



FIRST 5 ALAMEDA COUNTY COMMISSION MEETING AGENDA

Thursday, February 15, 2024

9:00 AM – 11:30 AM

First 5 Alameda County

1115 Atlantic Avenue

Alameda, CA 94501

Conference Room A

Members of the public may access the meeting
via Zoom Meeting ID: 839 9021 3992 Passcode: 024734

Commissioners:

Chair: Renee Herzfeld, Vice Chair: Cecilia Oregón, Clarissa Doutherd, Andrea Ford,
Tomás A. Magaña M.D., Karina Moreno, Lena Tam, Kimi Watkins-Tartt

Alternates: George Ayala, Anissa Basoco-Villarreal, Serena Chen

1. Call to Order

Commission Chairperson Renee Herzfeld will call this meeting to order at 9:00 AM.

2. Public Comment

This portion of the meeting is reserved for persons desiring to address the Commission on any matter not on the agenda. Speakers are limited to three minutes except as otherwise ordered by the Chairperson.

3. Consent Calendar

The consent calendar may be voted on in one motion. Commissioners may pull any consent item for discussion or separate vote.

- a. Approve Commission Meeting Minutes from December 14, 2023
- b. Approve Fiscal Year 2023-25 Contract Authorization

4. Communication from Commissioners

5. Receive February 8, 2024 Executive Committee Report

6. Receive Staff Announcements

- a. General Staff Announcements

7. Elect Chair and Vice-Chair for Calendar Year 2024

Recommended Action: Elect Chair and Vice-Chair for Calendar Year 2024

8. Approve Fiscal Year 2023-24 Mid-Year Financial Report and Proposed Budget Modifications

Recommended Action: Approve the Fiscal Year 2023-24 Mid-Year Financial Report and Proposed Budget Modifications

9. Approve Fiscal Year 2023-24 Mid-Year Investment Report and Presentation

Recommended Action: Approve the Fiscal Year 2023-24 Mid-Year Investment Report

10. Receive First 5 California Presentation by Jackie Wong, First 5 California Executive Director

11. Receive First 5 California Commission and First 5 Association Updates

12. Receive Legislation and Public Policy Updates

13. Adjournment

Information about access:

Please contact Julia Otani at julia.otani@first5alameda.org or (510) 227- 6987 three business days in advance if you need special assistance or translation/interpretation support so we can make reasonable arrangements to ensure accessibility. We will swiftly resolve any requests for accommodation to resolve any doubt whatsoever in favor of accessibility.



**First 5 Alameda County Commission Meeting
December 14, 2023, 9:00 AM – 11:30 AM
Zoom Webinar Meeting ID: 836 9139 6968**

Commissioners Present: Chair Renee Herzfeld, Vice Chair Cecilia Oregón, Tomás A. Magaña M.D., Clarissa Doutherd, Karina Moreno
 Alternates Present: George Ayala, Anissa Basoco-Villarreal, Serena Chen
 Not present: Lena Tam, Andrea Ford, Kimi Watkins-Tartt
 First 5 Staff Present: Kristin Spanos, Vanessa Cedeño Geisner, Christine Hom, Cally Martin, Laura Schroeder, Kristen Burmester, Jody Talkington
 Guest Presenters: Jennifer Caban

