



# Funded Partner Manual 2016 - 2022

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# INTRODUCTION

Dear Partner:

Thank you for your partnership as we begin the first year of implementation of our 2016-2022 Strategic Plan. Since inception, First 5 Placer has grown from a grant-making agency to one working with strong community relationships to achieve common goals to support the early development of children. Through community partnerships we have been able to positively impact the lives of thousands of children and families in Placer County.

The 2016-2022 Strategic Plan sets out a bold vision aimed at changing the odds for all children in Placer County and keeps families at the core of all that we do. It is critical the Commission challenges and collaborates with the community in creating long-term, sustainable systems that support children and families. Doing so will ensure all children ultimately achieve success in school and in life.

First 5 Placer is dedicated to ensuring 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 Placer contract. It has been crafted to include most of the commonly-asked questions of Partners over the years and is a work in process; we invite your feedback on this first of what will be many editions of the **Funded Partner Manual**.

On behalf the First 5 Placer Children and Families Commission, I thank you for your dedication to improving the lives of Placer County children and their families.

Sincerely,

A handwritten signature in blue ink, appearing to read "Janice LeRoux". The signature is fluid and cursive, with a large initial "J" and "L".

Janice LeRoux  
Executive Director

# INTRODUCTION

## Overview of First 5 Placer

The First 5 Placer Children and Families Commission (F5P) focuses on the first 5 years of life. We want all children to have a strong foundation so they can reach their full potential. The First 5 Placer Commission (the Commission) funds programs and invests in efforts that improve the lives of children ages 0 to 5 and their families.

First 5 Placer 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. First 5 Placer 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.

In October 2015, F5P adopted its 2016-2022 Strategic Plan, narrowing the focus of funding, attempting to direct resources in partnership with non-profits, schools, governmental entities, faith based communities and others to address areas of particular concern in Placer County: Child Abuse and Neglect, Improved Reading Levels, Maternal and Child Health and Oral Health. For the period July 1, 2016 through June 30, 2022, the Commission has allocated \$12,900,000 toward activities related to the 4 areas above. At its October 1, 2015 meeting, the Commission decided to allocate funds by phasing to a Collective Impact model. This involves two phases

### Phase 1

- Part 1a: RFP Component: (FY 16/17-17/18)
- Release a competitive RFP
- Applicants must address one or more of the goal areas
- It would be an open, competitive process
- Amount available for contracts: \$1,950,000 a year for 2 years

### Part 1b: Collective Impact Component: (FY 16/17-17/18)

- Act as facilitator/convenor over the next 2 years with others on areas related to Child Abuse and Neglect, Oral Health, Maternal and Child Health and Improved Reading Levels
- Establishing working county-wide goals
- Work on projects (such as immunization education) as possible
- Hire consultants as needed
- Amount available: \$150,000 per year for 2 years.

### Phase 2

- Aligning goals, activities and funding (FY 18/19-21/22)
- Establish initiatives for funding, based results of work from Parts 1a and 1b
- Release funding through whatever process best suits work requirements (competitive RFP, collaborative funding, sole source, etc.)
- Amount available: \$2,175,000 per year for four years.

The full F5P 2016 [2016-2022 Strategic Plan](http://www.first5Placer.org) is available on the Commission's website at [www.first5Placer.org](http://www.first5Placer.org).

# INTRODUCTION

## First 5 Placer's Vision

The First 5 Placer Children and Families Commission believes all children are our children, therefore we shall create an environment that supports our children and their families in reaching their full potential.

## First 5 Placer's Mission

In order to achieve our Vision we will focus on early childhood development and will support and build on existing collaborative efforts by bringing together diverse perspectives, communities, and resources to assure comprehensive integrated strategies and holistic family-centered sustainable approaches.

## The Purpose of this Manual

First 5 Placer is funded entirely by public tax dollars. Therefore, any recipient of First 5 funding must understand that transparency and accountability follow tax dollars. 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 Placer contract.

