

**FINANCE COMMITTEE MEETING**

**Date:** May 12, 2026

**Time:** 12:00 p.m.

**Location:** 1920 Mariposa Street, Suite 310, Fresno, CA 93721

**Teams Link:** <https://teams.microsoft.com/meet/24095042337471?p=6nVxQ4LBHU6DPj9bzE>

**AGENDA**

ITEM	SUBJECT	PRESENTER	ACTION
1.	CALL TO ORDER	Taylor, Committee Chair	
2. Page 2	ROLL CALL A. Monthly Attendance Record		
3. Page 3	APRIL 15, 2026, FINANCE COMMITTEE MEETING MINUTES	Taylor, Committee Chair	Approve
4. Page 5	AGENCY FINANCIAL AND HEAD START FINANCIAL STATUS REPORT MARCH 2026 A. Supporting Document - CSBG Organizational Standard 8.7	Charter Impact	Accept
5. Page 13	2026 ACCOUNTING POLICY REVISION & MODERNIZATION	Erwin, Staff	Approve
6. Page 15	TRANSIT SYSTEMS: TRANSIT BUS PROCUREMENT	Dulin, Staff	Approve
7. Page 16	VARIANCE REPORT A. Food/Transit Services	Charter Impact	Information
8.	ADJOURNMENT	Taylor, Committee Chair	
<b>Note:</b>	<b>NEXT COMMITTEE MEETING:</b> Wednesday, June 17, 2026, at 12:00 p.m. at the Fresno EOC Board Room.		



**Finance Committee Meeting  
Monthly Attendance Record  
2026**

Debra McKenzie  
Robert Pimentel  
Steven Taylor  
Alysia Bonner

Jan	18-Feb	18-Mar	15-Apr	12-May	17-Jun	15-Jul	19-Aug	16-Sep	21-Oct	18-Nov	8-Dec	<b>Attended</b>
	T	T	O									<b>3/3</b>
	T	T	T									<b>3/3</b>
	O	O	O									<b>3/3</b>
	T	X	T									<b>2/3</b>

O-Present X-Absent T-Teleconference

**FINANCE COMMITTEE MEETING**

**Date:** April 15, 2026

**Time:** 12:00 p.m.

**Location:** 1920 Mariposa Street, Suite 310, Fresno, CA 93721

**MINUTES**

**1. CALL TO ORDER**

Steven Taylor, Chair, called the meeting to order at 12:01 p.m.

**2. ROLL CALL**

Roll was called and a quorum was established.

**Committee Members:**

Steven Taylor  
Debra McKenzie

**Staff:**

Steven R. Lewis  
Greg Streets  
Jack Lazzarini

Andy Arredondo  
Michael Balderas  
Chris Erwin  
Alison Tatem  
Elionora Vivanco

**Teleconference (T):**

Robert Pimentel  
Alysia Bonner

Sherry Neil  
Dion Varnado  
Alyssa Collins  
Thomas Dulin

**Charter Impact**

Rebecca Heinricy (T)  
Christopher Fisher (T)

**Absent:**

N/A

Steve Warnes  
Ana Medina

**3. MARCH 18, 2026, FINANCE COMMITTEE MEETING MINUTES**

**Motion by:** McKenzie **Second by:** Taylor

**Ayes:** All in favor.

**Nayes:** None heard.

**4. AGENCY FINANCIAL AND HEAD START FINANCIAL STATUS REPORT FEBRUARY 2026**

Christopher Fisher, Charter Impact Client Finance Director, provided an overview report of the Agency Financial Statements as of February 28, 2026.

Alison Tatem, Head Start 0 to 5 Finance Manager, presented the Head Start/Early Head Start Financial Status Report as of February 28, 2026.

**Motion by:** McKenzie **Second by:** Pimentel

**Ayes:** All in favor.

**Nayes:** None heard.

**5. VARIANCE REPORT**

Rebecca Heinricy, Charter Impact Client Finance Director, provided an overview of the T&E, VAC, and Advance Peace variance reports.

As of February 2026, T&E program is 67% through its July–June funding period, with both grants approximately 60% expended. The Urban Youth In School grant has expended 60.2% of its \$222,950 budget, while the Urban Youth Out of School grant has expended 59.4% of its \$668,851 budget. Overall spending is slightly below the pace of time elapsed; however, full utilization of the grants is anticipated. Upcoming retroactive salary adjustments, along with increased health insurance and workers’ compensation costs effective in January, are expected to raise expenditures.

As of February 2026, VAC operates with multiple grants at varying stages of expenditure, with overall spending uneven due to different funding timelines and requirements but collectively totals just over \$2 million in available funding. A new contract period for the Fresno County Economic Development Corporation (EDC) Selma grant began in March 2026 and will run through February 2029, following the close of the prior funding period. VAC is currently operating at an estimated monthly cost of \$137,000, leaving approximately 11 months of funding at the current spending level, underscoring the need for ongoing cost monitoring to ensure future deliverables are met.

As of February 2026, Advance Peace is supported by multiple funding sources that are at varying levels of expenditure, with overall spending at a moderate pace. Current funding of approximately \$585,882 is sufficient to cover operations for about thirteen months; however, the primary contract ends in October 2026, creating a funding gap beyond that date. Monthly operating costs average \$45,000, and existing funds do not cover facility or insurance expenses of approximately \$3,440, requiring additional resources to avoid losses.

No action required.

