



Champions For Our Children

**BEST START
Fiscal Agent Pool
Request for Qualifications**

**Los Angeles County Children and Families First –
Proposition 10 Commission (aka First 5 LA)**

RELEASE DATE: July 13, 2010



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I. TIMELINE FOR SELECTION PROCESS¹

ACTIVITY	DATE
RFQ Released	July 13, 2010
Information Session	September 21, 2010
Final date to submit questions and requests for additional information	October 5, 2010
Application Due: <ul style="list-style-type: none">• Online applications plus all forms• One (1) original and signed copy of First 5 LA's "Signature Authorization" and "Agency Involvement in Litigation and/or Contract Compliance Difficulties" forms, along with all work samples, sent or delivered to First 5 LA	October 22, 2010
Application Review	October 25-29, 2010
Notification of Acceptance	November 15, 2010

Questions and information requests can be submitted to:

Monica Benitez Andrade
First 5 LA
750 N. Alameda Street, Suite 300
Los Angeles, CA 90012

Phone: 213.482.7836

E-mail: mбенitez@first5la.org

¹ Note: Only the community selected Fiscal Agent will enter into contract with the Best Start Community Partnership. Start dates are subject to change at First 5 LA's sole discretion.

II. BACKGROUND

Description of F5LA

In 1998, California voters passed Proposition 10, which levied a 50-cent per pack tax on all tobacco products. The resulting tax revenues were earmarked within each county in California to enhance the early growth experiences of children, enabling them to be more successful in school and ultimately to give them an equal opportunity to succeed in life. In Los Angeles County, First 5 LA (also known as the Proposition 10 Commission) was formed as a public entity to develop and oversee various early childhood initiatives and to administer and manage its share of the funding from Proposition 10. Since 1998, First 5 LA has invested over \$871 million to champion the health, education, and safety causes concerning young children and families. Additional information regarding First 5 LA can be found at <http://www.first5la.org>

Description of First 5 LA's 2009-2015 Strategic Plan, and "Best Start" Communities

In June 2009, the First 5 LA Board of Commissioners adopted its 2009-2015 Strategic Plan entitled *[Strengthening Families and Communities in L.A. County](#)*. This Plan incorporates lessons learned from the first 10 years of First 5 LA's grantmaking and research, which reveal not only the importance of supportive and informed parents and caregivers to a young child's quality of life, but also the role of safe and supportive neighborhoods, or *places*, that develop a child.

As a result, this new plan represents a major shift in First 5 LA's grantmaking, from an initiative-based to a place-based approach. This new approach will allow First 5 LA to focus on strengthening families, while fostering the communities' abilities to create and sustain safe and nurturing places for children to grow and thrive.

In the Plan, the Commission established four specific benefits that it seeks for young children. These benefits are defined in the Plan as four long-term goals of ensuring that children:

- Are born healthy
- Maintain a healthy weight
- Are safe from abuse and neglect
- Are ready for Kindergarten

All of First 5 LA's investments will be focused on changing outcomes in one of these areas.

Focusing on the four goals, First 5 LA's place based efforts will be implemented in the following targeted communities:

1. Central Long Beach
2. Central Los Angeles/ 110-10 Freeway Corridor
3. Compton, East Compton
4. East Los Angeles (includes City Terrace, Commerce and parts of Monterey Park)
5. El Monte, South El Monte



6. Lancaster
7. Pacoima
8. Palmdale
9. Panorama City
10. South Los Angeles/ Broadway-Manchester
11. South Los Angeles/ West Athens
12. Southeast L.A. County Cities (including Bell, Cudahy, Bell Gardens and Maywood)
13. Watts, Willowbrook
14. Wilmington

The Commission's funding will include direct services in the Best Start communities as well as investing in community capacity building and family strengthening.

For more information about the community selection process, visit the First 5 LA website at www.first5la.org/articles/strategic-plan-community-selection-principles.

Description of Community Planning Process

In order to maximize the potential for success, First 5 LA's place-based efforts will be driven and informed by the communities themselves. The community members will determine and prioritize the changes they want to see in their communities, and First 5 LA will work with them over a period of years to achieve these changes. Through this process, the communities develop the capacity to continue making desired changes on their own well into the future.

This will require an initial and intensive community planning process. Each community will select a fiscal agent and a community facilitator who will play a pivotal role in guiding the community through the planning process. This process is expected to take 18 months and will culminate with the submission of a written proposal of an implementation plan that community members will submit to First 5 LA for funding. The proposal will include a very detailed plan of action including scopes of work and budgets.