In order to adhere to state laws, the Commission is required to establish and enforce policies and procedures with regard to contracting and procurement. The Commission monitors and evaluates contracts to

- Ensure performance meets targets/deliverables as stated in the scope of work, evaluation and budget
- Promote continuous quality improvement of program and Commission processes
- Enable Commission staff to obtain information and/or documentation regarding the quality and effectiveness of a program/contract
- Ensure costs are consistent, reasonable, necessary and justifiable with intended and actual outcomes

This Funded Partner Manual describes the administrative, programmatic (including evaluation) and fiscal requirements associated with receipt of First 5 Placer dollars.

Please address any questions or concerns regarding Commission policies and requirements first to Lindsay Larson (herein referred to as Contract Manager). If you have further questions, please feel free to contact the Executive Director, Janice LeRoux.

Note: Throughout the remainder of this Partner Manual, First 5 Placer will be referred to as the "Commission" or "F5P" and partners will be referred to as "Funded Partners."

# ADMINISTRATIVE

As part of its statutory requirement, F5P monitors contract compliance. This guide is intended to outline funding requirements and procedures, to assist with compliance.

## Client Eligibility

F5P funds must benefit Placer County residents. Therefore, clients served with Commission funds must meet the following age and residency requirements:

- Children prenatal through 5 years of age (the eve of their 6th birthday) who reside in Placer County
- Parents, primary caregivers, or legal guardians of children prenatal through 5 years of age who reside in Placer County
- Professionals (i.e., providers) who service Placer County (i) children prenatal through 5 years of age and/or (ii) the parents, primary caregivers, or legal guardians of these children

Capacity building and systems improvement efforts must benefit agencies in Placer County or agencies serving Placer County residents.

Be sure to maintain backup documentation to verify client age and residency eligibility. Examples include birth certificates and immunization records for proof of age and utility bills for proof of residency.

NOTE: Further in this manual, the Persimmony database will be referenced. Some Funded Partners use Persimmony to manage all of their clients, even those not served with First 5 dollars. There is no requirement that all of your clients must fall into one of these categories. However, if you are using First 5 dollars to serve clients, they must fall into one of these categories.

## Confidentiality

All Funded Partners should seek the advice of counsel regarding confidentiality requirements related to client services. Nothing herein is intended as legal advice nor should it be used in place of legal counsel.

During the contract term, Funded Partners may have access to confidential client information and records required for effective coordination and delivery of services. All confidential discussions, deliberations, records and information generated or maintained in connection with these activities should be disclosed only to people who have the need to know and authority to access confidential consumer information or records. This includes information obtained and conveyed through all media including the Persimmony database. With respect to Persimmony, records pertaining to any individual client are confidential and will not be open to examination for any purpose not directly connected with local evaluation efforts. Funded Partners must not disclose any confidential client information to any third party without written authorization from the client and/or legally authorized representative.

# ADMINISTRATIVE

Contact legal counsel for specific direction. Standard procedures for keeping client level information confidential include, but are not limited to:

- Replacing names, addresses and other identifying information with codes on paper and/or electronic records
- Keeping lists linking codes to participants' names or other identifying information in locked locations or password-protected electronic files to which access is strictly limited and keeping such lists physically separated from other participant information
- 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
- Maintaining an up-to-date list of Persimmony users. Access to Persimmony must be disabled for staff who leave or transition from the project.

## Supplanting Policy

No Commission funds shall be used to supplant local general fund money for any purpose. The intent is that Commission funds will be used to support and build on existing collaborative efforts by bringing together diverse perspectives, communities, and resources to assure comprehensive integrated strategies and holistic family-centered sustainable approaches.

No Commission funds shall be granted or used for any existing project or program funded by local general funds unless the proponent demonstrates to the Commission's satisfaction that the Commission's funds will be used solely to supplement an existing project or program, and not to supplant existing funding. This prohibition shall not preclude the Commission from funding programs previously funded by the state, but for which state funding is no longer available.

This prohibition on supplantation does not apply to privately funded or federally funded programs. In order to encourage state and local governments to fund valuable innovations and pursue evidence-based practices, this policy shall not apply to pilot programs or services.

