the **Travel** section of this manual for more information.

Miscellaneous Charges – Bank charges, insurance, audit, etc. ~~Each Funded Partner (FP) is required to have adequate insurance as detailed in the Agreement. Each FP must also submit an annual independently audited financial statement to F5FC within one hundred twenty (120) days of FP’s fiscal year-end or for the program of services funded pursuant to the Agreement.~~

· **Program Expenses**

Materials and Supplies – Supplies used for participants to complete scope of work activities, transportation costs for participants, ~~food for participants, etc. onsite workshops and meeting for participants, and ongoing meetings to help support the participants~~

· **Professional Services**

Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees of the organization (i.e. subcontracts, agreements, etc.).

· **Equipment/Assets**

Equipment/Asset is any non-consumable item having a useful life of more than one year and/or a purchase value or acquisition cost equal to or less than \$5,000 per item or in

~~aggregate an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or less than \$5,000. A detail of costs and how they will support/benefit the program is required. Also include the calculations where applicable. This item is determined on a case by case basis. Non-consumable items with a purchase value or acquisition cost equal to or more than \$5,001 per item or in aggregate, shall be considered a capital asset.~~ See the **Equipment and Capital** section of this manual for more information.

- **Indirect**

~~Indirect costs refer to administrative costs and/or expenses that cannot be readily assigned to one specific program, one specific line item within a program, or those expenses that are purely administrative functions. Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective.~~

Calculation: Indirect = (Program Totals – Equipment & Capital x Percentage of Indirect). See the **Administrative/Indirect Costs** section of this manual for more information.

~~Whether or not the professional service line item is included in the calculation is determined by F5FC on a case by case basis.~~

- **Other Funding**

- *Leveraging* - Money that is leveraged/obtained due to Prop 10 funds.
- *In-kind* - Additional resources and/or dollars that are directly supporting the project at no cost to the project. Examples volunteers, donations, etc.
- *Cash Contribution* - Any cash contributed to the program.
- *Program Income* - Program Income: revenue generated by First 5 funds, example tuition.
- *Other Funding* - any other funding that directly supports the program, example bond money.

See the **Other Funding Sources** section of this manual for more information.

Final budget approval will be determined by F5FC and notification of approval will be sent directly to the Funded Partner.

Contract Amendment Requests (CAR)

To make any changes to your contract budget and/or SOW, you must submit a CAR. The method to submit a CAR varies by contract term and type. Contact your F5FC Contract Manager to identify the process for a CAR. CARs must be submitted by the due date specified by your F5FC Contract Manager. CARs submitted after the due date will not be accepted and no retroactive budget or SOW revisions will be approved, unless otherwise authorized by your F5FC Contract Manager.

A CAR is required for:

- Any change over 10% to the original agreed upon SOW output (e.g. number of participants, service frequency)
- Any change to a line item exceeding \$5,000 for contracts over \$250,000 and 10% of any line item for contracts under \$250,000

- An update to budgets of multiple-year contracts from year-end projections to actuals
- A change to the duration of the contract (term dates), an augmentation approved by F5FC, a change to the agency name, the addition or deletion of an activity or deliverable, and/or a change in the contract amount

Requests must be submitted prior to incurring expenses, allowing F5FC to determine its appropriateness and minimizing any disallowed costs to the Funded Partner. F5FC will determine the materiality of the request and ensure it fits the intent of original funding. The request may require a formal contract amendment, or it may be accommodated with a budget and/or SOW revision approved by F5FC.

The Funded Partner will be notified in writing if modifications or amendments are approved or denied. If any of the information is incomplete the request may be denied. Changes within budget sub-line items do not require a budget revision.

Note: Requests for purchases/expenses not delineated in the approved budget will not be accepted in the last quarter of a contract term, unless otherwise authorized by your F5FC Contract Manager.

Administrative/Indirect Costs

Indirect costs refer to administrative costs and/or expenses that cannot be readily assigned to one specific program, one specific line item within a program, or those expenses that are purely administrative functions. Indirect costs for professional/supportive services contracts will be determined by F5FC.