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
1. CALL TO ORDER AND ROLL CALL			
R. Herzfeld	The Commission meeting was called to order by Chair Herzfeld who gaveled in at 9:08 AM. Chair Herzfeld shared that the meeting was being recorded and conducted roll call. Commissioners Herzfeld, Oregón, Magaña, Doutherd, Moreno, and Alternate Chen stated their names to indicate that they were present for the meeting.	None	None
2. PUBLIC COMMENT			
R. Herzfeld	There was no Public Comment.	None	None
3. APPROVAL OF COMMISSION MEETING MINUTES FROM OCTOBER 12, 2023			
R. Herzfeld	[Attachment] Chair Herzfeld asked if there was any public comment before taking a vote to approve. Chair Herzfeld facilitated the vote to approve the Commission Meeting Minutes from October 12, 2023.	Motion: Tomás Magaña Second: Karina Moreno No Abstentions. Motion passed.	None
4. COMMUNICATION FROM COMMISSIONERS			
R. Herzfeld	There was no communication from Commissioners.	None	None
5. RECEIVE DECEMBER 7, 2023 EXECUTIVE COMMITTEE REPORT			
C. Oregón	Vice Chair Oregón reported that the Executive Committee met on December 7, 2023. The Committee received general agency updates from the CEO; adopted the 2024 Executive Committee Final Calendar; approved the October 5, 2023 meeting minutes; reviewed and approved the FY 2023-24 and FY 2023-25 Contract Authorizations; and reviewed and recommended to the Commission approval of the 2024 Cost of Living Adjustment (COLA) recommendation.	None	None
6. STAFF ANNOUNCEMENTS			
K. Spanos	[Attachment] Ms. Spanos presented the Staff Announcements. a. Receive General Staff Announcements	Alternate Ayala arrived at 9:15am. Alternate Basoco-Villarreal arrived at 9:35am.	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
7. ADOPT 2024 COMMISSION FINAL CALENDAR			
R. Herzfeld	[Attachment] Chair Herzfeld asked if there was any public comment before taking a vote to adopt. Chair Herzfeld facilitated the vote to adopt the 2024 Commission Final Calendar.	Motion: Serena Chen Second: Clarissa Doutherd No Abstentions. Motion passed.	None
8. APPROVAL OF FISCAL YEAR 2023-25 CONTRACT AUTHORIZATION			
C. Hom	[Attachment] C. Hom presented the Fiscal Year 2023-25 Contract Authorization. Chair Herzfeld asked if there was any public comment before taking a vote to approve. Chair Herzfeld facilitated the vote to approve the Fiscal Year 2023-25 Contract Authorization.	Motion: Cecilia Oregón Second: Tomás Magaña No Abstentions. Motion passed.	None
9. APPROVAL OF 2024 COST OF LIVING ADJUSTMENT (COLA) RECOMMENDATION			
C. Martin	Ms. Martin presented the 2024 Cost of Living Adjustment (COLA) recommendation. Chair Herzfeld asked if there was any public comment before taking a vote to approve. Chair Herzfeld facilitated the vote to approve the 2024 Cost of Living Adjustment (COLA) recommendation.	Motion: George Ayala Second: Cecilia Oregón No Abstentions. Motion passed.	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
10. APPROVAL OF THE FIRST 5 ALAMEDA COUNTY FISCAL YEAR 2022-23 ANNUAL REPORT TO FIRST 5 CALIFORNIA			
L. Schroeder	Ms. Schroeder presented the First 5 Alameda County FY 2022-23 Annual Report to First 5 California. Chair Herzfeld asked if there was any public comment before taking a vote to approve. Chair Herzfeld facilitated the vote to approve the the First 5 Alameda County FY 2022-23 Annual Report to First 5 California.	Motion: Cecilia Oregon Second: Clarissa Doutherd No Abstentions. Motion passed.	None
11. RECEIVE FIRST 5 ALAMEDA COUNTY FISCAL YEAR 2022-23 ANNUAL REPORT PRESENTATION			
K. Spanos	[Attachment] Ms. Spanos shared that the First 5 Alameda County FY 2022-23 Annual Report is available in a multi-media format on the First 5 Alameda County website and touched on a few key highlights of the great work that happened in the Agency in the past fiscal year.	None	None
12. RECEIVE OAKLAND CHILDREN'S INITIATIVE EARLY EDUCATION FUND PRESENTATION			
K. Spanos K. Burmester J. Cabán J. Talkington	[Attachment] Ms. Spanos, Ms. Burmester, Ms. Cabán and Ms. Talkington presented the Oakland Children's Initiative Early Education Fund Presentation.	None	None
13. RECEIVE FIRST 5 CALIFORNIA COMMISSION AND FIRST 5 ASSOCIATION UPDATES			
	[Attachment] Ms. Spanos noted that a written update of the First 5 California Commission and First 5 Association Updates was included in the meeting packet.	None	None
14. RECEIVE LEGISLATION AND PUBLIC POLICY UPDATES			
	[Attachment] Ms. Spanos noted that a written update of the Legislation and Public Policy Updates was included in the meeting packet.	None	None
14. ADJOURNMENT			
R. Herzfeld	Chair Herzfeld adjourned the meeting and gavelled out at 11:32 AM.	None	None

Respectfully Submitted By: Julia Otani, Executive Assistant



To: First 5 Alameda County Commission

From: Christine Hom, Chief Operating Officer
Maria Canteros, Senior Administrator, Finance

Date: February 15, 2024

Subject: FY 2023-25 Contract Authorization

REQUESTED ACTION

To review the following contract authorization.

