

**FIRST 5 COMMISSION OF SAN DIEGO**  
**1495 Pacific Highway, Suite 201 MS A-211**  
**San Diego, CA 92101-2417**  
**(619) 230-6460**

**Members Present:**

Fred Baranowski  
Andrew Pease  
Grace Chan  
Roger Gordon  
Brian Hagerty  
Robert Yarris

**Also Present:**

Barbara Jiménez, Executive Director  
Martin Cherry, Operations Manager  
Naomi Chávez, Fiscal Manager  
Rosa Lemus, Board Secretary

**Guest from**

**Moss, Levy & Hartzheim, LLP:**  
Jay Siegel, Senior Auditor

**Excused:**

David Smith

**Finance Committee Meeting**  
**Minutes for September 27, 2011**

**1. Call to Order and Introductions**

Chairman Baranowski called the Finance Committee meeting to order at 9:30 am. He asked the members to introduce themselves.

Staff member Martin Cherry reported that Naomi Chávez has accepted a new assignment as the Community Engagement and Planning Manager for First 5 San Diego. He also reported that Victor Crandall is the new Fiscal Manager who will be reporting on October 7, 2011.

**2. Opportunity for Public Comments**

There were no public comments received.

**3. Recusal Reminder**

Chairman Baranowski reminded the Finance Committee Members to recuse themselves from voting on any agenda items that have a real or perceived conflict of interest. He asked the members to review the list of contractors and sub-contractors in their packets to ensure that they do not have any conflicts of interest.

**4. Approval of Finance Committee Meeting Minutes - May 17, 2011**

**ON MOTION OF Member Yarris, seconded by member Pease, the Committee approved the minutes for the May 17, 2011 meeting.**

**AYES: Baranowski, Pease, Chan, Gordon, Hagerty, Yarris**

**ABSENT: None**

**ABSTAIN:None**

**NOES: None**

**5. Independent Financial Audit Report for FY 2010-11**

Jay Siegel from Moss, Levy & Hartzheim, LLP gave an overview of the Audit Report. He reported that there are no findings on compliance or internal controls over financial reporting. The auditor also reported that no deficiencies were found in the First 5 Commission of San Diego operations.

Mr. Siegel reviewed the draft audit report with the Finance Committee and answered questions from Committee members. The auditor also reported that the AB 99 funds requirement is accrued as an expense in the audited financial statements since AB 99 had been signed into law as of June 30, 2011. The audit also includes the auditor's report on state compliance at the end of the report.

The Finance Committee dismissed Commission staff members and met alone with the auditor.

**ON MOTION OF Member Pease, seconded by member Yarris, the Committee approved the acceptance of the FY 2010-11 Independent Financial Audit Report prepared by Moss, Levy & Hartzheim, LLP.**

**AYES: Baranowski, Pease, Chan, Gordon, Hagerty, Yarris**

**ABSENT: None**

**ABSTAIN:None**

**NOES: None**

**6. Commission Financials - FY 2010-11 Final Report & August 31, 2011 Balance Sheet**

The Finance Committee reviewed and discussed the Comparative Statement of Revenues and Expenditures which includes Year-End Closing Analysis for FY 2010-11, and the Balance Sheet as of August 31, 2011 for FY 2011-12.

**ON MOTION OF Member Pease, seconded by member Yarris, the Committee approved the Commission Financials.**

**AYES: Baranowski, Pease, Chan, Gordon, Hagerty, Yarris**

**ABSENT: None**

**ABSTAIN:None**

**NOES: None**

**7. Executive Director Report**

Executive Director Jiménez reported that the Fresno Superior Court heard several arguments on August 30, 2011 regarding the legality of AB 99 in response to a lawsuit filed by twelve First 5 county commissions against Governor Jerry Brown. At the conclusion of the hearing, the Judge did not issue a ruling, and stated that a decision may take up to 90 days.

Executive Director Jiménez also reported that the commission staff has implemented a quarterly dashboard which is a tool that provides the Commission with updates on the performance of First 5 San Diego projects. She reported that First 5 San Diego has implemented a policy which prevents contractors from rolling over unspent funds from one year to the next, except under special circumstances that would require the Executive Director approval.

**8. Future Agenda Items**

- 1<sup>st</sup> Quarter report & budget projections
- Investment policy – annual review

**9. Adjournment**

Chairman Baranowski adjourned the meeting at 10:16 a.m. to reconvene on October 18, 2011.