## Insurance Coverage & Licensure Requirements

Funded Partners must maintain valid licenses, certifications and insurance coverage as applicable. For detailed insurance coverage requirements, please refer to the Insurance section of your contract.

## Collaboration with the Commission & Community Partners

The Commission encourages and facilitates interaction among Commission-funded and non-funded programs to develop deeper levels of engagement and to determine how programs can be strategically aligned to strengthen the system of services for children and families. 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. Funded Partners are expected to collaborate and identify new ways of networking and coordinating services to maximize resources and build sustainable partnerships.

Group Learning Conversations are one of the ways in which this is done. Participation in these on an annual basis is required.

# ADMINISTRATIVE

## Disseminating Information

As part of the Partner Network, Funded Partners may be asked to disseminate information forwarded by the Commission or County agencies. These may be directed at clients or the community at large; they could include surveys, health information, events, etc. The Commission will provide these materials to Funded Partners with reasonable notice and instructions for dissemination.

## Attribution

Properly crediting the Commission is necessary to showcase Proposition 10 funds at work in the Placer County community. Therefore, Funded Partners must adhere to the Commission's attribution requirement.

### *Logo Placement*

All print and electronic publications, including, but not limited to, electronic announcements, media activities, posters, brochures, fliers etc. that are in support of programs, events or projects with full or partial funding from the Commission must publicly acknowledge the Commission's role and the use of public funds. All acknowledgements must include the Commission's logo and the appropriate text. Please ask the Commission for a current logo.

Funded by / With Support From / Funded Partner of:



Media or Press Releases should also acknowledge First 5 Placer support.

# ADMINISTRATIVE

## End of Fiscal Year Requirements

At the end of each fiscal year, Funded Partners will be required to submit/address the requirements below. Funded Partners whose contract with the Commission is ending will also receive a contract closing letter. Additional requirements may be requested by the Contract Manager as applicable.

Requirement	Due Date
1. Programmatic Data: <ul style="list-style-type: none"> <li>All entered programmatic data must be accurate and complete. This includes narrative, aggregate, core client, Intake Assessment, and/or Retrospective Parent Survey data.<sup>1</sup></li> <li>Address all questions related to missing data.</li> <li>Contact Harder+Company with additional database questions and for final verification</li> </ul>	July 15th
<ul style="list-style-type: none"> <li>2. Fiscal Information:</li> <li>Submit final claim for the period ending June 30th via the Persimmony system</li> <li>Contact F5P Contract Manager with additional fiscal questions and for final verification</li> </ul>	July 15th

## Penalties

Failure to adhere to administrative, programmatic/evaluation and/or fiscal requirements may result in any of the penalties listed below. Penalties may be imposed on a contract and/or agency level.

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

	Penalty
First	A compliance warning will be sent and payment may be withheld until all issues are resolved
Second	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 Commission for services inaccurately reported/administered and/or a 5% penalty will be imposed on balance due to contractor</li> <li>Suspension of contract without payment</li> </ul>
Third	Termination of contract and agency may be ineligible for future Commission funding

<sup>1</sup> Please refer to the Appendix for information regarding evaluation requirements.

# PROGRAMMATIC

Programmatic monitoring and evaluation determines if service delivery is consistent with contract provisions and submitted reports. Failure to adhere to the Commission's reporting and programmatic requirements will result in penalties. Please refer to the Penalties portion of the Administrative section of this manual.

## Scope of Work (SOW)

Funded Partners, together with Commission staff, will prepare a scope of work (SOW) document. The SOW details all services/deliverables, including such items as the number of clients to be served and the frequency of services to be achieved by the Funded Partner. Please refer to the Budget section of this manual for information regarding SOW modifications/amendments.

## Evaluation

The Commission contracts with Harder+Company Community Research to provide evaluation planning, analysis and reporting services. Harder+Company, together with Commission staff and Funded Programs, will develop an evaluation plan. The plan outlines the data collection and submission requirements for each Funded Partner. Please refer to the Evaluation section and Appendix of this manual for information regarding evaluation requirements.