BACKGROUND

Per our Financial Policies, Section VII. Purchasing and Contracting, the Commission must approve contract/award amounts over \$300,000 in aggregate. The following award requires specific authorization from the Commission.

Olson Remcho, LLP – \$200,000

First 5 Alameda County is requesting approval of a sole source FY 2023-24 \$200,000 contract amendment with Olson Remcho, LLP to provide legal consultation on an as needed basis.

Olson Remcho currently has a FY 2023-25 \$320,000 contract (FY 2023-24: \$200,000, FY 2024-25: \$120,000) and the addition of \$200,000 brings the aggregate amount for FY 2023-24 to \$400,000 for which Commission approval is needed.

Fiscal Impact: Funding is budgeted and provided by Proposition 10 and the contract with the City of Oakland for the Oakland Children’s Initiative (OCI) where First 5 serves as the Early Education Fund Implementation Partner.

Action requested: Approve an aggregate FY 2023-25 award amount of \$520,000 for Olson Remcho, LLP.

RECOMMENDATION

That the Commission approve the above Contract Authorization.

Submitted by:

DocuSigned by:
Christine Hom
5659DE0B756A46A
Christine Hom
Chief Operating Officer

Approved by:

DocuSigned by:
Kristin Spanos
ED639D4561544E4...
Kristin Spanos
Chief Executive Officer

DocuSigned by:
Maria Canteros
8493762444274E9...
Maria Canteros
Senior Administrator, Finance

Reviewed by:

DocuSigned by:
Cally Martin
E38237316EC4482...
Cally Martin
Deputy Chief Executive Officer

DocuSigned by:
Nick Zhou
9CAD6F2B98B34RC
Nick Zhou
Chief Financial Officer



FIRST 5 ALAMEDA COUNTY EXECUTIVE COMMITTEE MEETING AGENDA

Thursday, February 8, 2024
11:00 AM – 12:30 PM

First 5 Alameda County
1115 Atlantic Avenue
Alameda, CA 94501
Conference Room E

Members of the public may access the meeting via
 Zoom Meeting ID: 829 5949 9552 Password: 294864

Commissioners:

Chair: Renee Herzfeld, Vice Chair: Cecilia Oregón, Tomás Magaña

1. Public Comment

This portion of the meeting is reserved for persons desiring to address the Executive Committee on any matter not on the agenda. Speakers are limited to three minutes except as otherwise ordered by the Vice Chair.

2. Staff Announcements

- a. General Staff Announcements
- b. CEO Contract Authorizations

3. Approval of Executive Committee Minutes from December 7, 2023

Recommended Action: Approve minutes from December 7, 2023 Executive Committee meeting

4. Approve Annual Revisions to Governance Policies

Recommended Action: Approve annual revisions to governance policies:

- a. Financial Policies
 - i. Risk Management and Internal Control
 - ii. Debt Management
 - iii. Employee Travel and Reimbursements
 - iv. Payroll
 - v. Agency Credit Card
 - vi. Revenue Accounting
 - vii. Administrative Cost
 - viii. Cash Collections and Disbursements
 - ix. Purchasing and Contracting
- b. Agency Policy
 - i. Records Retention Schedule

Information about access:

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5. Approve Revisions to First 5 Employee Handbook

Recommended Action: Approve revisions to First 5 Employee Handbook

6. Recommend Fiscal Year 2023-25 Contract Authorization

Recommended Action: Recommend to the Commission approval of the Fiscal Year 2023-25 Contract Authorization

7. Recommend Fiscal Year 2023-24 Mid-Year Financial Report and Proposed Budget Modifications

Recommended Action: Recommend to the Commission approval of the Fiscal Year 2023-24 Mid-Year Financial Report and Proposed Budget Modifications

8. Recommend Fiscal Year 2023-24 Mid-Year Investment Report

Recommended Action: Recommend to the Commission approval of the Fiscal Year 2023-24 Mid-Year Investment Report