The planning process will include: regular collaborative meetings, community assessment, ongoing capacity building and training on effective collaboration, finalizing community boundaries, development of a community governance structure and preparation for communities to engage in community-driven research. Although there will be adjustments for certain communities based on their readiness to engage, First 5 LA will initiate this process simultaneously in the target communities listed above.

First 5 LA is identifying pools of qualified Fiscal Agents to potentially serve targeted communities through this RFQ process. The communities may either select from the pool developed by First 5 LA or select another entity. Therefore, selection by First 5 LA to be a member of this pool does not guarantee that each agency will be selected by a community for the Fiscal Agent role. If selected as a fiscal agent, the duration of the contract will depend on the community's progress in completing the implementation plan. Once the plan is completed, the partnership will decide whether to keep the fiscal agent during the implementation phase.



III. FISCAL AGENT ROLES AND RESPONSIBILITIES

First 5 LA's Fiscal Agent will distribute funds to one of 13 community partnerships during this planning phase, which is expected to run through December 2011. Each Fiscal Agent shall be responsible for accepting, holding, disbursing, accounting for and reporting of funds for the community partnership. Each Fiscal Agent is responsible for safeguarding and promoting the mission or purpose of the funds entrusted to him/her/it.

The Fiscal Agent duties and responsibilities shall be performed for the direct benefit of the community and performed in accordance with, and governed by, applicable regulations. The Fiscal Agent will work in accordance with First5 LA policies and procedures and in compliance with the policies and procedures of the Commission. The Fiscal Agent has no duties or responsibilities for the oversight, management or results of any program for which funds are disbursed. The Fiscal Agent does not make decisions about who receives the money or approves budgets. The Fiscal Agent will serve as an accounts payable and receivables operation. The Fiscal Agent disburses the funds at the direction of the Community Partnership (or the defined governance body) with the approval of First 5LA staff/Commission.

Under the supervision of First 5 LA, the responsibilities of the Fiscal Agent may include, but are not limited to, the following:

1) **Acceptance and Maintenance of Commission Funds**

- The Fiscal Agent shall project monthly expenditures to ensure timely payment to recipients.
- The Fiscal Agent will receive and manage all funds in compliance with applicable state, federal, Commission policy, and fund specific regulations. The agent must also ensure internal controls to maintain fiscal integrity.
- The Fiscal Agent shall establish and maintain a separate depository for Commission funds.

2) **Disbursement of Funds**

- Disbursements shall be made by the Fiscal Agent from available funds at the direction of the Commission and the Community Partnership within a reasonable time following receipt of complete and accurate requests for disbursement.
- The Fiscal Agent shall disburse funds based upon original invoices or payroll records at the direction of the Commission and Community facilitator.

3) **Accounting of Funds**

- Fiscal Agent must establish and maintain on a current basis an adequate accounting system in accordance with Generally Accepted Accounting Principles (GAAP).
- The Fiscal Agent will maintain an accounting of all expenditures and applicable credits associated with funds by funding stream, for the duration of the contract.
- The Fiscal Agent will maintain books and financial records for the Community Partnership in accordance with generally accepted accounting principles.



- Fiscal Agent must account Community Partnership Revenue and expenses in separate cost centers from any other Federal, State or local funds.
- The Fiscal Agent shall provide reports to the Commission upon request.

4) Financial Reporting

- The Fiscal Agent will work with the Commission and develop standard financial reports, accessible to Commission Staff and run on an as needed basis.
- The Fiscal Agent will be required to prepare financial reports and grant closeouts at the direction of the Commission.
- In a timely manner, the Fiscal Agent will prepare required federal and state financial reports associated with management of grant funds.

5) Deliverables

- Timely processing of Commission approved disbursement requests;
- Monthly financial reports; and

The Fiscal Agent along with the partnership will be trained on First 5 LA guidelines and appropriate expenditures.

It is also the responsibility of the Fiscal Agent to keep abreast of changes made to the policies, procedures and requirements managed by the Commission.

IV. ELIGIBILITY

Applicants responding to this RFQ must have the qualifications, experience, competency and ability to successfully provide fiscal and administrative oversight for selected communities. Selected organizations will be included in a pool of Fiscal Agents capable of providing services related to general accounting and financial services, staff support and technical assistance. Applicants must have a physical presence in California, and the capacity to work throughout Los Angeles County.