**6. COMMISSIONERS’ COMMENT**

Committee Chair Taylor noted a positive cultural shift where staff are no longer afraid to report deficits, allowing issues to be addressed proactively, progress to be tracked, and solutions implemented, and commended the Chief Executive Officer for fostering this transparency and accountability. Steven R. Lewis, Chief Executive Officer, thanked and commended the team, emphasizing a commitment to transparency and open communication with the board, and highlighted the importance of openly acknowledging challenges, including deficits, and clearly explaining the strategies being taken to address them, noting that this approach enables productive discussion and accountability with the finance committee and board.

No action required.

**7. ADJOURNMENT**

The meeting adjourned at 12:25 p.m.

**FINANCE COMMITTEE MEETING**

<b>Date:</b> May 12, 2026	<b>Program:</b> Finance
<b>Agenda Item #:</b> 4	<b>Director:</b> N/A
<b>Subject:</b> Agency Financials and Head Start Financial Status Report March 2026	<b>Officer:</b> Salam M. Nalia

**Recommended Action**

Chief Executive Officer recommends Committee acceptance of the interim consolidated Agency Financial Statements and Head Start 0 to 5, as of March 31, 2026.

**CSBG Organizational Standard**

The governing board receives financial reports at each regular meeting that include the following per Category 8, Standard 8.7:

1. Organization-wide report on revenue and expenditure that compares budget to actual; and
2. Balance sheet/statement of financial position.

**Background**

The following pages have been prepared by Charter Impact for presentation to the Finance Committee and reflect their analysis, recommendations, and financial reporting in support of the agency's fiscal oversight.

**Conclusion**

Acceptance of these financials by the Committee will enable this document to be presented for full Board consideration. The Board's oversight of the financial operations of Fresno EOC is a key aspect of its fiduciary duty.

## **Fresno EOC**

### **Agency financials analysis**

**March 2026**

Through March 2026, Fresno EOC recognized \$37.7 million in total revenue, representing 23% of the annual budget. Cash revenue of \$26.6 million is also 23% of budget. Compared to the same period in 2025, cash revenue is \$4.5 million lower, primarily due to timing differences in Head Start and Energy programs and reductions at Food Services.

Total expenditures for the period are \$37.5 million, or 23% of the annual budget, with cash expenditures totaling \$26.4 million, or 23% of budget. Cash expenditures are \$5.0 million lower than March 2025, with an approximate \$2.2 million decrease in personnel from both cost reductions and vacancies (Administration, Head Start, Transit, and Food Services) and \$1.4M decrease in contract services (Head Start, Energy, and Advance Peace). Overall spending trends are aligned with expectations for this stage of the fiscal year. Contract services expenditures are 29% of the annual budget, which is above the proportional pace; however, this variance is attributable to the timing of payments to Fresno Unified School District for the SOUL program oversight fee, as previously discussed. Other expenditure categories are trending below budget due to timing. For instance, travel and vehicle-related costs are at 15% of the annual budget due to timing of vehicle repairs and lower travel to date. Equipment expenditures are at 6% of budget, primarily due to the timing of potential vehicle purchases by Transit.























From an operating perspective, Fresno EOC is reporting a year-to-date surplus after grant asset depreciation of \$183,000. This represents an improvement of \$449,000 compared to March 2025, indicating stronger year-over-year financial performance.

With respect to financial position, cash on hand at the end of March totaled \$2.5 million, a decrease of \$3.2M from February. Accounts receivable increased by \$3.2 million to \$14.6 million. Collection of receivables continues to be monitored to increase available cash.

The organization's health insurance reserve decreased to \$2.9 million, driven high claims along with an increased stop-loss deductible. Stop loss insurance reimbursements are now in effect for three large claimants. On-going monitoring of the sufficiency of the reserve is important to ensure financial stability.

Finally, excluding grant-funded fixed assets, Fresno EOC's fund balance remains negative, and continues to be an area of focus for the organization's long-term financial sustainability.

**FRESNO ECONOMIC OPPORTUNITIES COMMISSION**  
**STATEMENT OF ACTIVITIES**  
 Period Ending March 31, 2026 (25% Variance)