9. Adjournment

Information about access:

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FY 2023-24 CEO-Approved Contracts List
 CEO Contract Authorizations and Amendments

Original Award, approved by Commission (6/22/23)							New Contracts or Augmentations, approved by CEO (12/8/23-2/8/24)			Contractor Aggregate Amount	
Strategy	Award Number	Contractor	Contract Start Date	Contract End Date	Original Description of Scope of Work	Amount	New Award, Amendment or Ancillary Amount	New Total Contract Amount	Description of New Contract or Added Scope of Work	Executive Committee Approval >\$150,000	Commission Approval >\$300,000
Human Resources	OS-HRE-2324-260	Aleshire & Wynder, LLP	11/1/2023	6/30/2024	Funding to provide human resources legal services and consultation on an as-needed basis.	\$ 25,000.00	\$ 102,000.00	\$ 127,000.00	Funding to provide human resources legal services and consultation on an as-needed basis.	No	No
Parent Partnerships	PS-PAP-2324-230	Cities & People Partners	7/1/2023	1/31/2024	Funding to facilitate a planning process with First 5's Neighborhoods Ready for School (NRFS) grantees to: build off accomplishments of the first four years of funding and recalibrate efforts from the emergency response to COVID-19; develop a neighborhood-specific four-year plan for each NRFS grantee that supports First 5's Strategic Plan goals; articulate the impact of the NRFS strategy and work to position grantees for scaling and additional investments; align NRFS priorities with other county place-based initiatives and systems integration/partnership opportunities in service to families.	\$ 72,820.00	\$ 47,980.00	\$ 120,800.00	Additional funding to provide technical assistance and capacity building support to the NRFS grantees and First 5 staff in implementing the work outlined in the new, proposed four-year plans and data profiles. Extending contract through June 30, 2024.	No	No
						\$ 97,820.00	\$ 149,980.00	\$ 247,800.00			



First 5 Alameda County Executive Committee Meeting
December 7, 2023, 11:00 AM - 12:30 PM
Zoom Webinar Meeting ID: 812 4321 7959

Commissioners Present: Chair: Renee Herzfeld, Vice Chair: Cecilia Oregón
 Not Present: Tomás A. Magaña, M.D
 First 5 Staff Present: Kristin Spanos, Cally Martin, Vanessa Cedeño Geisner, Christine Hom, Maria Canteros

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
CALL TO ORDER & ROLL CALL			
C. Oregón	The meeting was called to order by Vice Chair Oregón who gavelled in at 11:07 AM and stated that the meeting was being recorded. Commissioners Herzfeld and Oregón stated their names to indicate they were present for the meeting.	None	None
1. PUBLIC COMMENT			
C. Oregón	There was no Public Comment.	None	None
2. STAFF ANNOUNCEMENTS			
K. Spanos	[Attachment] a. General Staff Announcements Ms. Spanos presented the General Staff Announcements.	None	None
3. ADOPTION OF 2024 EXECUTIVE COMMITTEE FINAL CALENDAR			
C. Oregón	[Attachment] Vice Chair Oregón asked if there was any public comment before taking a vote to adopt. Vice Chair Oregón facilitated the vote to adopt the 2024 Executive Committee Final Calendar.	Motion: Renee Herzfeld Second: Cecilia Oregón No Abstentions. Motion passed.	None
4. APPROVAL OF EXECUTIVE COMMITTEE MINUTES FROM OCTOBER 5, 2023			
C. Oregón	[Attachment] Vice Chair Oregón asked if there was any public comment before taking a vote to approve the minutes. Vice Chair Oregón facilitated the vote to approve the October 5, 2023 Executive Committee Meeting minutes.	Motion: Renee Herzfeld Second: Cecilia Oregón No Abstentions. Motion passed.	None
5. APPROVAL OF FISCAL YEAR 2023-24 AND 2023-25 CONTRACT AUTHORIZATIONS			
C. Hom	[Attachment] Ms. Hom presented the FY 2023-24 and 2023-25 Contract Authorizations. Vice Chair Oregón asked if there was any public comment before taking a vote to approve. Vice Chair Oregón facilitated the vote to approve the FY 2023-24 and 2023-25 Contract Authorizations.	Motion: Renee Herzfeld Second: Cecilia Oregón No Abstentions. Motion passed.	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
6. APPROVAL OF 2024 COST OF LIVING ADJUSTMENT (COLA) RECOMMENDATION			
C. Martin	[Attachment] Ms. Martin presented the 2024 Cost of Living Adjustment (COLA) recommendation. Vice Chair Oregón asked if there was any public comment before taking a vote to recommend. Vice Chair Oregón facilitated the vote to recommend that the 2024 Cost of Living Adjustment (COLA) recommendation be brought to the Commission for approval.	Motion: Renee Herzfeld Second: Cecilia Oregón No Abstentions. Motion passed.	The 2024 Cost of Living Adjustment (COLA) Recommendation will be brought to the full Commission for final review and approval.
7. ADJOURNMENT			
C. Oregón	Vice Chair Oregón gaveled out and adjourned the meeting at 11:32 AM.	None	None