Limit to Indirect Costs

F5FC recognizes Funded Partners have administrative systems unique to their agencies. Funded Partners may implement an indirect rate that does not exceed 15% of all program costs excluding capital purchases and equipment. This maximum rate also applies to subcontractors unless otherwise approved by your F5FC Contract Manager.

Since the limit for indirect costs is strict, please be sure the costs reported as indirect are purely indirect in nature. The costs listed below will only be allowed in the administrative/indirect line item, unless it is demonstrated that they exclusively support the funded program.

- Audit, bookkeeping, payroll, and finance
- Human resources
- Fiscal sponsor costs
- Insurance
- Office space expense
- Phone, internet and utility costs
- Other overhead and personnel costs (e.g. Executive Director's time or any other staff who work minimally with the funded project)
- Expenses for associated with staff not included in the F5FC portion of the budget

If more than 50% of the contract is categorized as professional services, the Commission may require a modified calculation of indirect, applying the established rate to some but not all expenses in the contract.

Disallowed Costs

First 5 Fresno County (F5FC) along with federal regulations requires all expenses be reasonable, justifiable, and necessary to accomplish the purpose of the grant or contract. The list below is not intended to be comprehensive of all F5FC disallowed expenses. Contact your assigned Contract

Manager with any questions regarding allowable costs.

- Providing services to clients not eligible for services (age & county ineligibility)
- Entertainment costs – Gift cards/certificates, movie tickets, etc.
- Incentives/Stipends – For attending program activities (i.e. workshops, meetings, events) (unless approved through the budget development/modification process)
- Fundraising costs – Costs for the activity of fundraising (i.e. personnel, materials) for an event
- Lobbying expenses – Costs incurred and related to attempting to influence legislation must be less than 30% of the staff's time
- Alcoholic beverages
- Tobacco purchases
- Equipment/Assets not included in the approved budget
- Expenses exceeding the 10% variance per budget line without a formal approval
- Training/Travel not approved by a F5FC Contract Manager and/or not for staff in the personnel section of the approved budget
- Mileage for non-F5FC activities or trainings – travel to non-F5FC related trainings or conferences
- Program expenses that do not benefit the participants
- Unhealthy snacks or foods- (e.g. soda, sugary drinks, candy, highly processed foods, "junk food")
- Expenses incurred in a different fiscal year (i.e. trainings, purchases of materials and supplies, etc.)
- Expenses not delineated in the approved budget without prior consent of F5FC
- Fines and penalties – Speeding tickets and parking tickets, etc.
- Severance pay
- Moving expenses (employee, agency or otherwise)
- Losses on other grants or contracts – any excess costs over income on any grant are not allowable as a cost of any other grant or contract
- Contributions or donations
- Expenses allocable to other federal, state, or local funding sources
- Costs to meet the funded partner's cash match insufficiencies and/or other funding requirements stated in the contract

Other Funding Sources

To promote sustainability and enhancement of services in the community, F5FC requires cash match, leverage and/or in-kind contributions for particular funding mechanisms under the strategic plan. Other funding source requirements, if applicable, are specified in each contract.

Funded Partners are to report other funding as expenditures and services are incurred. For reimbursement, each financial report must include the proportionate share of other funds for each line item(s) and/or overall expenditures for the reporting period. Proper documentation to verify leverage, cash match and/or in-kind contribution (e.g. General Ledger, Transaction Report, Budget Register, written justification signed by notice holder, etc.) is required and must adhere to the reimbursement payment process.

Electronic Payments

In lieu of issuing checks and mailing payment, F5FC utilizes the Electronic Funds Transfer (EFT) System to make Automated Clearing House (ACH) payments, also known as a direct deposit.

With the EFT system, we can transfer payments from our bank account directly to Funded Partners. Electronic payments eliminate the need to print and mail checks, ensure payments are received by a specific date, and provide an efficient, cost-effective payment process. Electronic payments also eliminate the use of paper, postage, office supplies, processing time, storage space and provide Funded Partners an option to receive payment quickly.