	A	B	A - B	C	D	B - D	
	BUDGET JAN - DEC 2026	ACTUAL March 2026	BUDGET VARIANCE (TARGET 25%)	BUDGET BALANCE REMAINING	ACTUAL JAN - DEC 2025	ACTUAL March 2025	ACTUAL 2026 vs 2025 Differences
<b>REVENUES AND SUPPORT</b>							
GRANT REVENUE <i>(without CBSG)</i>	\$ 85,245,202	\$ 19,420,330	 23%	\$ 65,824,872	\$ 85,059,215	\$ 23,100,508	\$ (3,680,178)
GRANT REVENUE - CSBG	2,039,380	335,329	 16%	1,704,051	1,862,530	395,076	(59,747)
FEE FOR SERVICE REVENUE	25,683,361	6,333,963	 25%	19,349,398	28,437,871	7,463,247	(1,129,284)
OTHER REVENUE	2,566,353	500,612	 20%	2,065,741	1,364,482	152,169	348,442
DONATION CONTRIBUTIONS	36,316	7,216	 20%	29,100	79,359	14,779	(7,564)
<b>TOTAL CASH REVENUE</b>	\$ 115,570,613	\$ 26,597,449	 23%	\$ 88,973,163	\$ 116,803,458	\$ 31,125,779	\$ (4,528,330)
IN KIND REVENUE	46,278,512	11,133,176	 24%	35,145,336	43,716,056	9,601,544	1,531,633
<b>TOTAL REVENUE &amp; SUPPORT</b>	\$ 161,849,125	\$ 37,730,625	 23%	\$ 124,118,499	\$ 160,519,514	\$ 40,727,323	\$ (2,996,697)
<b>EXPENDITURES</b>							
PERSONNEL COSTS	\$ 74,068,487	\$ 17,374,230	 23%	\$ 56,694,257	\$ 73,186,881	\$ 19,547,805	\$ (2,173,575)
ADMIN SERVICES	7,766,685	1,769,343	 23%	5,997,342	8,068,887	1,993,530	(224,187)
CONTRACT SERVICES	7,798,552	2,296,437	 29%	5,502,115	11,082,583	3,696,808	(1,400,371)
FACILITY COSTS	7,378,384	1,583,869	 21%	5,794,515	7,425,769	1,611,293	(27,424)
TRAVEL, MILEAGE, VEHICLE COSTS	3,527,186	523,288	 15%	3,003,898	2,293,585	426,326	96,962
EQUIPMENT COSTS <i>(minus depreciation)</i>	1,342,811	84,936	 6%	1,257,875	698,284	263,331	(178,395)
DEPRECIATION - AGENCY FUNDED	296,000	58,283	 20%	237,717	232,759	53,250	5,033
OFFICE EXPENSE	2,429,946	526,658	 22%	1,903,288	2,945,275	934,209	(407,551)
INSURANCE	1,803,452	319,703	 18%	1,483,749	1,446,078	366,519	(46,816)
PROGRAM SUPPLIES & CLIENT COSTS	8,048,240	1,798,148	 22%	6,250,092	8,821,831	2,492,280	(694,132)
OTHER COSTS	947,279	59,709	 6%	887,570	304,390	21,373	38,336
<b>TOTAL CASH EXPENDITURES</b>	\$ 115,407,023	\$ 26,394,604	 23%	\$ 89,012,418	\$ 116,506,321	\$ 31,406,724	\$ (5,012,120)
IN KIND EXPENSES	46,278,512	11,133,176	 24%	35,145,336	43,716,056	9,601,544	1,531,633
<b>TOTAL EXPENDITURES</b>	\$ 161,685,535	\$ 37,527,780	 23%	\$ 124,157,754	\$ 160,222,377	\$ 41,008,268	\$ (3,480,487)
<b>OPERATING SURPLUS (DEFICIT)</b>	\$ 163,589	\$ 202,845		\$ (39,255)	\$ 297,137	\$ (280,945)	\$ 483,790
<b>OTHER INCOME / EXPENSE</b>							
TRANSIT GRANT ASSET DEPRECIATION		(20,044)			(78,782)	14,726	
<b>NET SURPLUS (DEFICIT)</b>	\$ 163,589	\$ 182,801		\$ (19,212)	\$ 218,354	\$ (266,219)	449,020

**FRESNO ECONOMIC OPPORTUNITIES COMMISSION**  
**STATEMENT OF FINANCIAL POSITION**  
as of March 31, 2026

	2026	2025	Differences
<b>ASSETS</b>			
CASH & INVESTMENTS	\$ 2,477,610	\$ 2,951,623	\$ (474,013)
ACCOUNTS RECEIVABLE	14,626,518	13,531,615	1,094,903
PREPAIDS/DEPOSITS	352,141	567,521	(215,380)
INVENTORIES	268,119	180,799	87,320
PROPERTY, PLANT & EQUIPMENT	13,090,494	13,431,280	(340,786)
OTHER ASSET	8,098,354	9,221,585	(1,123,231)
<b>TOTAL ASSETS</b>	<b>\$ 38,913,236</b>	<b>\$ 39,884,423</b>	<b>\$ (971,187)</b>
<b>LIABILITIES</b>			
ACCOUNTS PAYABLE	\$ 3,259,360	\$ 5,069,108	\$ (1,809,748)
ACCRUED PAYROLL LIABILITIES	5,622,033	6,242,121	(620,088)
DEFERRED REVENUE	3,310,332	4,001,222	(690,890)
NOTES PAYABLE	6,759,418	746,945	6,012,473
LEASE LIABILITY	8,098,354	9,745,896	(1,647,542)
HEALTH INSURANCE RESERVE	2,925,755	5,012,459	(2,086,704)
OTHER LIABILITIES	784,151	440,189	343,962
<b>TOTAL LIABILITIES</b>	<b>\$ 30,759,402</b>	<b>\$ 31,257,939</b>	<b>\$ (498,536)</b>
<b>FUND BALANCE</b>			
CURRENT OPERATING EARNINGS (YTD)	\$ 182,801	\$ (266,219)	\$ 449,020
UNRESTRICTED NET ASSETS	(1,728,861)	(2,027,455)	298,594
REVOLVING LOAN FUND	556,268	556,268	0
INVESTMENT IN GENERAL FIXED ASSETS	9,143,625	10,363,889	(1,220,264)
<b>TOTAL FUND BALANCE</b>	<b>\$ 8,153,834</b>	<b>\$ 8,626,484</b>	<b>\$ (472,650)</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 38,913,236</b>	<b>\$ 39,884,423</b>	<b>\$ (971,187)</b>

## Fresno EOC – Head Start/Early Head Start Financial Analysis

March 2026

### Financial Review:

As of March 31, 2026, Fresno Economic Opportunities Commission’s Head Start and Early Head Start programs exhibit sustained financial health and steady operational performance.

Head Start has expended approximately \$8.3 million in federal funds, representing 22% of its \$38.5 million annual budget. Personnel expenditures total \$6.2 million, or 21% of the annual personnel allocation. Current projections reflect lower-than-budgeted personnel and fringe expenditures primarily attributable to existing vacancies and staff on approved leaves of absence. These variances are being actively addressed through ongoing recruitment efforts. Program leadership and Finance will continue to closely monitor actual expenditures and assess the need for a budget revision later in the year, if warranted.