## Persimmony

Persimmony International, Incorporated has developed a web-based monitoring, tracking and reporting data system. This system is used by the Commission as the primary mechanism for the input of program services, client-level data, and evaluation data for reporting requirements.

Funded Partners are granted access to the Persimmony system after the Persimmony set-up form has been completed. To maintain accurate data and client confidentiality, it is at the Commission's discretion to determine staff access to Persimmony based on individual SOW requirements. Staff responsible for entering data must attend required Persimmony trainings provided by Harder+Company or Persimmony International staff.

Staff at Harder+Company is available if Funded Partners experience problems with entering data into Persimmony or have questions about reporting requirements. Additional training will be provided on an as-needed basis. For assistance with the Persimmony System, please contact Harder+Company at (530) 757-8420.

All Funded Partners are required to enter information into Persimmony and assure that all data are accurate and complete. Funded Partners who enter client intake and consent data are responsible for ensuring proper consent forms are signed and on file with the agency.

Harder+Company and Commission staff will routinely run reports from Persimmony to monitor this process and measure compliance with Funded Partner scopes of work. Funded Partners who do not adhere to the Commission's data and reporting requirements will be penalized. Please refer to the Penalties portion of the Administrative section of this manual.

# PROGRAMMATIC

## Reporting Requirements

Funded Partners are required to submit narrative, aggregate, core client level, Intake Assessment, and/or Retrospective Parent Survey data via Persimmony. Funded Partners must maintain client numbers and service frequencies for each deliverable as required by the SOW. The Commission allows a 10% variance from SOW target numbers and frequency requirements. Services that vary by more than 10% from the required target may result in penalties. Please refer to the Penalties portion of the Administrative section of this manual. All data entered into Persimmony must correspond with backup documentation including services, dates and client information.

## Bi Annual Reports

All Funded Partners are required to submit narrative and aggregate data on a biannual basis via Persimmony. Aggregate data includes information collected about events, group activities, as well as participant information such as ethnicity and language.

Narrative fields include a description of three components: 1) Protective Factors/First 5 Funding Impact 2) Challenges and/or Accomplishments 3) Impact and/or short story. In addition, the narratives can be used to include any comments, questions, or feedback on core or aggregate data.

Please adhere to the following guidelines when writing narrative reports:

- 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 clients should be directly related to the First 5 Placer funded program

For Funded Partners who also collect core client, Intake Assessment, and/or Retrospective Parent Survey data (please refer to the Appendix for information regarding evaluation requirements), it is recommended that you enter information on at least a monthly basis via Persimmony. Some examples of client level data that would need to be updated consistently include:

- Client demographics
- Services provided
- Assessments completed by clients

The purpose of these reporting requirements is to ensure the Funded Partner is meeting contractual obligations and the services are being completed as agreed. Any report submitted to the Commission is a public document and can be reviewed by members of the public upon their request. The Commission will review all report deliverables to determine contract compliance.

# PROGRAMMATIC

## Persimmony Report Deadlines

Biannual Reports	Fiscal Year Reporting Period	Due Date	How Submitted
1st Half	July 1 – December 31	January 15	Persimmony System
2nd Half	January 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. A one-week extension to these reporting deadlines may be considered in exceptional circumstances. Requests for extension must be submitted in writing to evaluation staff, program staff or the executive director.

## Required Meetings

At the Commission’s request and upon reasonable notice, Funded Partners are required to attend specific meetings and trainings throughout the fiscal year. These meetings are designed to acquaint Funded Partners with Commission requirements and create opportunities for networking, professional growth and program quality improvement. It is imperative that each Funded Partner send an appropriate representative to these meetings. Required meetings include, but are not limited to: the Funded Partner Orientation, Persimmony Training, Learning Conversations. Partners are also encouraged (but not required) to attend Partner Lunches and other networking events.