Setting up and approving EFT accounts can take some time, so a completed [EFT Authorization Form](#) is required from Funded Partners upon notification of a contract award. F5FC will make all contract payments through the electronic payment system. Accurate and complete information is critical to avoid delayed payments.

Reimbursement Payments

Payments are made upon the successful completion of contract deliverables. This includes achievement of performance standards and the timely submission of programmatic and fiscal reports. Funded Partners must submit financial reports/invoices before the established due date. A report will be considered “late” if it is not received by the due date and may delay payment.

To support the expenditures referenced on the financial report, documentation of actual expenses must be submitted. This includes, but is not limited to: a General Ledger/Transaction Report including a list of actual expenses with transaction dates and vendor names/purchase description. Receipts, invoices, and similar backup documentation for all transactions/expenses must be maintained by each organization but are typically not submitted with the financial report unless requested by your contract manager. Expenses must correspond with the Funded Partner’s approved budget and F5FC fiscal requirements.

The reimbursement process is as follows:

- As applicable, Funded Partners submit their monthly, quarterly, or semiannual program report as defined in their contract.
- After program data entry, Funded Partners must submit a request for reimbursement (financial report or invoice).
 - The request for reimbursement (financial report) outlines the Funded Partner’s actual expenses for the invoice period by budget line item and includes required backup documentation for any payments received and any reimbursements due.
~~To support the expenditures referenced on the financial report, documentation of the expenses must be attached.~~
~~Back up documentation examples (required documents to be confirmed by your F5FC Contract Manager):~~
 - ~~General Ledger~~
 - ~~Transaction Report~~
 - ~~Receipts~~
 - ~~Invoices~~
- Once the request for reimbursement is received, it will be reviewed ~~and approved~~ by the F5FC Contract Manager to ensure contract deliverables and reimbursement requirements are met, including that all expenses correspond with the Funded Partner’s budget and F5FC fiscal requirements.
- Incomplete reports will be returned to the Funded Partner requesting missing or additional documentation.
- Reimbursement payment will be approved and processed after F5FC program and financial reporting requirements are met. -

Financial Report Due Dates

Quarterly Reports - Fiscal Year Reporting Period	Due Date
1 st Quarter	July 1 – September 30 Oct. 31
2 nd Quarter	October 1 – December 31 Jan. 31
3 rd Quarter	January 1 – March 31 Apr. 30
4 th Quarter	April 1 – June 30 July 15

Note: If a due date falls on a weekend or holiday the due date will be the following business day. For contracts that report monthly, financial reports are due 30 days after the month ends.

-If a Funded Partner reports monthly, due dates for financial reports will be 30 days after the end of the month (i.e. for period ending July30th, the financial report/ invoice is due on August 30th).

Timing

First 5 Fresno County operates on a modified-accrual accounting basis and our fiscal year is July 1st to June 30th. All submitted expenditures, in order to be reimbursed, must be incurred within the fiscal year dates and be paid before the deadline stated above. Due to F5FC’s reporting requirements, any expenses that fall outside of the fiscal year will be disallowed. To prevent this or plan for exceptions, accounting timing should be discussed during the contract development phase. Please let your contract manager know if there is an issue with the accounting timing requirements stated.

Advance Payments

From time to time, advance payments may be considered and approved based on the availability of F5FC funds, type of services, and program needs. To request advance payments under a new contract, Funded Partners must submit their request upon contract execution in writing on company letterhead, specifying the reason(s) advance payment is needed. The advance payments schedule is confined to F5FC’s July to June fiscal year and thus the remainder of this section will be based on this.