The Head Start Training and Technical Assistance (T&TA) budget totals \$323,827, with \$119,688 expended year-to-date, representing 37% of the annual allocation.

Early Head Start has expended approximately \$1.7 million in federal funds, or 20% of its \$8.58 million annual budget. Personnel costs total \$1.4 million, or 21% of the annual personnel allocation. Early Head Start is also experiencing reduced personnel and fringe expenses due to vacant positions and staff leaves. Active hiring efforts are expected to reduce vacancies and support program implementation moving forward.

The Early Head Start T&TA budget totals \$173,371, with \$30,151 expended year-to-date, or 17% of the budget.

At this stage of the fiscal year, both programs are operating with no variances of concern. Continued monitoring of expenditures, along with routine communication between Finance and program leadership, will help ensure funding is fully and appropriately utilized in alignment with program needs and federal grant requirements as the year progresses.

---

### Financial Summary:

- 22% of the annual budget has been expended for Head Start while 20% has been spent for Early Head Start.
- Non-Federal Share (HS & EHS combined) is currently 25% of the annual requirement.

- Overall, expenditures for both programs are tracking within expected ranges for this point in the fiscal year, supported by consistent financial oversight and regular coordination between Finance staff and program leadership.

---

### **Funded & Actual Enrollment:**

Currently, we are funded for enrollment of 2120 (HS 1690; EHS 430). For the month of March 2026, enrollment consisted of the following:

Head Start-funded enrollment is 1690. For the month of March 2026, actual enrollment was 1247 and had 24 drops. This gives us an overall enrollment of 1271 (1247+24). We continue to recruit children and families, and our recruitment efforts consist of canvassing and participating in community events. This month, we received 66 online referrals and attended two community events. We currently have a total of 147 three-year-olds on the waitlist, of which 99 are income-eligible. Some challenges we have encountered include staff shortages, navigating current political issues such as immigration, and dealing with the oversaturation of preschool programs. However, the program continues to make an effort to hire staff and recruit families.

Early Head Start's funded enrollment is 430. For the month of March 2026, actual enrollment was 304. There were 24 drops in total. This gives us an overall enrollment of 328 (304 + 24). Staff continue to recruit children for the EHS center based and home-based, by collaborating with local agencies that provide services to pregnant teens, mothers, and/or prenatal care services. In addition, staff continued to visit WIC offices, clinics, and schools to promote our EHS services. Early Head Start received 74 online referrals this month and attended one community event. The primary challenge in achieving full enrollment has been a staff shortage. However, as mentioned with Head Start, the program continues to make an effort to hire staff and recruit families.

Fresno Economic Opportunities Commission  
Head Start/Early Head Start Financial Status  
Monthly Report  
March 31, 2026

Description	Head Start - Basic				Head Start - T & TA			
	Annual Budget	Current Expenses	YTD Expenses	Balance Remaining	Annual Budget	Current Expenses	YTD Expenses	Balance Remaining
<b>Personnel</b>	\$20,357,437	\$1,541,542	\$4,487,523	\$15,869,914	\$0	0	\$0	\$0
<b>Fringe Benefits</b>	8,749,508	\$542,427	\$1,707,040	7,042,468	-	0	\$0	\$0
<b>Total Personnel</b>	<b>\$29,106,944</b>	<b>\$2,083,969</b>	<b>\$6,194,563</b>	<b>\$22,912,381</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>\$0</b>
<b>Travel</b>	-	-	-	-	119,562	1,258	2,122	117,440
<b>Equipment</b>	-	-	-	-	-	-	-	-
<b>Supplies</b>	429,900	46,552	119,826	310,074	-	-	-	-
<b>Contractual</b>	863,205	69,945	311,482	551,722	-	-	-	-
<b>Facilities /Construction</b>								
<b>Other:</b>								
Food Cost	1,238,002	55,878	256,562	981,441				
Transportation	587,732	42,880	123,738	463,994				
Staff Mileage	135,000	9,108	26,294	108,706				
Field Trips, including Transportation	12,100	1,825	2,150	9,950				
Space	400,175	43,411	129,953	270,222				
Utilities / Telephone / Internet	860,430	24,240	94,630	765,800				
Ground Maintenance / Janitorial	588,150	66,135	172,827	415,323				
Security Services	77,045	4,324	12,152	64,893				
Repair/Maintenance Building	257,455	11,073	46,721	210,734				
Repair/Maintenance Equipment	33,900	6,769	6,769	27,131				
Property & Liability Insurance	240,616	19,827	57,986	182,630				
Parent Involvement / CWPC	37,692	2,669	6,023	31,669				
Other Costs*	122,493	5,629	22,063	100,430				
Staff & Parent Training	13,000	-	4,220	8,780	174,826	19,955	106,685	68,141
<b>Total Direct Charges</b>	<b>\$35,003,839</b>	<b>\$2,494,233</b>	<b>\$7,587,959</b>	<b>\$27,415,880</b>	<b>294,388</b>	<b>21,213</b>	<b>\$108,807</b>	<b>185,581</b>
<b>Total Indirect Charges</b>	<b>\$3,500,384</b>	<b>\$758,796</b>	<b>\$758,796</b>	<b>\$2,741,588</b>	<b>\$29,439</b>	<b>\$10,881</b>	<b>\$10,881</b>	<b>\$18,558</b>
<b>Total Federal Expenditures</b>	<b>\$38,504,223</b>	<b>\$3,253,029</b>	<b>\$8,346,755</b>	<b>\$30,157,468</b>	<b>\$323,827</b>	<b>\$32,094</b>	<b>\$119,688</b>	<b>\$204,139</b>
% of Annual Budget Expended to Date			22%				37%	
<b>Non-Federal Share</b>	<b>\$9,626,056</b>	<b>\$1,522,497</b>	<b>\$1,522,497</b>	<b>\$8,103,559</b>	<b>\$80,957</b>	<b>\$29,922</b>	<b>\$29,922</b>	<b>\$51,035</b>