## Documentation of Services & Record Retention

Funded Partners must maintain backup documentation for all services required by the SOW document and reported in Persimmony. This documentation is to be maintained on the Funded Partner’s site for the duration of the contract term and will be needed during the Funded Partner’s Annual Contract Review. Please refer to the Annual Contract Review portion of this manual for more information. All client level and financial documentation must be maintained in a secure, locked storage space (e.g. filing cabinet). Documentation includes, 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.

All documents and records must be retained for at least four years from the expiration of the contract term. During this time, archived records should be stored to facilitate simple retrieval of documentation during the audit inspection. When the four years have expired, Funded Partners must destroy and eliminate all identifying information and records.

## Best Practice

The Commission is committed to investing, whenever possible, in evidence-based programs and practices. Both Commission staff and Funded Partners are expected to maintain the highest possible standards of quality in their work. In order to promote high-quality practices, all Commission Funded Partners are required to implement research-based and/or evidenced-based practices per individual SOW requirements aligned with the original funding application.

# PROGRAMMATIC

## Capacity Building

The Commission recognizes the importance of programmatic monitoring, evaluation, staff development and fiscal management. In order to support Funded Partners in these areas the Commission will provide opportunities for training and technical assistance to Funded Partners and community partners. For more information, or to suggest a training, Funded Partners should contact the Contract Manager or Executive Director.

## Annual Contract Review (ACR) & Visits

Funded Partners can expect at least one comprehensive Annual Contract Review (ACR). The frequency of additional visits varies for each Funded Partner depending on whether any issues are identified. The Commission reserves the right to make unannounced visits.

The ACR includes a review of administrative, fiscal, programmatic and evaluation backup documentation. The purpose of the ACR is to discuss the funded program and also to verify backup documentation is consistent with what has been reported to the Commission. Any item 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 will be provided ahead of time to ensure all required documents are available at the time of the visit.

After the ACR is completed, Commission staff will issue a summary report highlighting results. Any and all issues identified during the ACR require immediate attention and resolution within 10 business days. Failure to address issues within the timeline and to the Commission's satisfaction may result in penalties. Please refer to the Penalties portion of the Administrative section of this manual.

On occasion, Commission 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 Commission staff.

The Commission 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, the Commission 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

# PROGRAMMATIC

## Program Challenges

It is imperative Funded Partners communicate any issues and/or concerns as soon as they arise so Commission staff can make necessary adjustments and document the process. Funded Partners must remain in compliance as past performance is taken into consideration for contract renewal, advancements, payments, etc. Commission staff will consistently work with Funded Partners to mitigate any and all challenges throughout the contract term.

## 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, Commission staff will require a corrective action plan resolving 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 and/or evaluation 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 will result in additional penalties or termination of contract. Please refer to the Penalties portion of the Administrative section of this manual for more information.

## Past Performance Review

Past performance is taken into consideration prior to any recommendation for funding. The Commission will not consider funding agencies with a history of unresolved poor performance. Past performance includes, but is not limited to: accurate and timely data reporting, attendance at mandatory meetings/trainings, collaboration with Commission and community partners, the frequency and scope of ACR findings, quality of services and adherence to financial requirements.

# 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 Commission 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.

## Restricted Funds

Commission payments made to a Funded Partner are restricted funds. This means Funded Partners' receipt and disbursement of Commission funds must be accounted for separate 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 the Commission's review upon request. The Commission or a designated representative reserves the right to audit the Funded Partner's books and records relating to the expenditure of any Commission funds.

## Budget

All Funded Partners will prepare a detailed budget as part of the contracting process. The budget gives the Funded Partner the opportunity to numerically detail how the project will achieve its outcomes with Commission funds. The budget will be developed from a budget narrative, which details how amounts were calculated and demonstrates how the funds requested are essential to the overall success of the project.

### *Annual Fiscal Year Budgets*

Budgets are developed each fiscal year as scopes of work are developed.

- Budget should directly support activities outlined in the Scope of Work including personnel delivering those services
- The budget should reflect all available funds in the contract
- Fiscal year budget must be approved before claims can be submitted

## Contract Amendment Requests

A request for a budget and/or SOW modification/amendment, also known as a Contract Amendment Request (CAR), must be submitted through the fiscal module in Persimmony. CARs must be submitted by the deadline by the last business day in May of the fiscal year. For questions about how to use the fiscal module in Persimmony to request a CAR, please contact the F5P Contract Manager.