If approved, and contingent upon performance in meeting contractual requirements and the type of contract, F5FC will release approximately 25% (not to exceed 50%) of the contract’s annual budget amount as an advance payment for the quarter. In some cases, 50% is advanced in a quarter with proper justification determined by the Contract Manager. Beginning in the 3rd quarter of the FY any additional funds will not be released until 75 % of the released funds have been expended and reported. As applicable, advance payments will be made during the first month of each quarter. Dependent on the type of contract, advance payment for quarter four of the FY will be released based on financial reporting for quarters one and two of the fiscal year. If reporting for either quarter one or two had cash on hand, 1/3 of the advance payment for quarter four of the fiscal year will be issued. If neither quarter had cash on hand, 2/3 of the (25%) advance payment for quarter four will be issued. The remainder of the contract amount will be a reimbursement. Any variation must be approved by the Contract Manager.

If the Funded Partner has not utilized any portion of the advance payment at the end of the contract period or fiscal year, the funds shall be returned to F5FC. If the amount is not returned, F5FC may withhold funds from the subsequent year’s contract (if applicable). For additional details see the Payment section of the contract. We will always make every attempt to negotiate a solution before pursuing litigation.

Finance Variance Justification

~~When a 10% variance occurs in the year-to-date expenditures for the contract reporting period, a written justification is required when submitting the financial reports.~~ Budget expenditures should typically occur as follows: 25% the first quarter, 50% the second quarter, 75% the third quarter and 100% the fourth quarter. When a 10% variance from these anticipated amounts occurs in the year-to-date expenditures for the

contract reporting period (e.g. Quarter 2 Program Expenses invoiced at 80%), a written justification is required when submitting the financial reports. Your F5FC Contract Manager will review the justification and determine if the expenses are approvable for reimbursement.

The written justification must explain:

- Reason for the 10% variance
- Impact of variance on project deliverables and budget
- Identify steps to prevent future 10% variance

Note: while the above percentages are typical, financial reports/invoices should reflect actual expenses for the reporting period.

Program Cost Allocation Plan

As applicable, a Program Cost Allocation Plan (PCAP) is used as a guide for Funded Partners to equitably distribute costs to programs. It identifies the amount of shared expenses ascribed to each program operated by a Funded Partner, whether or not funded by F5FC.

A PCAP includes a written account of the methods used to allocate costs to its various funding sources and should be a part of the Funded Partner's written accounting procedures. These procedures should include regulations governing cost allocation and a guide that provides principles and standards for determining costs as they apply to federal, state and local governments.

Funded Partners are required to discuss a PCAP with their Certified Public Accountant and develop one to ensure each program bears its fair share of the total cost of expenses. Situations requiring a PCAP include:

- Costs shared between F5FC and a separate funding source, including in-kind, leverage, cash match, program income and other funding
 - In-kind: additional monetary and non-monetary resources that are directly supporting the project at no cost to the project (examples: volunteers, tangible donations, etc.)
 - Leverage: money that is leveraged/obtained due to Prop 10 funds (examples: federal funding, foundation grants, etc.)
 - Cash match (contribution): any cash contributed to the program
 - Program income: revenue generated by F5FC funds (example: tuition)
 - Other funding: any other funding that directly supports the program (example: bond money)
- Costs shared between two or more F5FC funded programs
- Any combination of the above

Proper documentation to verify in-kind, leverage, cash match (contribution), program income and other funding outlined in the financial report (e.g. General Ledger, Transaction Report, Budget Register, written justification signed by notice holder, etc.) is required and must adhere to the reimbursement payment process. Failure to report and provide supporting documentation may affect future F5FC funding.

Please refer to the F5FC website [in the Funded Partner Documents & Forms section under Resources](#) for [examples](#) and [definitions](#) of PCAPs.

Program Income

Program income means gross income earned by a Funded Partner which is directly generated because of funds awarded by F5FC. Including but not limited: income from fees for services performed; the use or

rental of real estate or private property; the sale of commodities or items; license fees or royalties on patents and copyrights; and interest on loans.

As applicable, please refer to the Program Income section of your contract for restrictions on use.