V. SUMMARY OF DESIRED QUALIFICATIONS

In order to function as a competent Fiscal Agent, an ideal applicant will have all or some of the following qualifications:

- Prior experience serving as a Fiscal Agent
- Substantial expertise in working with non-profits, foundations, community-based organizations and social services agencies in L.A. County.
- Strong time management and budgetary skills.
- Strong written and oral communication skills.
- Knowledge of organizations in the field of early care, education, child development and family support needs and resources
- Capacity to effectively meet the fiscal needs of the partnership (e.g. cash flow, systems, technology)



Applicants that meet initial review criteria may be invited for an in-person or phone interview with First 5 LA staff.

As a reminder, selection to join First 5 LA's pool of Fiscal Agents does not guarantee selection as a Fiscal Agent for a particular community.

NOTE: Fiscal Agents not included in this pool but selected by the community must also meet the minimum criteria set forth in this RFQ.

VI. TERMS OF PROJECT

Available Funding

Each Best Start Fiscal Agent will manage a budget of approximately \$631,000 for community planning activities estimated to occur between October 2010 and December 2011 (amount includes 10% administration fee for fiscal agent). The total amount of funding available for the Best Start Community to administer funds through the Fiscal Agent will not exceed 10% for administrative costs. The Fiscal Agent cost is only one of those administrative costs.

Annual Budget will be negotiated during the final phase of the contract negotiations. *Funds will be granted through monthly invoices prepared by the Fiscal Agent based on services rendered and actual expenses.*

Contract Period

The term of this contract is one year, contingent upon First 5 LA approval and submission of documents by the selected Best Start Fiscal Agent Contract. The First 5 LA Commission reserves the right at its sole discretion to extend the term of this contract for one additional year term. Final length of contract and available funding will be determined by the contract execution date. Yearly contracts with First 5 LA will coincide with First 5 LA's fiscal year, which ends on June 30th.

If the community's implementation plan proposal is not completed by December 2011, First 5 LA reserves the right to extend the contract and increase the budget for the selected contractor to accommodate the completion of this planning phase.

The Best Start Fiscal Agent shall not be authorized to deliver or commence performance of services as described in the application until written approval has been obtained from First 5 LA. Any performance of services commenced prior to the Best Start Fiscal Agent obtaining all written approvals by First 5 LA shall be considered voluntary.

Contractual Obligation

The selected Best Start Fiscal Agent is required by law to adhere to all contractual obligations as outlined in this document, including the First 5 LA Contract. (See Sample Contract, Appendix A)



VII. APPLICATION PROCESS

In order to respond to this RFQ, applicants are required to submit the following materials to First 5 LA no later than **5:00 p.m. on October 22, 2010**.

Applications received after this deadline **will not** be considered.

The following materials are required for application:

- A. Cover Letter (*maximum two pages*): Each applicant is required to include a cover letter on the organization's letterhead addressed to Evelyn V. Martinez, Executive Director, First 5 LA, containing the following:
- The date
 - The applicant's name, address, telephone number, and e-mail address
 - The primary contact person's name, title, and address, telephone, fax, and e-mail address (if different from organization's information)
 - A statement indicating that the submission is in response to an RFQ for the Best Start Communities Fiscal Agent Pool
 - A general overview of the applicant's qualifications

The applicant's cover letter **must** be signed by a person authorized to bind the applicant to the terms of the application.

- B. Fiscal Agent Background, Expertise and Experience (*maximum 10 pages*):
- Number of years serving as a Fiscal Agent.
 - General qualifications, competency, experience, business integrity, and capacity to successfully execute financial, accounting and reimbursements in association with the Best Start Communities for First 5 LA.
 - Established staff presence and office in California.
 - Examples of types of contracts applicant has previously entered into, including type of contracting entity, location of the work, and general types of services provided.
 - Estimate what percentage of the overall organization's work would be represented by this contract

C. Plan of Work:

In general terms, please describe the work processes (or methodology) your agency would utilize to address the following Responsibilities and Deliverables as described in this RFQ:

- Acceptance and Maintenance of Commission Funds
- Disbursement of Funds
- Accounting of Funds
- Financial Reporting



- Deliverables

D. Proposed Budget and Budget Narrative:

Using the attached budget worksheet, (Appendices B, C and D) provide itemized budgets that detail expenses for the proposed services. Please include costs broken down by hourly rate for all staff and subcontractors, and include Budget Narratives justifying all included costs.

Applicant may also include other sample budgets and budget narratives that reflect the type of work they believe will be involved in the execution of their role as the Best Start Fiscal Agent.

E. References (minimum of three, maximum of five. No more than five pages total):

References may be from colleagues, current or former clients, or peers. Each reference should include name, company, address, phone number, email, length of time known, and a short statement about your relationship. In addition, written statements from each reference may be included. First 5 LA must be able to contact at least two (2) of the references provided by the applicant. If two (2) references cannot be reached within a timely manner (no more than three attempts, no longer than one week), First 5 LA may deem the applicant ineligible for this opportunity.