Modification requests can only be one of the following:

# FISCAL

- SOW revision: any change over 10% to the original agreed upon output (client target number, service frequency)
- Budget revision: 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
- Formal amendment: a change to the duration of the contract (term dates), an augmentation approved by the Commission, 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

The Commission will consider and determine the materiality of the request. The request may require a formal contract amendment with Commission signatures or it may be accommodated with a budget and/or SOW revision approved by the Commission.

The request must meet the following criteria for approval:

- The request must be reasonable and justifiable
- The request will be reviewed to ensure it fits the intent of original funding
- Formal approval is required prior to any individual budget line item expenditures exceeding 10% of any line item
- Requests must be submitted prior to incurring expenses, allowing the Commission to determine its appropriateness and minimizing any disallowed costs to the Funded Partner.

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

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.

## Administrative/Indirect Costs

When this document refers to indirect costs, it is inclusive of administrative costs. Indirect costs refer to expenses that cannot be readily assigned to one specific program or one specific line item within a program, or those expenses that are purely administrative functions. Indirect costs for professional services will be determined by the Commission.

### *Limit to Administrative/Indirect Costs*

The Commission recognizes Funded Partners have administrative systems unique to their agencies. Accordingly, the Commission authorizes Funded Partners to implement an indirect rate that does not exceed 23% of all program costs.

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 are those generally charged to the administrative/indirect line item, unless the Funded Partner can demonstrate that they exclusively support the funded program.

# FISCAL

- 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)

## Reimbursement Payments

Invoice payments are contingent upon compliance with the contract and the administrative, programmatic and fiscal requirements listed in this manual. This includes the achievement of performance standards and the timely submission of programmatic and fiscal reports. The Commission requires Funded Partners to submit an electronic financial report, with supporting documentation, via the fiscal module in Persimmony. For questions about how to submit an electronic financial report via Persimmony, please contact the F5P Contract Manager.

The reimbursement process is as follows:

- A program progress report (Persimmony data) is required to be submitted by each Funded Partner twice a year by certain dates specified in the contract
- In addition to the program progress report, Funded Partners must submit a request for reimbursement (claim or invoice), at least quarterly.
- The request for reimbursement documents the Funded Partner's expenses for the period, by budget line item (documentation is required by each Funded Partner to support the expenditures referenced on the financial status report)
- If the report is complete it is reviewed and approved by the Contract Manager to ensure compliance (please refer to the Programmatic section of this manual for more information about reporting and programmatic requirements)
- If a report arrives incomplete it will be returned to the Funded Partner requesting the missing documentation

## Advance Payments

Any Funded Partner seeking the release of funds prior to the commencement of work under a new contract should make such a request in writing, specifying the reason(s) advance funds are needed. Approval of an advance payment is based on the availability of Commission funds and contingent on the Funded Partner's performance in meeting contractual requirements.

A cash advance should not exceed 1/12th percent of the maximum amount allowed in the fiscal year. Additional funds will not be released until the previously released funds have been expended and reported. The last month of each fiscal year is on a reimbursement basis only.

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

# FISCAL

## Finance Variance Justification

A written justification for a budget modification is when a 10% variance in any line item occurs in the year-to-date expenditures. Justification narratives must be entered into the Persimmony database under the memo section per line item.

## Fiscal Penalties

Failure to adhere to the Commission's administrative, programmatic, and fiscal requirements may result in fiscal penalties. Please refer to the Penalties portion of the Administrative section of this manual.

Some examples of fiscal findings and possible disallowed costs are detailed below:

- Expenses exceeding an approved amount by more than 10% per main 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.)