16%

\*Other Costs Include:  
PROPERTY TAXES  
DEPRECIATION EXPENSE  
SUBSCRIPTION EXPENSE  
ADVERTISEMENT - OTHER  
DUES - ORGANIZATIONS  
RECRUITMENT  
MEETING COSTS - INTERNAL  
LINENS / LAUNDRY  
CONTRACT SERVICES - PHYSICALS  
FINGERPRINTING / BACKGROUND CHECK  
POSTAGE/EXPRESS MAIL

Credit Card Expenses: Credit card statement dated 3/1/2026-3/31/2026			
March 2026 expenses:			
Program Supplies - Kitchen	\$	1,723	Wal-Mart/Home Depot - Kitchen appliances for Richard Keyes, Mendota
Program Supplies - Kitchen	\$	221	Webstaurant- Kitchen Supplies HS & EHS
Office Supplies	\$	62	Home Depot- Storage bins
Program Supplies- Nutrition	\$	44	Wal-Mart - Specialized food
Recruitment	\$	28	FMBCC- Spring Fling Community Event
Out-of-County Travel	\$	667	Hotel Nikko-lodging for Managers and Directors Institute Training
CWPC-Other	\$	417	DiCicco's- CWPC Catering
Staff Training	\$	2,800	NHSA-The Academy Data Literacy
Staff Training	\$	920	Teachstone- CLASS Recertification
Staff Training	\$	599	Headstart CA- Registration for Managers & Directors Institute
Nutrition Education	\$	619	Jim Coleman- Nutrition education materials
Nutrition Education	\$	120	CACFP Roundtable- Virtual roundtable deep dive training
Internet	\$	2,392	Frontier Comm- Internet service for centers
Telephone	\$	1,640	Comcast - Telephone Service for centers
	\$	<b>12,254</b>	

Fresno Economic Opportunities Commission  
 Head Start/Early Head Start Financial Status  
 Monthly Report  
 March 31, 2026

Description	Early Head Start - Basic				Early Head Start - T & TA			
	Annual Budget	Current Expenses	YTD Expenses	Balance Remaining	Annual Budget	Current Expenses	YTD Expenses	Balance Remaining
<b>Personnel</b>	\$4,937,385	\$350,587	\$1,020,509	\$3,916,876	\$0	\$0	\$0	\$0
<b>Fringe Benefits</b>	\$1,511,288	\$108,660	\$337,975	1,173,313	-	\$0	\$0	-
<b>Total Personnel</b>	<b>\$6,448,674</b>	<b>\$459,246</b>	<b>\$1,358,485</b>	<b>\$5,090,189</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Travel</b>	-	-	-	-	34,992	315	531	34,461
<b>Equipment</b>	-	-	-	-	-	-	-	-
<b>Supplies</b>	168,500	9,771	23,090	145,410	-	-	-	-
<b>Contractual</b>	168,640	1,590	50,657	117,983	4,000	-	-	4,000
<b>Facilities /Construction</b>								
<b>Other:</b>								
<b>Food Cost</b>	299,685	-	7,506	292,179				
<b>Transportation</b>	1,794	1,159	1,495	299				
<b>Staff Mileage</b>	65,000	4,467	11,161	53,839				
<b>Field Trips, including Transportation</b>	-	-	-	-				
<b>Space</b>	152,593	7,138	23,401	129,192				
<b>Utilities / Telephone / Internet</b>	182,927	21,068	35,285	147,642				
<b>Ground Maintenance / Janitorial</b>	82,688	15,934	27,863	54,825				
<b>Security Services</b>	19,148	525	1,399	17,749				
<b>Repair/Maintenance Building</b>	121,409	1,098	5,320	116,089				
<b>Repair/Maintenance Equipment</b>	7,900	244	244	7,656				
<b>Property &amp; Liability Insurance</b>	34,356	4,893	11,357	22,999				
<b>Parent Involvement / CWPC</b>	7,463	449	1,030	6,433				
<b>Other Costs*</b>	33,828	2,576	4,833	28,995				
<b>Staff &amp; Parent Training</b>	3,250	-	1,055	2,195	118,618	5,411	26,879	91,739
<b>Total Direct Charges</b>	<b>7,797,855</b>	<b>\$530,159</b>	<b>\$1,564,179</b>	<b>6,233,675</b>	<b>157,610</b>	<b>5,726</b>	<b>\$27,410</b>	<b>\$130,200</b>
<b>Total Indirect Charges</b>	<b>\$779,785</b>	<b>\$156,418</b>	<b>\$156,418</b>	<b>\$623,367</b>	<b>\$15,761</b>	<b>\$2,741</b>	<b>\$2,741</b>	<b>\$13,020</b>
<b>Total Federal Expenditures</b>	<b>\$8,577,640</b>	<b>\$ 686,577</b>	<b>\$1,720,597</b>	<b>\$6,857,043</b>	<b>\$173,371</b>	<b>8,467</b>	<b>\$30,151</b>	<b>\$143,220</b>
% of Annual Budget Expended to Date			20%				17%	
<b>Non-Federal Share</b>	<b>\$2,144,410</b>	<b>\$1,500,994</b>	<b>\$1,500,994</b>	<b>\$643,416</b>	<b>\$43,343</b>	<b>\$7,538</b>	<b>\$7,538</b>	<b>\$35,805</b>