F. Agency Involvement in Litigation and/or Contract Compliance Difficulties (Appendix G):

Please read the information on the required Agency Involvement in Litigation and/or Contract Compliance Difficulties form thoroughly. An unsigned form or its omission will constitute an incomplete application and will be grounds for disqualification.

G. Signature Authorization Form (Appendix F): This form is required in order to verify signature authority to enter into contractual agreement with First 5 LA. If not outlined in the Bylaws, a Board Resolution or Partnership Agreement must be submitted, as applicable, that indicates signature authority. Applicants must submit one original form signed in **blue** ink.

H. Board Resolution (Appendix I): Include, as needed, to support the authority of persons listed on Signature Authorization Form (Appendix F).

I. Résumé or Curriculum Vitae for Applicant(s): Provide a detailed professional résumé for each key staff person expected to work on the project, outlining all relevant work history, educational attainment, publications, prior research projects, etc. Include the résumés for subcontractors as well. All subcontractors must be clearly identified and approved by First 5 LA prior to commencing work.

J. Memorandum of Understanding (MOU) (Appendix H): If a subcontractor or unpaid collaborator will be used to render any of the services under this application, the applicant must submit an MOU. MOUs may also be submitted after the Contract for the contract has begun.

- K. Independent Financial Audit: The applicant must include the most recent independent financial audit including the following:
- Management Letter
 - Auditor's Report
 - Statement of Financial Position (Balance Sheet)
 - Statement of Activities (P/L, Income and Expenses Report)
 - Statement of Cash Flow
 - Functional Expense Report
 - Notes to Financial Statements
 - Federal "Single Audit" (if applicable)

Submission Process

Applicants are required to submit one application in the following manner:

- All documents listed on application checklist should be uploaded with the online application.
- All forms that require signatures must be signed in **blue** ink. Signature stamps are **not** acceptable. Please submit one (1) original and signed copy of the "Application Cover Letter," First 5 LA's "Signature Authorization," and "Agency Involvement in Litigation and/or Contract Compliance Difficulties" forms to the address listed on application checklist.
- All supporting materials must include the name of the applicant.

VIII. SELECTION PROCESS AND REVIEW CRITERIA

Selection Process

1. First 5 LA staff will evaluate all applications for completeness and minimum qualifications. Basic requirements include: timely receipt of application, inclusion of all appropriate attachments, etc. Applications with omissions of any required documentation are subject to disqualification. Applicants may use the Application Checklist (Page 16) as an aid in preparing the application. Please note that the Application Checklist is merely an aid.
2. After initial review, applicant's qualifications will be evaluated and scored by a panel of 3 external reviewers. *(Please see Appendix H for Qualification Review Tool)*
3. As a public entity, the Commission has a responsibility to the public to ensure that the organizations selected are financially stable to provide services. Further written materials regarding the financial stability of the agency may be requested by our finance department prior to the interview.
4. Some or all of the applicants who have submitted complete and responsive applications may be interviewed. Interviews are scheduled to be held on dates shown in Section I (Timeline for Selection Process). These dates are subject to change at First 5 LA's sole discretion. Interviews will be held either at First 5 LA or via phone. Further written materials regarding qualifications may be requested prior to the interview.
5. As part of this review process, the panel may contact an applicant's references.



First 5 LA reserves the right, without prejudice, to reject any or all submitted qualifications. An appeals process is not available — all decisions of First 5 LA are final.

IX. CONTRACTUAL CONSIDERATIONS

Specific contractual considerations, including but not limited to the following, apply to RFQ submission process and project implementation and to any contracts that result from the submission and implementation of the project/proposal. The contractor will need to comply with all of the provisions in the attached sample contract (See Sample Contract).

A. *Conflict of Interest*

The selected Contractor will be required to comply with the Commission's Conflict of Interest provisions, as outlined in the contract, and as applicable under California Law. Contractor acknowledges that he/she/it is acting as public official pursuant to the Contract and shall therefore avoid undertaking any activity or accepting any payment, employment or gift from any third party that could create a legal conflict of interest or the appearance of any such conflict. A conflict of interest exists when one has the opportunity to advance or protect one's own interest or private interest of others, with whom one has a relationship, in a way that is detrimental to the interest, or potentially harmful for the integrity or fundamental mission of the Commission. Contractor shall maintain the confidentiality of any confidential information obtained from the Commission during the Contract and shall not use such information for personal or commercial gain outside the Contract. By agreeing to the Contract and accepting financial compensation for services rendered hereunder, Contractor agrees that he/she/it will not subsequently solicit or accept employment or compensation under any program, grant or service that results from or arises out of the funded project and related initiative(s). During the term of the Contract and for one year thereafter, Contractor will not knowingly solicit or accept employment and/or compensation from any Commission collaborator or Contractor without the prior written consent of the Commission.

