



Board Agenda Item 27

DATE: March 25, 2025

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, County Administrative Officer
Fabiola González, Executive Director, Children and Families
Commission of Fresno County

SUBJECT: Children and Families Commission Financial Audit Report and State Annual Report

RECOMMENDED ACTION(S):

Receive the Children and Families Commission of Fresno County's (First 5) FY 2023-24 Financial Audit Report and State Annual Report, per County Ordinance Code, section 2.38.030.

Approval of the recommended action allows Children and Families Commission of Fresno County (First 5) to comply with County Ordinance, section 2.38.030, by providing the annual Financial Audit Report (Audit Report) and State Annual Report (State Report). The reports detail the implementation and performance of First 5 functions during each fiscal year to your Board. This item is countywide.

ALTERNATIVE ACTION(S):

There is no alternative action as this presentation fulfills an Ordinance Code requirement and requires no further action from your Board.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action.

DISCUSSION:

The First 5 Fresno County Commission's Audit Report and State Report for fiscal year 2023-2024 are presented here as per changes to the County Ordinance that governs the Commission made effective September 19, 2014 (Chapter 2.38). In accordance with California's Health and Safety Code Section 130100-130155, the First 5 Fresno County Commission conducts annual audits and state reports to measure the implementation and performance of its functions during each fiscal year. Additionally, the Board of Supervisors approved updating the County Ordinance on May 7, 2024, to include an amendment to Section 2.38.030(D) that allows the presentation to be placed on the Board of Supervisors agenda as either a regular or a consent item. On or before November 1 of each year, each County Commission is required to submit its Audit Report and State Report to the First 5 California State Commission. In addition, the auditor for each County Commission submits each audit report, simultaneously to both the State Controller's Office and the First 5 California State Commission.

Per Ordinance, section 2.38.030, the local First 5 Commission is also required to provide its final annual Audit Report to the Fresno County Audit Committee for review and comment prior to coming before the full Board of Supervisors. The Audit Committee reviewed the Audit Report during its January 10, 2025, meeting.

Below are descriptions and highlights of both the FY 2023-24 Audit Report and State Report.

The scope of the audit encompasses an assessment of the First 5 Fresno County Commission policies and practices to be reviewed by the State Controller's Officer and the First 5 California State Commission to ensure adherence to the California Health and Safety Code Section 130140 in a variety of aspects. These include the financial condition of the Commission as well as contracting and procurement policies, procedures, and practices to assure compliance with all applicable State and local statutes and regulations. The First 5 Fresno County Commission conducted a public hearing of the proposed 2023-24 Audit Report on October 30, 2024, and adopted it on the same date.

The 2023-24 First 5 Audit Report includes expenditures and fund balance dollars committed in multi-year grants and future partnerships, informed by the First 5 Fresno County Strategic Plan, to community partners serving children and families in Fresno County. Financial highlights of the Audit Report are shown in the table below:

**First 5 Fresno County
Highlights of Annual Financial Audit Report
FY 2023-24**

Total Revenue	\$12,478,920
Expenditures	
Program Services Investments	\$9,000,895
Evaluation Expenditures	\$416,189
Administrative Costs	\$523,169
GASB 96/ Capital Outlay	\$16,768
Total Expenditures	\$9,940,253

State Annual Report (State Report)

Pursuant to section 2.38.030 of the County Ordinance, the First 5 Fresno County Commission's State Report is also being presented before your Board. Produced in accordance with state statute and guidelines, the purpose of the State Report is to provide information to the First 5 California State Commission on the County Commission's programmatic and strategic investments as well the services provided to Fresno County children, families, and professionals within the four designated First 5 California statewide strategic initiatives (result areas). The report highlights funding support in services and systems used to improve Family Functioning, Child Development, Child Health, and Systems of Care for children ages 0 to 5 and their families. The First 5 Fresno County Commission conducted a public hearing of the 2023-24 State Report on October 30, 2024, and adopted it on the same date. Subsequently, the consolidated report was provided to the First 5 California State Commission.

Local highlights of the 2023-24 State Report services by focus population are shown in the table below:

**First 5 Fresno County
Highlights of Annual Report to First 5 California
FY 2023-24**

Number of children ages 0 to 6th birthday served	12,737
Number of primary caregivers and early childhood professionals served	3,766

OTHER REVIEWING AGENCIES:

Fresno County Audit Committee reviewed and moved forward the First 5 Audit Report during its January 10, 2025, meeting.

REFERENCE MATERIAL:

BAI #23, July 9, 2024

BAI #21, May 7, 2024

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - First 5 FY 2023-24 Audit Report

On file with Clerk - First 5 FY 2023-24 State Report

On file with Clerk - First 5 October 30, 2024, Meeting Agenda for Public Hearing

On file with Clerk - Fresno County Audit Committee Meeting Memo/Agenda January 10, 2025

CAO ANALYST:

Ron Alexander