



# Funded Partner Manual

## Programmatic Services

2405 Tulare St., Suite 200  
Fresno, CA 93721

p. 559.558.4900

[info@first5fresno.org](mailto:info@first5fresno.org)  
[www.first5fresno.org](http://www.first5fresno.org)

**FISCAL YEAR 2018-2019**

# Table of Contents

<b>I. Introduction .....</b>	<b>3</b>
Overview of First 5 Fresno County	
Contract Monitoring	
<b>II. Administrative .....</b>	<b>5</b>
Funded Partner Manual & Contract	
Client Eligibility	
Confidentiality	
Department of Justice Fingerprint Clearance	
Child Abuse Mandated Reporter Training	
Administrative Policies	
Organizational Chart, Job Descriptions & Staffing Changes	
Insurance & Licensure Requirements	
Expulsion	
Cultural Humility	
Partner Collaboration	
Communications	
End of Fiscal Year Requirements	
Corrective Measures	
<b>III. Programmatic .....</b>	<b>12</b>
Scope of Work	
Evaluation	
Persimmony & Reporting Requirements	
Case File Standardization	
Best Practice & Capacity Building	
Annual Contract Review (ACR) & Visits	
Past Performance Review	
Urban & Rural Designations	
<b>IV. Fiscal .....</b>	<b>17</b>
Restricted Funds	
Budget	
Contract Amendment Request (CAR)	
Administrative/Indirect Costs	
Cash Match Requirement	

Electronic Payments  
Finance Variance Justification  
Program Cost Allocation Plan  
Program Income  
Subcontractors  
Equipment & Capital Purchases  
Food Purchases  
Incentives & Stipends

## Introduction

---

Welcome to the First 5 Fresno County family! Since inception, First 5 Fresno County has helped young children blossom, families flourish, and communities thrive for a brighter future for all of Fresno County. We've grown from an agency working to define itself, to an agency with strong community relationships and a clear vision of a robust early childhood system of care; a vision we are committed to see come to fruition.

The 2013-2020 Strategic Plan has set out a bold vision aimed at changing the odds for all children in Fresno County and to keep families at the core of all that we do. It is critical First 5 Fresno County challenges and leads the community in creating long-term, sustainable systems that support children and families. We know doing so will ultimately ensure all children achieve success in school and in life.

We at First 5 Fresno County 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 comprehensive information on our requirements and to assist you in managing your First 5 Fresno County contract.

Thank you for working with us to implement incredible programming in support of children ages 0 to 5 and their families!

Sincerely,

A handwritten signature in black ink that reads "Emilia Reyes". The signature is written in a cursive, flowing style.

Emilia Reyes  
Executive Director

## Overview of First 5 Fresno County

At First 5 Fresno County (F5FC), we work to lift up young children to their full potential, so we deliver on the promise of a brighter future for all young children. We build on the strengths of all Fresno County families and the community that supports them by investing in and supporting programs and efforts that strengthen our early childhood system of care.

F5FC was created in 1998 when California voters passed Proposition 10 (Prop 10), known as “The Children and Families Act.” Prop 10 designated a 50-cent sales tax to every pack of cigarettes or tobacco product sold in California to be used to promote, support and improve the early development of children from the prenatal stage to five years of age. The State of California collects the money and distributes it to each county based on birthrate. F5FC is responsible for developing a strategic plan to guide local funding decisions that are consistent with the purpose of Prop 10.

The full [F5FC 2013-2020 Strategic Plan](#) is available on our website.

**Our Vision:** *All children ages 0 to 5 will achieve optimal social, emotional, physical and cognitive development.*

**Our Mission:** *To be a catalyst for creating an accessible and effective network of quality services for young children and their families.*

## 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

Funded Partners must adhere to all administrative, programmatic and fiscal requirements and procedures outlined in this Manual. The F5FC Contract Manager assigned will provide guidance to Funded Partners and will monitor the contract on an ongoing basis to ensure all requirements are met.

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 to young children and families. Your F5FC Contract Manager will work closely with you to ease all challenges throughout the contract term.

You may also contact the Executive Director if you have any specific questions or concerns.

# Administrative

---

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

## **Funded Partner Manual & Contract**

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 us and our partnership. So, please let the following pages guide you through our requirements.

### *Funded Partner Orientation*

To familiarize you with this manual and the terms and conditions outlined in your contract, F5FC may provide an annual orientation and answer any questions you may have.