Funded Partners and their finance staff will be notified via e-mail of any discrepancies or errors that require immediate attention. A submission, in response to a notice of discrepancies, is deemed appropriate and timely when all required documents are received in full, with supporting documentation (e.g. General Ledger, Transaction Report, Budget Register, etc.) corresponding to the invoice/report. An incomplete and unsatisfactory report is also considered "late" and will delay future payments (i.e. advances) to the Funded Partner.

Any disallowed expense or penalty will be deducted as from the current or subsequent payment. Disallowed expenses or penalties may also be deducted from any payments owed to the Funded Partner from any other Commission contract. Listed below are examples of disallowed costs:

- Providing services to clients not eligible for services (age, county eligibility)
- Entertainment costs – Gift cards, wine glasses, movie tickets, etc.
- Fundraising costs – Costs for the activity of fundraising (personnel, materials) for an event
- Lobbying expenses – Costs incurred and related to attempting to influence legislation must be less than 30% of the staff person's time
- Alcoholic beverages
- Tobacco purchases
- Equipment not included in the approved budget
- Exceeding the 10% variance per budget line without a formal approval
- Training/Travel/Mileage not approved by a contract and not in the personnel section of the approved budget
- Expenses incurred in a different fiscal year (i.e. trainings, purchases of materials and supplies, etc.)

# FISCAL

- Expenses not delineated in the original approved budget without prior consent of the Commission.
- Expenses not directly related to the provision of service, including such things as fines and penalties – Speeding tickets and parking tickets, Severance pay, Employee moving expenses, depreciation, Losses on other grants, Expenses allocable to other programs

The above list is not intended to be a comprehensive list of all F5P disallowed expenses. Please remember, these are public tax dollars; all expenses should be able to withstand public scrutiny. Expenses should be reasonable, justifiable, and necessary to accomplish the purpose of the grant or contract. If a Funded Partner is ever in doubt pertaining to disallowed costs criteria they should contact the executive director with questions.

## Audit

For specifics on your contract, please refer to the Audit section of your contract.

Generally, contracts over \$50,000 are subject to an annual audit. This could be a financial statement audit or an agreed-upon procedures engagement (at the discretion of the Commission) and be conducted at the Partner's expense, which may be a part of funding through First 5. The audit must be conducted in accordance with generally accepted auditing standards (GAAS). Such a report should include the following: independent auditor's report, financial statements and accompanying notes along with a report on internal control over financial reporting and compliance with laws, regulations, contracts and grants.

Agreed-upon procedures engagements are used rarely; the schedule of procedures to be conducted must be negotiated between the commission and contractor. At a minimum, they must be done in accordance with GAAS, and the auditor is required to identify and disclose any significant deficiencies that were identified during the course of the engagement.

Partners are required to provide the Commission with a copy of the completed report within 30 days of receipt by the partner.

# APPENDIX

## 2016-18 First 5 Placer Funded Partner Evaluation Requirements

Agency Name (Funded Program)	Narrative	Aggregate	Core Client	Intake	RPS2
Auburn Symphony (ACS Music Enrichment)	X	X			
Boys & Girls Club (KinderClub)	X	X		X	
Child Advocates (Family Mentors)	X	X	X	X	X
CoRR (Mothers in Recovery)	X	X	X	X	X
Insights (Mom Squad)	X	X	X	X	X
KidsFirst (Parents as Teachers)	X	X	X	X	X
Latino Leadership Council (Promotores)	X	X	X	X	X
Lighthouse (Family Strengthening)	X	X	X	X	X
MDIC (Placer MDIC)	X	X	X	X	X
NTFRC (Children's Services)	X	X	X	X	X
Parenting Time (Safe Exchange)	X	X	X	X	
PCOE (Early Literacy)	X	X			
Placer Co. Public Health (Dental Days)	X	X	X		
Placer Co. Public Health (Immunization)	X	X			
Sierra Nevada Museum (KidZone)	X	X			
Tahoe Truckee Community Foundation (CCTT)	X	X			
Truckee FRC (Mediation and Legal Assistance Program)	X	X			
TTUSD (School Readiness Family Room)	X	X	X	X	X

<sup>2</sup> RPS is the Retrospective Parent Survey