Subcontractors

Transforming the health and development of all children in Fresno County is possible when community organizations, private, education and government agencies work together to mobilize support and services for young children. At F5FC we believe innovative solutions for children emerge from multi-agency partnerships. We have developed guidelines in the case where a Funded Partner subcontracts services as part of their contract with F5FC. The following responsibilities include but are not limited to:

- Submission of all subcontracts to your F5FC Contract Manager for pre-approval (as appropriate)
- Signed copy of the subcontract agreement provided to F5FC upon execution
- Verification of subcontractors' carrying and maintaining adequate insurance
- Communication to F5FC on behalf of all subcontractors
- Understanding and monitoring of services delivered by subcontractors to ensure alignment with the SOW
- Submission of periodic reports in a timely manner (including information regarding subcontractors and number of services)
- Verification and submission of subcontractor invoices in a timely manner
- Ensuring documentation is sufficient to support expenditures (including subcontractor documentation)

Responsibilities of each subcontractor include, but are not limited to:

- Submission of timely requests for reimbursement to the lead agency
- Ensuring documentation supports expenditures
- Meeting deadlines for providing information to the lead agency
- Communication with F5FC through the lead Funded Partner

Please refer to the Subcontracts section of the contract for more information.

Equipment & Capital Purchases

F5FC will not approve any equipment or capital purchases unless they are necessary to fulfill and accomplish the services/deliverables outlined in the SOW. Equipment and capital purchase requests must be submitted in writing and approved by F5FC prior to purchase.

Equipment or capital purchased with First 5 Fresno County (F5FC) funds must be used to support children 0-5 years old and their families in Fresno County and be reasonable and necessary to fulfill and accomplish services outlined in the scope of work/ agreement.

- Equipment is defined as: non-consumable items having a useful life of more than one year and/or a purchase value or acquisition cost equal to or less than \$5,000 per item or in aggregate.
- Capital is defined as: non-consumable items with a purchase price of \$5,001 or more per item or in aggregate.

"In aggregate" means more than one item of the same equipment type or a system with multiple components. For example: the purchase of five chairs. Individually a chair costs \$200 and the total cost of the five chairs is \$1,000.

Equipment and capital requests made by Funded Partners must be made in writing and approved by F5FC during budget development or modification and must be done prior to purchase. If the request is approved, the purchase must be made within 60 days. Approval will require F5FC contract managers to consider timing, evaluation of the purchase justification, and fitness to the agreed-on intent. At the discretion of the F5FC contract manager, an item that falls outside of the above definition may be included under the Equipment line item as they deem appropriate.

To be reimbursed for the purchase, Funded Partners must submit the invoice, receipt, and corresponding packing slip with the financial report via F5FC's program database. F5FC will verify the equipment throughout the duration of the contract and at contract termination.

Funded Partners are responsible to safeguard, maintain, and track the location of equipment and capital assets. Funded Partners are required to maintain an inventory list of equipment & capital purchased with F5FC funds, which at minimum should include:

- Name of item
- Date of purchase
- Quantity
- Cost at time of purchase
- Serial number
- Assigned staff/ User
- Exact location where the equipment is located

F5FC staff will verify details of the equipment/capital as a part of the contract monitoring process and document any discrepancies. Any changes in the equipment status (e.g. location and/or assignment to staff) must be forwarded to the Commission-tracked by the Funded Partner. Any equipment transfer or sale must be approved by F5FC beforehand.

For contract closing requirements regarding equipment, please refer to the End of Fiscal Year and Contract Term Requirements portion of this manual.

Food Purchases

Food and beverage purchases with F5FC funds must contribute to the overall health and wellbeing of young children and their families and comply with the United States Department of Agriculture Dietary Guidelines. Funded Partners are encouraged to consider the cultural appropriateness of all food items purchased. Unhealthy items purchased with F5FC funds will-may be considered disallowed costs (e.g. soda, candy, sugary drinks, and highly processed foods). Contact your F5FC Contract Manager for clarification if needed.

Food/refreshment purchases for the contract/agency staff is not a reimbursable expense.