## **Client Eligibility**

With our undivided focus on families with children ages 0 to 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 serve:

- 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 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, Funded Partners may have access to confidential client 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 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 Persimmony database
- Replacing names, addresses and other identifying information with codes on paper and/or electronic records

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**

Funded Partners are required to report all known or suspected instances of child abuse or neglect to either local law enforcement or county child welfare services. 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.

## **Administrative Policies**

In addition to this manual, F5FC has adopted the following administrative policies to guide investments and partnerships in support of young children and families:

[Breastfeeding Friendly \(BFF\) Policy](#)

[Equipment & Capital Policy](#)

[Faith-based Policy](#)

[Supplanting Policy](#)

[Tobacco-Free Policy](#)

The complete policies can be found on the [F5FC website](#).

## **Organizational Chart, Job Descriptions & Staffing Changes**

Funded Partners are required to submit job descriptions for all F5FC funded employees and an agency organizational chart prior to the execution of the contract and during the Annual Contract Review (ACR). To maintain client confidentiality, any staffing changes related to the contract must be submitted to F5FC within five business days of the change.

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 our Funded Partners 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 clients 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 children and families at a time when budgets and resources continue to diminish. To strengthen the system of care for children and families, Funded Partners are expected to collaborate and identify new ways of networking and coordinating services to maximize resources and build innovative partnerships.

F5FC provides opportunities throughout the year for funded and non-funded partners to meet and interact. It is important that each Funded Partner participate and send an appropriate representative to the required meetings listed below.

### *Required Meetings*

- Persimmony Webinar Training
- Connection Café events
- Learning Circles
- Evaluation Meetings

A current list of required meetings is located on the [F5FC website](#). Please contact your F5FC Contract Manager for additional information.

## Communications

We are passionate about the work we do together and the brand we've 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 young children and families.

### *Logo Treatment*

Our logo is the single mark that represents us wherever we go. Which is why it's 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've laid out a few do's and don'ts and other details that will help ensure the F5FC logo is properly represented:



Color



Reversed



Black



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



1" wide

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



**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 funded by First 5 Fresno County."

### *Media Inquiries 101*

In addition to logo use, media relations can further support our effort of highlighting Prop 10 funds at work and the impact of our partnership. Whether you're 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 to your F5FC Contract Manager

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 in a timely manner.

### *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. We updated our logo in 2017. Your F5FC Contract Manager staff is happy to review materials/documents with you prior to publication.

### **First 5 Fresno County**

[info@first5fresno.org](mailto:info@first5fresno.org)

559-558-4900

## **End of Fiscal Year Requirements**

At the end of each fiscal year, Funded Partners are required to submit/address the requirements listed in the table below. Funded Partners whose contract with F5FC is ending will also receive a contract close-out letter. Additional requirements may be requested by your F5FC Contract Manager as applicable.

Requirement	Due Date*
<p><b>Annual Audit Report</b></p> <p>The Funded Partner’s annual audit report covering expenses in the current fiscal year is required by no later than April 30<sup>th</sup> of the subsequent year.</p> <p><i>Note: All documents and records must be retained for at least four years from the expiration of the contract term.</i></p>	<b>April 30th</b>
<p><b>Equipment for Non-Continuing Contracts</b></p> <p>If Funded Partners wish to retain equipment purchased through their F5FC contract, a request on agency letterhead to the F5FC must be submitted identifying the equipment and verifying items will be used to further support children ages 0 to 5 in Fresno County.</p> <p>If Funded Partners wish not to retain equipment, contact your F5FC Contract Manager for next steps.</p>	<b>June 30<sup>th</sup></b>
<p><b>Persimmony Data</b></p> <p>All entered data must be accurate and complete (client level, aggregate, and narratives). Below are guiding steps to follow:</p> <ul style="list-style-type: none"> <li>• Delete all clients without any services entered in Persimmony (or set these clients to Local)</li> <li>• Address all missing client data (demographic, assessment, outcome indicator, and service information)</li> <li>• Exit those clients who will not be returning for the new contract term (Funded Partners with non-continuing contracts must exit all clients)</li> <li>• Contact your F5FC Contract Manager for final verification</li> </ul> <p><i>Note: By the end of the contract term, Persimmony access will be deactivated for continuing and non-continuing contracts. Funded Partners with continuing contracts will receive access for the new contract term once the contract has been executed.</i></p>	<b>July 15<sup>th</sup></b>
<p><b>Annual Contract Review (ACR) Findings</b></p> <p>Note: For non-continuing contracts, an ACR will be conducted before the end of the contract. If findings were discovered during the ACR, findings must be fully resolved before the end of the contract.</p>	<b>July 15<sup>th</sup></b>
<p><b>Financial Report</b></p> <p>A financial report for the period ending June 30<sup>th</sup>* must be submitted.</p>	<b>July 31<sup>st</sup></b>

\*Note: These dates only apply to contracts aligned with the F5FC’s fiscal year.

