



EFFECTIVE: 07/01/2008

FINANCIAL REPORTING GUIDELINES

REPORTING

Reporting for the 08-09 Fiscal Year is performed quarterly or as the Commission requires. Service Providers shall submit a quarterly financial report and a disbursement list or check register reflecting all disbursements prior to reimbursement. The report and pertinent documents shall be received no later than the 30th day after the end of a fiscal quarter, or as Commission requires. The report shall be in a form approved by the Commission. Final year-end invoices are due 30 days after the end of a fiscal year (i.e., due date is July 30th).

LATE REPORTS

Final year-end invoices submitted 45 days after the end of the fiscal year (June 30) will have a five (5) percent penalty imposed on the final invoiced amount. SERVICE PROVIDER may submit a written appeal of the penalty to the COMMISSION if there were extenuating circumstances that prohibited the timely submission of the invoice, however the COMMISSION retains the exclusive right to decide whether to waive the penalty or not. A request for appeal must be submitted to the assigned Program Officer on agency letterhead.

Service Providers who habitually (more than twice) submit late reports (Financial & Program) will not be eligible to receive advance payments.

INCORRECT REPORTS

Incomplete or inaccurate reports will not be accepted. Service Providers and their finance staff will be notified via email of any discrepancies or errors that require attention. The report is considered complete when the supporting documentation is attached (e.g. General Ledger, Transaction Report, Budget Register, etc.), and corresponds to the invoice/report. Equipment purchases over \$500 must include the actual original invoice and packing slip for reimbursement. An incomplete and unsatisfactory report is also considered “late” and will delay future payments (e.g. advances) to the Service Provider.

Service Providers who habitually (more than twice) submit incorrect reports (Financial & Program) will not be eligible to receive advance payments.

SUBMISSION REQUIREMENTS

The Commission requires an original signed financial report, with supporting documentation, either mailed or hand-delivered to:

**First 5 Fresno County
ATTN: Financial Department
550 E. Shaw Ave., Suite 215
Fresno, CA 93710**

In addition, financial reports are to be submitted electronically to the assigned Program Officer. A report will be considered “late” if it is not received by close of business on the due date.

REVIEW CRITERIA

Commission staff will review the Financial Report for timeliness and completeness. If a report arrives incomplete it will be returned to the Service Provider requesting the missing documentation. The report will be given a received date when it has been received and accepted as complete.

PAYMENTS

Compensation shall be based upon actual costs as described in the Service Provider's fiscal year budget. Commission will reimburse Service Provider for all necessary and reasonable expenses incurred in accordance with the project budget for providing the services on behalf of the Commission. Reimbursement will not be made for any expense that are not in accordance with the project budget and/or is determined to be a supplanting of funds.

ADVANCE PAYMENTS

Any provider seeking the release of funds prior to the commencement of work under the contract should make such a request in writing on company letterhead, specifying the reason(s) advance funds are needed. All requests for advance funding should be subject to the approval of the Executive Director or Designee of the Commission, based on the nature of each project and the needs of the provider. In order to be considered for advance payments, Service Providers must be in good standing regarding compliance with contractual requirements (e.g., timely and accurate reporting, appropriate spending pattern, and meeting programmatic objectives). If at the end of the contract period (e.g. fiscal year) the provider has not utilized any portion of the funds advanced, the provider shall return that amount to the Commission.

Additional funds will not be released until 75 percent of previously released funds have been expended and reported. Typically, 25% of the fiscal year budget is made available for advancement. However the Commission may exceed this amount given reasonable justification.

Contact your Program Officer regarding your status.

DISBURSEMENTS

Providers formally request reimbursement for services by submitting an invoice. Service Providers are required to include with the invoice an expenditure report comparing actual expenditures to the project budget.

Payments of invoices are contingent upon compliance with all contractual requirements, including the achievement of performance standards and the timely submission of program and fiscal reports.