B. *Compliance*

Current/Former grantees and/or Contractors must be in good standing and in compliance with all aspects of their contract with the Commission in order to be eligible to apply for the current Request for Qualifications (RFQ). The Commission may deem an applicant ineligible if it finds in its reasonable discretion, that applicant has done any of the following, including but not limited to: (1) violated any significant terms or conditions of Grant Agreement/Contract; (2) committed any act or omission which negatively reflects on Applicant's quality, fitness or capacity to perform services listed in RFQ with the Commission or any other public entity, or engaged in a pattern or practice which negatively reflects on the same; (3) committed an act or offense which indicates a lack of business integrity or business dishonesty; or (4) made or submitted a false claim against the Commission or any other public entity.

C. *Contract Information*

1. The Commission may, at its sole discretion, reject any or all submissions in response to this RFQ. The Commission also reserves the right to cancel this RFQ, at its sole discretion, at any time before execution of a contract. The Commission shall not be liable for any costs incurred in connection with the preparation of any submissions in response to this RFQ. Any cover letters, résumés and/or curriculum vita, including attached materials, submitted in response to this RFQ shall become property of the Commission and subject to public disclosure.
2. The agency/organization submitting an application agrees that by submitting an application it authorizes the Commission to verify any or all information and/or references given in the application.
3. The Commission reserves the right, after contract award, to amend the resulting contract, scope of work, and any other exhibits as needed throughout the term of the contract to best meet the needs of all parties.
4. The Commission reserves the right to request additional financial information to verify applicant's past and current financial status. This information includes, but is not limited to: the most recent independent audit ending Calendar Year 2009 Fiscal Year June 30, 2009, Cash Flow Statement, Statement of Activities (Income Statement), and Statement of Financial Position (Balance Sheet).
5. Consistent with the intent of Proposition 10: California Children and Families Act of 1998, no monies for this Project may be used to supplant Federal, State, County and/or other monies available to the organization for any purpose. Activities funded under this proposal must be new or enhancements to existing activities.
6. The award of a contract by the Commission to an individual/agency/organization that proposes to use subcontractors for the performance of work under the contract resulting from this application process shall not be interpreted to limit the Commission's right to approve subcontractors, assemble teams and/or assign leads. Each applicant will be evaluated independently for added value to the overall team. A copy of executed subcontract(s) related to Program funding must be provided to the Commission.
7. The selected Contractor will be required to sign the contract at least two (2) weeks prior to the intended start date of the contract, as outlined in Terms of Contract section, to assure the timely completion of the signature process by all parties. If the contract is not signed prior to the intended start date, the commencement of any activities under the Scope of Work will not begin until the contract execution date (the date all parties have signed the contract) and Contractor will not be eligible to obtain reimbursement for any costs incurred prior to the contract execution date, unless otherwise approved by the Commission. If this Contract is not signed within the thirty-day (30) period from the intended start date, the Commission has the right to withdraw the contract award. Any agreed upon changes to the intended start date must be confirmed in writing by both parties.
8. Unless otherwise submitted during the application process, the selected Contractor will be required to submit the required documentation listed on the Contractor Checklist,



which includes, but not limited to, the following documents before the Contract can be fully executed:

- Agency Involvement in Litigation and/or Contract Compliance Difficulties Form
 - By-laws (if applicable)
 - Articles of Incorporation (if applicable)
 - Board of Directors or List of Partners (as applicable)
 - Signature Authorization Form
 - Form RRF-1 (required and filed annually with the California Attorney General's Registry of Charitable Trusts) and IRS Form 990 (if applicable)
 - Annual Independent Audit for prior fiscal year or calendar year (if applicable)
 - Appropriate business licenses (for vendors or private organizations)
 - IRS Letter of Determination (if applicable) or completed IRS Form W-9
 - Memorandums of Understanding (for any sub-contractors, collaborators, and/or partners listed under Contracted Services and Evaluation sections of Exhibit B – Budget Forms)
 - Certificates of Insurance for all insurance requirements outlined in the contract.
9. The sample contract and contracting requirements are attached (See Sample Contract). If successful, the Contractor will be required to meet all of the terms and provisions set forth in these documents and within the timeframe identified.