## 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 and possible disallowed costs are detailed below:

- Expenses exceeding an approved amount by more than 10% per line item specified on the budget
- Incurred expenses not detailed in the SOW and/or budget and 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
<b>One</b>	A compliance warning letter or email will be sent to the Funded Partner's Notice Holder and payment may be withheld until all issues are resolved.
<b>Two</b>	A Corrective Action Plan will be implemented and Funded Partner will be required to submit monthly financial reports.  Corrective Action Plans may include one or more of the following: <ul style="list-style-type: none"> <li>○ Reimbursement to the F5FC for services inaccurately reported/administered and/or a 5% penalty will be imposed on balance due to Funded Partner</li> <li>○ Suspension of contract without payment</li> <li>○ Contracts receiving advance payments will be placed on reimbursements</li> <li>○ F5FC Commissioners may be notified</li> </ul>
<b>Three</b>	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 staff 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 that all deliverables outlined in the Scope of Work (SOW) are met and promote continuous quality improvement of services to young children and families.

## Scope of Work

In collaboration with your F5FC Contract Manager, you will prepare a SOW document that details all services and deliverables, including the number of clients to be served and the frequency of services, to be achieved. Please refer to the Budget 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, Harder+Company Community Research, who works with F5FC staff and Funded Partners to inform ongoing program practices that best meet the needs of children and families 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.

F5FC will work with Funded Partners to facilitate and maintain evaluation plans by (a) attending regular 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, and indicators in the Persimmony database.

### *Proper 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 consenting procedures have been established by F5FC and Harder+Company Community Research. To support the consenting process for our Funded Partners, we've developed consent forms to be used when providing intensive services funded by F5FC. At the time of enrollment for services or before asking families and/or participants to take part in evaluation activities, Funded Partners must request informed consent using the provided consent forms. Signed consent forms must be filed for everyone for the purpose of consent verification. For more information, please refer to the [Evaluation Consent Form Process & Procedures](#) document located on the F5FC website.

## Persimmony & Reporting Requirements

A web-based monitoring, tracking and reporting data system called Persimmony is used as the primary tool for data collection and reporting requirements. Funded Partners will receive access to the Persimmony system after their contract has been executed. Together with your F5FC Contract Manager, you will determine the type of submission requirements, access and training need based on your individual SOW/Budget. Staff responsible for entering data must participate in Persimmony trainings.

If you are experiencing problems with entering and submitting data, your F5FC Contract Manager is available for support.

### *Client Level Data & Reporting*

Collecting client level, narrative, evaluation and aggregate data is part of F5FC's process to ensure compliance and accountability in addressing the needs of young children and their families. Funded Partners report on client numbers and service frequencies for each deliverable as detailed in your SOW.

Client level data must be submitted monthly via Persimmony 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. It is also important to maintain current and accurate contact information for all clients entered into the database.

F5FC reviews client level data to determine accuracy with contract expectations. A 10% variance from the contract target numbers and frequency requirements is probable and allowed when justification is provided. All data entered in Persimmony must correspond with backup documentation including services, dates and client information.

#### *Quarterly Narrative and Aggregate Reports*

As applicable, Funded Partners are asked to submit narrative and/or aggregate data on a quarterly basis. Aggregate data includes information collected about events, group activities, or workshops, etc. The purpose of collecting this information is to ensure the Funded Partner is providing the services to young children and their families as agreed.

Please use the following guidelines when writing narrative reports:

#### *Target Audience & Intent of Service (300 words maximum):*

- Describe the population served. Please note, if the population served has not changed from the last quarter, you do not need to repeat this information in the subsequent quarterly reports.
- Describe what you hoped to accomplish with the services provided to your clients and how these were successful

#### *Short Story (250 words maximum):*

- Provide a short story of how your F5FC funded program affected a child age 0 to 5, family and/or provider this reporting period. Be sure to include which services were received and how the child 0 to 5, family or provider benefited from the program.
- Describe any unanticipated impact on your work/organization (e.g. accomplishments, new approaches, new leveraged funding, lessons learned) as a result of F5FC funding and how this grant has strengthened your organization, or helped your organization make progress or build capacity to accomplish the desired results.

#### *Challenges and Barriers (250 words maximum):*

- Describe any events that have occurred or issues that have been raised in this reporting period that have affected how you are conducting outreach and/or providing services; or any other challenges you are facing that may affect this F5FC funded program. What, if any, adjustments did you make/do you intend to make?