The release of funds is approved by both program and finance staff. The Program Officer verifies that satisfactory progress has been made toward project objectives, as determined by the Commission's performance monitoring and reporting system. The Finance Officer verifies that all reported expenditures are allowable under the terms of the contract.

WITHHOLDING PAYMENTS

Program Officers are responsible for overseeing contractor performance. Hence they have the authority to request that the commission withhold payment should the Service Provider be deemed out of compliance.

DUE DATES

08/09 FINANCIAL REPORT DEADLINES

<p>1st QUARTER Financial Report Due: 10/30/08</p>
<p>2nd QUARTER Financial Report Due: 1/30/09</p>
<p>3rd QUARTER Financial Report Due: 4/30/09</p>
<p>4th QUARTER Financial Report Due: 7/30/09</p>

- **If the 30th falls on a weekend, the due date shall be the next business day**



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BUDGET GUIDELINES

ANNUAL BUDGETS

Budgets are to be submitted annually to reflect all available dollars remaining in the contract. In order to minimize payment delays, please follow these guidelines:

1. Budgets must be submitted in a form approved by the Commission. The most current template is available on the Commission's website, www.first5fresno.org.
2. The budget should reflect all available dollars remaining in the contract.
3. A narrative justification and delineation of changes must be provided via email and/or company letterhead.
4. Submit a revised Scope of Work (if necessary).
5. Submission shall be made electronically to the designated Program Officer.
6. Annual budget must be submitted timely enough to have the request processed and approved by the following deadlines:
 - Service Provider must submit an annual budget to their Program Officer by July 15, 2008.
 - Determination of final approval will be made by July 31, 2008
 - Notification of final approval will be sent directly to Service Provider by August 15, 2008.

BUDGET MODIFICATIONS

A request to modify a budget must be made in writing and addressed to the assigned Program Officer (refer to the Budget Modification Template on the First 5 Fresno website: www.first5fresno.org) by **December 15, 2008**. The request will be reviewed as to how the proposed modifications may impact the intent of what was originally funded.

Budget modifications are accepted during the mid-fiscal year. The process for submitting a request for a modification is as follows:

1. Request for a modification must be on company letterhead and addressed to the assigned Program Officer. The request should include the proposed changes to the budget and scope of work, and/or evaluation plan (if applicable) with an explanation for the change(s). The request must also include a budget narrative justification with the delineated changes.
2. Budget modifications are required prior to any line items (Personnel, Operating Expenses, Professional Services, Evaluation, Capital, Equipment, and Indirect) exceeding \$5,000 for contracts that are over \$250,000 and 10% of any line item for contracts under \$250,000. Changes within sub-line items (Salaries, Benefits, Payroll

Taxes, Operational Expenses, Travel/Training, Misc. Charges, and Program Expenses) do not require a budget revision.

3. Reasonable and necessary movement of funds throughout the budget excluding the increase or decrease of the Personnel category which requires additional rationale.
4. Requests must be submitted **prior to expenses being incurred** allowing the Commission to determine its appropriateness and minimizing any disallowed costs to the Service Provider.
5. Program Officer will review the request.
6. Program Officer may require the Service Provider to revise and update SOW and budget attachments, revise and update evaluation plan attachment, seek clarification from the Service Provider via email or phone, or conduct a meeting to seek clarification and provide direction.
7. Once the request and attachments have been completed to the satisfaction of the Program Officer and all involved, a recommendation for approval will be made.
8. Executive Director will approve/deny the recommendation.
9. If the request for modification is approved, the revised attachments are updated accordingly (e.g., scope of work is updated in the Persimmony system, revised financial invoice is issued to Provider, etc.) and the Service Provider is notified in writing.
10. If the request for modification is denied, the Service Provider is notified in writing.

DUE DATES

08/09 BUDGET DEADLINES

1st QUARTER Annual Budget Due by: 07/15/08
2nd QUARTER Budget Modifications Due by: 12/15/08
3rd QUARTER No Budgets or Modifications Accepted
4th QUARTER No Budgets or Modifications Accepted