Incentives & Stipends

~~Typically, incentives or stipends for program participants are not allowed and will be considered disallowed costs. Contact your F5FC Contract Manager for clarification if needed.~~

Purchases for participant stipends & incentives should-must be discussed prior to issuing/purchasing and be included in your approved contract budget and directly align with the scope of work deliverables. In the case that your contract includes incentives (sometimes issued as gift cards), you reimbursement-must maintain submission documentation must that includes **the receipt of purchase and a sign out sheet** with the incentive recipients' signature and name (first initial, last name). Cash is not considered an allowable incentive/stipend request.

Travel

Funded partners are authorized to receive reimbursement for travel expenses incurred while attending official functions associated with the contract, so long as expenses are reasonable, prudent, and appropriate. Reimbursement for expenses associated with other related trainings, seminars, or meetings must be included in the contract and have prior approval by the F5FC Contract Manager.

Proper documentation for out of county contract-related travel is required to be submitted with a request for reimbursement including receipts for airline, hotel, car rental, and gas purchases. Reimbursement may be requested only after travel has occurred. The per diem, incidental and other reimbursement processes will follow the F5FC Travel Policy. Unallowable expenses associated with travel include but are not limited to road snacks or refreshments, souvenirs, business-sponsored meals, bar tabs or minibar costs, etc. It is best practice to get prior approval from your F5FC Contract Manager for travel expenses.

Mileage reimbursement will be at the current IRS rate, unless otherwise approved by your Contract Manager.

Supplanting Policy

This policy provides Commission staff and Service Providers a clear and definitive understanding of the Commission's interpretation of the legislative language and how to apply it to contract/program development. The California Children and Families First Act of 1998, and Section 30131.4 of the California Revenue and Taxation Code, states:

“All moneys raised pursuant to taxes imposed by Section 30131.2 shall be appropriated and expended only for the purposes expressed in the California Children and Families First Act and shall be used only to supplement existing levels of service and not to fund existing levels of service. No moneys in the California Children and Families First Trust Fund shall be used to supplant state or local General Fund money for any purpose.”

Implementation

No Commission funds shall be used to supplant (i.e., take the place of or replace) state or local General Fund money (as defined in the definitions section) for any purpose. This prohibition does not apply to federally funded or privately funded programs.

Commission funds shall be used only to supplement (i.e., add to or increase) existing levels of service (as defined in the definitions section) and not to fund existing levels of service. No Commission funds shall be granted or used for services funded by state or local General Funds unless the Commission's funding will improve the quality or quantity of an existing service.

The prohibition on supplantation is not intended to prevent, stifle or discourage state or local government agencies from funding pilot programs (as defined in the definitions section), which provide valuable innovations and formation. The prohibition on supplanting therefore does not apply to pilot programs or services.

Definitions:

State General Fund money is defined as any money received into the treasury of the state and not required by law to be credited to any other fund (Gov. Code 16300). This includes all funds received by the state except those collected by a specific fee or tax for a particular purpose (e.g., Proposition 10 funds, Proposition 99 funds, excise taxes assessed for a particular purpose). State general fund money also includes funds originating from the state treasury (not required to be credited to any other fund) that are subsequently earmarked for a particular use at the county level.

Local General Fund money as pertaining to county is defined as any money received into the treasury of the local government and not specifically appropriated to any other fund (Gov. Code 29301).

Local General Fund money as pertaining to cities, municipalities, or public agencies is defined as any money received into the treasury of the local city, municipality or public agency and not specifically appropriated to any other fund.

Existing services are defined as services in effect or operation at the time a request for funding is acted upon by the Commission, or at any time within the 12-month period preceding the Commission's action.

Pilot programs or services are defined as those activities that are implemented on a temporary and limited basis in order to test and evaluate the effectiveness of the program, develop new techniques, or gather information.

Note: This policy is not to be construed as limiting creativity in terms of prospective applicants/grantees from proposing blended funding streams from multiple sources (public and private).