Helpful tips for completing your narratives:

- Do not include any numbers (client numbers, client names, service counts) in the narrative that are already reported in Persimmony
- Keep the narrative brief and factual; adhere to the word limitations
- Check reports for grammar, punctuation, overall quality and accuracy
- Each quarterly 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

## Quarterly Narrative and Aggregate Report Deadlines

Quarterly Narrative and Aggregate Report Deadlines			
Quarterly Reports	Fiscal Year Reporting Period	Due Date	How to Submit
1 <sup>st</sup> Quarter	July 1 – Sept. 30	Oct. 15	Persimmony System
2 <sup>nd</sup> Quarter	Oct. 1 – Dec. 31	Jan. 15	
3 <sup>rd</sup> Quarter	Jan. 1 – Mar. 31	Apr. 15	
4 <sup>th</sup> Quarter	Apr. 1 – June 30	July 15	

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

## Case File Standardization

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.

### Client/Service File Layout

The sections listed below are expected to be included and maintained in F5FC funded program case files.

Client Enrollment Forms	Eligibility Documentation
<ul style="list-style-type: none"> <li>• Consent form(s) as applicable:               <ul style="list-style-type: none"> <li>○ Client Consent</li> <li>○ Minor Parent Client Assent</li> <li>○ Minor Parent Client Consent</li> </ul> </li> <li>• Client Intake Form (parent/child)</li> <li>• Provider Registration Form</li> <li>• Photo Consent Form</li> </ul>	<ul style="list-style-type: none"> <li>• Proof of age (e.g. birth certificate, immunization record, etc.)</li> <li>• Proof of Fresno County residency (e.g. utility bill)</li> <li>• For provider clients: proof of providing services to children 0-5 years old and/or parents/guardians of children 0-5 years old in Fresno County (e.g. preschool license)</li> </ul>
Service Logs	
<ul style="list-style-type: none"> <li>• Family needs assessment</li> <li>• Family service plan</li> <li>• Case notes/observations per service (as applicable)</li> <li>• Correspondence (e.g. follow-up letters, contact letters)</li> <li>• Sign-in sheet</li> <li>• Lesson plan/agenda (as applicable)</li> <li>• Referral log</li> <li>• Other assessments (as applicable)</li> <li>• Screenings (as applicable)               <ul style="list-style-type: none"> <li>○ ASQ &amp; ASQ:SE – Information Summary Sheet</li> <li>○ (a copy of this sheet should also be provided to parents/guardians)</li> <li>○ Postpartum depression screenings (PHQ-9, PHQ-4, PMAD)</li> </ul> </li> </ul>	

### *Documentation of Services & Record Retention*

Funded Partners must maintain proper contract documentation in a secure, locked storage space including, but is not limited to: contact logs, agendas, attendance records, handouts, sign-in sheets, etc. Missing and/or incomplete documentation will 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.

## **Best Practice & Capacity Building**

F5FC is committed to maintaining the highest possible standards of quality in our work on behalf of children ages 0 to 5 and their families. Whenever possible, evidence-based programs and practices are implemented. To promote high-quality practices, all F5FC Funded Partners are required to implement research-based and/or evidenced-based practices per individual SOW requirements aligned with the original funding application.

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

## **Annual Contract Review (ACR) & Visits**

Funded Partners can expect at least one comprehensive, Annual Contract Review (ACR) of contracts from the previous fiscal year. Multi-year contracts will receive a minimum of one ACR for the duration of the contract term. The frequency of additional visits varies for each Funded Partner depending on issues identified. F5FC reserves the right to make unannounced visits.

The ACR includes a review of all administrative, fiscal, programmatic and evaluation backup documentation for the previous fiscal year. The purpose of the ACR is to discuss the funded program and to verify backup documentation is consistent with what has been reported to F5FC. All items referenced in the Funded Partner Manual may be reviewed during the ACR.

To accomplish this in the allotted time, it is mandatory that staff responsible for administrative, fiscal, programmatic and data collection reporting requirements are present at the ACR meeting. A checklist may be provided ahead of time to ensure all required documents are available at the time of the visit. In the case of contracts with one or more subcontractors, the ACR will occur at the lead agency location. Lead agencies are expected to have all appropriate subcontractor documentation present at the time of the ACR.

After the ACR is completed, F5FC staff will issue a summary report highlighting results. All issues identified during the ACR require immediate attention and resolution within 10 business days. Failure to address issues 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.



On occasion, F5FC staff will conduct reviews that do not have to take place in person. Funded Partners will be notified of requirements and expectations for this type of review in a formal letter from F5FC staff.