70%

- \*Other Costs Include:
- PROPERTY TAXES
- DEPRECIATION EXPENSE
- SUBSCRIPTION EXPENSE
- ADVERTISEMENT - OTHER
- DUES - ORGANIZATIONS
- RECRUITMENT
- MEETING COSTS - INTERNAL
- LINENS / LAUNDRY
- CONTRACT SERVICES - PHYSICALS
- FINGERPRINTING / BACKGROUND CHECK
- POSTAGE/EXPRESS MAIL

Credit Card Expenses: Credit card statement dated 3/1/2026-3/31/2026		
March 2026 expenses:		
Program Supplies - Kitchen	\$	183 Wal-Mart/Home Depot - Kitchen appliances for Richard Keyes, Mendota
Office Supplies	\$	16 Home Depot- Storage bins
Program Supplies - Kitchen	\$	55 Webstaurant- Kitchen Supplies HS & EHS
Program Supplies- Nutrition	\$	17 Wal-Mart - Specialized food
Recruitment	\$	7 FMBCC- Spring Fling Community Event
Out-of-County Travel	\$	167 Hotel Nikko-lodging for Managers and Directors Institute Training
CWPC-Other	\$	104 DiCiccio's- CWPC Catering
Staff Training	\$	700 NHSA-The Academy Data Literacy
Staff Training	\$	600 Teachstone- CLASS Recertification
Staff Training	\$	150 Headstart CA- Registration for Managers & Directors Institute
Nutrition Education	\$	155 Jim Coleman- Nutrition education materials
Nutrition Education	\$	30 CACFP Roundtable- Virtual roundtable deep dive training
Internet	\$	73 Frontier Comm- Internet service for centers
Telephone	\$	511 Comcast - Telephone Service for centers
	<b>\$</b>	<b>2,767</b>

**FINANCE COMMITTEE MEETING**

<b>Date:</b> May 12, 2026	<b>Program:</b> Finance
<b>Agenda Item #:</b> 5	<b>Director:</b> N/A
<b>Subject:</b> 2026 Accounting Policy Revision & Modernization	<b>Officer:</b> Salam Nalia

**Recommended Action**

Chief Executive Officer recommends that the Committee review and approve the 2026 Accounting Policies and Procedures Manual Revision for recommendation to the Board of Commissioners. This revision ensures mandatory alignment with the 2024 Uniform Guidance and addresses critical findings from the February 2026 Head Start Training and Technical Assistance (TTA) review.

**Background**

The 2026 revision represents a fundamental restructuring of Fresno EOC’s fiscal governance, transitioning from an environment of manual, after-the-fact reviews, to a preventative environment with digital logic. This update reconciles the legacy manual with current operational realities:

- Per TTA mandates, the Organization has adopted the COSO Framework and GAO Green Book. System-native workflows in Financial Edge NXT and PaperSave now enforce federal thresholds at the point of entry.
- The OMB Uniform Guidance (2 CFR Part 200) increased Micro-purchase thresholds to \$10,000 and the Simplified Acquisition Threshold to \$250,000. Aligning our policy with these levels is required for Single Audit compliance.
- The revision remediates "Ghost Procedures" by aligning policy with actual digital HRIS/ERP practices. It incorporates the IRS Accountable Plan rule for travel and the Prudent Person Standard for cost reasonableness to safeguard federal assets.

**Fiscal Impact**

Action on this item has no direct impact on the operating budget. The Organization is maintaining our established negotiated rate framework and are currently awaiting our provisional negotiated rate agreement. These updates reduce the risk of audit disallowances and questioned costs, protecting unrestricted net assets.

**Conclusion**

If approved, this manual will be put before the Board for final adoption as the primary governing document for fiscal operations. This transition from reactive compliance to system-enforced preventative controls satisfies all 2026 technical assistance and audit requirements.

