



Memorandum

Date: February 4, 2014
To: Child Signature Program and CARES Plus Counties/Lead Agencies
From: First 5 California
Subject: Policy Memo – Fiscal Oversight Threshold

Effective immediately, First 5 California is adopting a Fiscal Oversight Threshold (threshold) of \$10 to be utilized during the review and approval process of reimbursement claims and budget revision requests for First 5 California Child Signature and CARES Plus Programs. This threshold will allow First 5 California staff to correct fiscal inaccuracies and discrepancies between forms, in the amount of \$10 or less, without obtaining prior approval from the submitting entity.

Background

Part of the existing review process requires that: 1) all monetary issues, regardless of dollar amount, identified during the fiscal analysis of reimbursement claims and budget revision requests be relayed to the submitting entity, and 2) a response from the entity be received prior to advancement of the form in the approval and/or disbursement process. Although the existing requirement is thorough and fiscally sound, the process has resulted in approval and payment delays, as well as the inefficient use of staff time at both the state and local levels to resolve trivial amounts. An example of this is the back-and-forth communication, with days between responses, to resolve a \$0.01 rounding error.

First 5 California anticipates this threshold policy will reduce the correspondence between First 5 California and county/lead agency staff for immaterial amounts, as well as diminish the processing time of fiscal forms (assuming additional issues are not present).

Fiscal Oversight Threshold Implementation

All reimbursement claims and budget revision requests will undergo the same fiscal review by First 5 California staff.

When discrepancies under the purview of this policy exist between a reimbursement claim or budget revision request and the supporting documentation, staff will review the documents and determine where the adjustment(s) should be made.

Generally, the amounts displayed on the reimbursement claim or budget revision request will take precedence. However, the reimbursement claim or budget revision request may be altered to agree with the supporting documentation if the content of the supporting documents lead staff to reasonably conclude the fiscal information displayed in the supporting documentation is correct.

In situations where matching funds are present, if a correction is made adjusting the local match, a corresponding correction may be made to the state reimbursement portion to comply with cash match ratios outlined in the Request for Application.

All corrected forms will be scanned and e-mailed to the applicable county/lead agency for informational purposes only. Counties/lead agencies should then update their records to reflect the finalized amounts and display these amounts on any future forms and/or documentation if necessary.

Any questions regarding this policy can be directed to the following:

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