F5FC will bear reasonable costs in connection with or resulting from its regular monitoring, evaluation, data collection, visits, ACRs, 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:

- Rescheduling an ACR appointment without valid justification
- Funded Partner is not able or refuses to meet for an ACR within a reasonable timeline
- Required documents and/or key staff members, as detailed in this section, are not present during the ACR

## **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 program compliance and acquire the proper expertise to manage the program'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. This means Funded Partners' receipt and disbursement of F5FC funds must be accounted for separately from any other revenue in bookkeeping systems and records.

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 last fiscal year will be de-obligated and returned to F5FC.

## Budget

In collaboration with your F5FC Contract Manager, you will prepare a budget document and narrative to detail 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.

The deadlines and budget forms are located on the [F5FC website](#).

### *Annual Fiscal Year Budgets*

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:

- Budgets must be submitted on a form approved by F5FC
- Submission shall be made electronically to the designated F5FC Contract Manager
- Fiscal year budget 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
- Budget should directly support activities outlined in the SOW including personnel delivering those services

For budget modification information, please refer to the Contract Amendment Requests portion of the Fiscal section of this manual. Final budget approval will be determined 30 days after the end of the fiscal year. Notification of final approval will be sent directly to the Funded Partner.

### *Contract Amendment Requests*

To make any changes to your contract budget and/or SOW, you must submit a Contract Amendment Request (CAR). CARs are submitted through the Persimmony database – fiscal module, by the deadline

posted on the [F5FC website](#). CARs submitted after the deadline will not be accepted. No retroactive budget or SOW revisions will be approved.

A CAR is required for:

- Any change over 10% to the original agreed upon SOW output (client target number, 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 a program activity/provider specific service, 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. 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 will be denied. Changes within budget sub-line items do not require a budget revision.

Note: Purchases not delineated in the budget will not be accepted in the 4th quarter of the contract term.

## **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 services 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.

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
- Other overhead and personnel costs (e.g. Executive Director's time or any other staff who work minimally with the funded project)

## **Cash Match Requirement**

In order to sustain services in the community, F5FC requires a specific cash match or in-kind contributions for particular funding mechanisms under the [2013-2020 Strategic Plan](#). Cash match and/or in-kind contribution requirements, if applicable, are specified in each contract.

Funded Partners are to report cash match funds as expenditures and services are incurred. For monthly or quarterly reimbursement, each financial report must include the proportionate share of matching funds

for each line item(s) and/or overall expenditures for the reporting period. Proper documentation to verify leveraged, 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 upload and submit invoices via the Persimmony system before the established due date. A report will be considered "late" if it is not received by the due date and may delay payment. Please refer to the [F5FC website](#) for deadlines.

The reimbursement process is as follows:

- Funded Partners submit their monthly, quarterly, or semiannual Persimmony program data as defined in their contract
- After Persimmony program data entry, Funded Partners must submit a request for reimbursement (financial report)
  - The request for reimbursement (financial report) outlines the Funded Partner's expenses for the invoice period by budget line item and includes 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:
    - 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 are met (please refer to the Programmatic section of this manual for more information about reporting and programmatic requirements)
- Incomplete reports will be returned to the Funded Partner requesting missing documentation. This may delay reimbursement.

### *Advance Payments*

From time to time, advance payments may be considered and approved based on the availability of F5FC funds 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.

If approved, and contingent upon performance in meeting contractual requirements, F5FC will release 25% of the contract's annual budget amount as an advance payment. Advance payments will be made during the first month of each quarter. Advance payment for quarter four will be released based on financial reporting for quarters one and two. If reporting for either quarter one or two had cash on hand, 1/3 of the advance payment for quarter four will be issued. If neither quarter had cash on hand, 2/3 of the advance payment for quarter four will be issued. The remainder of the contract amount will be a reimbursement.

If the Funded Partner has not utilized any portion of the advance payment at the end of the contract period (i.e. 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.

## **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 and must be entered into the Persimmony database under the memo section of the line item with the variance. Budget expenditures should occur as follows: 25% the first quarter, 50% the second quarter, 75% the third quarter and 100% the fourth quarter.

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

## **Program Cost Allocation Plan**

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 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 (please refer to the Cash Match Requirement section of this manual)
- 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](#) for examples 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 to: 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.

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 direct program services outlined in the SOW. Equipment and capital purchase requests must be submitted in writing and approved by F5FC prior to purchase. If approved, please refer to the [Equipment and Capital Policy](#) for more information.

## **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 be considered disallowed costs. Contact your F5FC Contract Manager for clarification if needed.

## **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.