## CONSOLIDATED MASTER POLICY DELTA REPORT

ORG	SECTION	2021 STANDARD (LEGACY)	2026 POLICY REVISION (MODERNIZED)	REGULATORY / TTA BUSINESS LOGIC
TTA	Global	References to 45 CFR 75	<b>2 CFR Part 200 (2024 UG)</b>	Mandatory alignment with unified framework.
TTA	Sec III	\$5,000 / \$150k Thresholds	<b>\$10,000 / \$250,000</b>	2024 UG inflation-adjusted thresholds.
TTA	Sec I	Implied accuracy	<b>200.415 Certification</b>	Mandatory "true/accurate" attestation.
TTA	Sec IX	90-day Closeout	<b>120-day Closeout Window</b>	Alignment with 2 CFR 200.344.
TTA	Sec VIII	General reasonableness	<b>Prudent Person Standard</b>	Explicitly defines 200.404 factors.
TTA	Sec VIII	10% De Minimis	<b>15% De Minimis Rate</b>	2 CFR 200.414(f), org maintains NICRA
TTA	Sec IV	Grant-specific leave	<b>Equitable Fringe Allocation</b>	Prevents "cost dumping" on final grants.
OMB	Sec IV	No notice requirement	<b>Whistleblower Notice</b>	Mandatory notice per 2 CFR 200.217.
OMB	Sec V	Participant travel only	<b>Dependent Care Coverage</b>	Support for workforce equity (200.475).
OMB	Sec VI	\$5,000 Disposal cap	<b>\$10,000 Disposal Floor</b>	Relief for low-value asset disposition.
EOC	Global	"The Agency"	<b>"The Organization"</b>	Corporate identity realignment.
EOC	Sec II	Manual check sign-offs	<b>Digital Approval Metadata</b>	Integration of Bottomline/PaperSave.
EOC	Sec III	Subjective Selection	<b>125-Pt Weighted Matrix</b>	Objective rationale for vendor selection.
EOC	Sec V	Digital travel claims	<b>Manual Travel Form XI</b>	Restoration of human oversight/AP review.
EOC	Sec V	Odometer logs	<b>GPS-Verified Digital Logs</b>	Defense against IRS §1.274 mileage audits.
EOC	Sec VI	Manual spreadsheets	<b>Fixed Asset Module (FENXT)</b>	Centralized "System of Record" tracking.
EOC	Sec VI	Capitalized items only	<b>Sensitive Item Tracking</b>	Safeguarding high-theft items <\$10k.
LAW	Sec V	General assignment	<b>IRS One-Year Rigid Rule</b>	Prevents reclassification of travel as wages.
ECO	Global	Implied Authority	<b>CEO Final Authority</b>	Codifies governance & delegation of duty.
TTA	Sec VI	Implied Ownership	<b>Federal Interest / Trustee</b>	Acknowledges asset trust status.

**FINANCE COMMITTEE MEETING**

<b>Date:</b> May 12, 2026	<b>Program:</b> Transit Systems
<b>Agenda Item #:</b> 6	<b>Director:</b> N/A
<b>Subject:</b> Transit Bus Procurement	<b>Officer:</b> Thomas Dulin

**Recommended Action**

Chief Executive Officer recommends Committee approval for full Board consideration of the intent to purchase three (3) Micro Bird shuttle buses totaling \$524,681.60 through a cooperative purchasing agreement.

**Background**

The three Micro Bird shuttle buses are currently in stock and available for immediate acquisition. Comparable vehicles from other vendors typically require a four-to-six-month lead time, which would delay deployment and impact service delivery. Using a cooperative purchasing agreement allows the organization to meet procurement requirements while ensuring the timely acquisition of vehicles needed for operations.

Per the organizations policy, transactions exceeding \$150,000 are considered significant expenditures and require approval by the Board of Commissioners, following a recommendation from the Finance Committee.

The current FY 2026 approved budget includes the purchase of eight (8) buses to support transit operations.

**Fiscal Impact**

The purchase will be financed through an approved loan. The organization obtained multiple financing quotes and selected the most favorable terms to support cost-effective financing.

**FINANCE COMMITTEE MEETING**

<b>Date:</b> May 12, 2026	<b>Program:</b> Finance
<b>Agenda Item #:</b> 7	<b>Director:</b> N/A
<b>Subject:</b> Variance Report	<b>Officer:</b> Salam Nalia

**Recommended Action**

The information is presented to keep the Committee apprised on the fiscal status of selected program(s) within the Agency that are routinely shared with Program Directors and Executive staff.

**Background**

The following pages have been prepared by Charter Impact specifically for presentation to the Finance Committee and reflect their analysis, recommendations, and financial reporting in support of the agency’s fiscal oversight.

**Fiscal Impact**

Action on this agenda item will have no fiscal impact.

**Fresno EOC**

**Executive Summary – Food Services (March 2026 YTD Performance)**

Food Services continues to show gradual financial improvement, with the year-to-date deficit narrowing to \$75,416. While March reflects a monthly deficit of \$5,157, the overall trend is moving in a positive direction, with the majority of the YTD shortfall attributable to January performance.

January's Surplus/Deficit	(66,909)
February's Deficit	(3,350)
March's Deficit	(5,157)
<b>Total</b>	<b>(75,416)</b>

**Revenue Performance & Outlook**

March revenue was 1.8% (\$162,200) below target. Looking ahead, two contracts—Buster Pizza and FMAAA—are scheduled to conclude on June 30, resulting in an estimated \$350,000 monthly revenue reduction. This impact is expected to be largely offset by corresponding decreases in food and personnel costs. Additionally, contract pricing updates scheduled for July should support improved revenue alignment going forward.

**Expense Management**

Expenses were 1% below target in March, reflecting ongoing cost control efforts. Key dynamics include:

- Meal delivery costs increased by approximately \$10,000 due to the exhaustion of LTF funding; these costs are expected to decline beginning in July.
- Personnel and food costs remain the primary expense drivers.
- Food costs have declined consistently throughout 2026, indicating early success in cost containment efforts.

**Operational Adjustments & Cost Controls**

Several actions have been implemented to improve efficiency and reduce costs:

- Workforce optimization, including six layoffs and role realignment, along with schedule adjustments to reduce overtime exposure.
- Route optimization, including the addition of rural stops to better leverage available funding sources.

- Quality control enhancements to reduce missed deliveries and avoid duplicate delivery costs.
- Production alignment, eliminating overproduction practices and better matching output to actual demand.

Food waste remains an area of focus. The team is developing a framework to quantify its financial impact by tracking excess production, spoilage, and related costs. Early operational changes—such as eliminating routine overproduction—are expected to generate measurable savings.

### **Strategic Initiatives**

- Catering performance, currently a primary source of deficit, is being actively addressed through increased marketing efforts and business development initiatives.
- Vendor negotiations are underway to access national account pricing. Preliminary estimates suggest potential savings of 3%–7% on food costs, which could translate to approximately \$60,000 annually based on current purchasing levels.
- Staffing structure adjustments, including reclassifying higher-cost roles (e.g., Mechanic III to Mechanic I), are reducing personnel costs while maintaining operational effectiveness.

### **Summary**

While Food Services remains in a deficit position, recent trends and operational changes indicate meaningful progress. Continued focus on cost control, revenue stabilization, and operational efficiency—combined with upcoming pricing adjustments and vendor savings opportunities—positions the program to further reduce its deficit and move toward a more sustainable financial model.

**Fresno Economic Opportunities Commission  
2026 FOOD SERVICES VARIANCE REPORT**

<b>March Variance Report 25%</b>	<b>2026 Budget</b>	<b>YTD Actuals</b>	<b>Remaining Budget</b>	<b>Percentage Used 24%</b>
<b>REVENUES AND SUPPORT</b>				
Grant Revenue	1,147,562	39,558.83	1,108,003.17	3.45%
Fee for Service Revenue	5,528,900	1,526,512.59	4,002,387.41	27.61%
Other Program Revenue	2,288,200	512,841.76	1,775,358.24	22.41%
Contributions	-	-	-	0.00%
Other Revenue	-	-	-	0.00%
<b>TOTAL REVENUES AND SUPPORT</b>	<b>8,964,662</b>	<b>2,078,913.18</b>	<b>6,885,748.82</b>	<b>23.19%</b>
<b>EXPENSES</b>				
Personnel Costs	3,333,812	802,065.35	2,531,746.65	24.06%
Contract Services	1,337,800	345,684.27	992,115.73	25.84%
Facility Costs	161,300	14,572.38	146,727.62	9.03%
Travel, Mileage, & Vehicle Costs	36,050	3,247.90	32,802.10	9.01%
Equipment Costs	72,000	16,417.36	55,582.64	22.80%
Office Expense	119,400	28,276.83	91,123.17	23.68%
Insurance Expense	88,500	19,687.17	68,812.83	22.25%
Program Supplies & Client Costs	3,746,916	923,593.27	2,823,322.73	24.65%
Other Costs	7,000	784.35	6,215.65	11.21%
<b>TOTAL EXPENSES</b>	<b>8,902,778</b>	<b>2,154,328.88</b>	<b>6,748,449.12</b>	<b>24.20%</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>61,884</b>	<b>(75,415.70)</b>	<b>137,299.70</b>	<b>23.69%</b>

## Fresno EOC

### Executive Summary – Transit (March 2026 YTD Performance)

Transit is reporting a year-to-date surplus of \$366,000 through March 2026. This favorable position is primarily driven by lower-than-budgeted expenses, partially offset by revenue trending below target.

#### Revenue

Year-to-date revenue is under budget by 2% (\$216,000).

- **Fee-for-service revenue** is underperforming relative to budget
- **Other program revenue** budget is performing slightly above expectations and helping offset shortfalls in other areas
- Overall revenue is approximately 23% of the annual budget, generally aligned with the current point in the fiscal year

Revenue performance is expected to improve in the second half of the year due to:

- Contract rate adjustments effective July
- Finalization of the Local Transportation Fund (LTF) budget

#### Expenses

Year-to-date expenses are under budget by 5% (\$548,700), which is the primary driver of the surplus.

- Equipment costs are significantly under budget (minimal YTD spend), reflecting timing delays in vehicle procurement
- Contract services, facility, and vehicle-related costs are all trending below budget
- Personnel costs are largely in line with budget expectations
- Fuel costs increased by \$20,000 in March, indicating emerging pressure in this category due to the global environment
- UMTA expenses total \$20,044 YTD, remaining within a manageable range

#### Outlook

The current surplus is largely timing-driven, particularly related to delayed capital and equipment expenditures. As vehicle acquisitions move forward and fuel costs remain volatile, some expense normalization is expected. However, anticipated revenue improvements in the second half of the year should help offset these pressures and support continued financial stability.



**Fresno Economic Opportunities Commission  
2026 TRANSIT SYSTEMS VARIANCE REPORT**

March Variance Report 25%	2026 Budget	YTD Actuals	Remaining Budget	Percentage Used 21%
<b>REVENUES AND SUPPORT</b>				
Total Grant Revenue	2,258,700	473,625	1,785,074.76	20.97%
Fee for Service Revenue	7,480,740	1,717,135	5,763,604.54	22.95%
Other Program Revenue	827,360	234,992	592,367.67	28.40%
<b>TOTAL REVENUES AND SUPPORT</b>	<b>10,566,800</b>	<b>2,425,753</b>	<b>8,141,047</b>	<b>22.96%</b>
<b>EXPENSES</b>				
Personnel Costs	5,739,000	1,370,497	4,368,502.89	23.88%
Contract Services	837,000	142,650	694,349.70	17.04%
Facility Costs	173,600	25,063	148,536.99	14.44%
Travel, Mileage, & Vehicle Costs	1,857,500	356,251	1,501,249.22	19.18%
Equipment Costs	1,064,100	5,529	1,058,571.30	0.52%
Office Expense	196,200	47,585	148,614.70	24.25%
Insurance Expense	441,500	86,192	355,308.38	19.52%
Program Supplies & Client Costs	121,800	25,943	95,857.27	21.30%
Other Costs	2,900	-	2,900.00	0.00%
<b>TOTAL EXPENSES</b>	<b>10,433,600</b>	<b>2,059,709.55</b>	<b>8,373,890.45</b>	<b>19.74%</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>133,200</b>	<b>366,043.48</b>	<b>(232,843.48)</b>	<b>21.35%</b>