Respectfully Submitted By: Julia Otani, Executive Assistant



To: First 5 Alameda County Executive Committee

From: Christine Hom, Chief Operating Officer
Nick Zhou, Chief Financial Officer
Maria Canteros, Senior Administrator, Finance

Date: February 8, 2024

Subject: Revision to First 5 Alameda County Financial Policies

ACTION REQUESTED

Review and approve revisions to the Financial Policies.

BACKGROUND

First 5 Alameda County (F5AC) originally adopted Financial Policies on June 24, 2004. The policies are reviewed by staff on at minimum an annual basis and revisions are brought to the Executive Committee for consideration and approval as necessary. F5AC Finance staff worked with Kevin Harper, CPA, and James Harrison, agency legal counsel to review the agency's financial policies and procedures to ensure compliance with state and federal law, current GAAP and GASB accounting standards and industry best practices.

Staff is proposing the addition of the following financial policies to be effective February 8, 2024.

Risk Management and Internal Control

- This information was in part previously included in the F5AC Procedures Manual and we are recommending this new policy to establish guidelines to ensure that F5AC maintains a strong risk management program and internal control system focused on accountability and oversight of operations. This policy includes activities such as risk identification, evaluation, mitigation, documentation, program review and an outline of the internal control system and roles and responsibilities of leadership and staff.

Debt Management

- This new policy establishes guidelines for the issuance and management of debt by F5AC and establishes the maximum amount of permissible debt. This policy includes guidelines for the repayment of debt, debt amount, adherence to laws and regulations and internal controls and ethical standards.

Employee Travel and Reimbursements

- This information was in part previously included in the F5AC Procedures Manual and we are recommending this new policy to establish guidelines for the reimbursement of travel and related expenses incurred by employees of F5AC. The policy outlines eligible expenses for conferences and professional development, lodging, meals, transportation, mileage, incidental expenses, compliance, and approvals required.

Payroll

- This new policy establishes guidelines and responsibilities for ensuring accurate, timely, and compliant payroll processing for F5AC employees. The policy outlines timesheet and data management, pay frequency, processing method, adjustments, reporting, wire transfers, compliance, training, and communication to staff.

Agency Credit Card

- This information was in part previously included in the F5AC Procedures Manual and we are recommending this new policy to establish guidelines for the use and management of agency credit cards. The policy outlines the issuance and approved usage, payments, departmental management, compliance, oversight, training, and communication to staff.

Staff is proposing updates to the following existing financial policies to be effective February 8, 2024.

Revenue Accounting

- This updated policy includes revenue received from the City of Oakland's Children's Initiative (OCI) to be classified as restricted and tracked as a Special Revenue Fund. The revenue collected by the City of Oakland and disbursed to F5AC via a contract will be used and tracked for the restricted purpose.

Administrative Cost

- This updated policy includes guidelines for the methods and procedures to allocate indirect costs to various programs, grants and cost centers through a central service cost allocation plan. The policy outlines plan objectives, defines direct, indirect and administrative costs, proposed cost allocation methodology as well as review and documentation of the plan.

Cash Collections and Disbursements

- This updated policy includes revisions stating that the requestor shall not be the approver for disbursements and replacing "Finance Officer" with "Chief Financial Officer" to perform and review bank reconciliations on a timely basis.

Purchasing and Contracting

- This updated policy includes but is not limited to revisions replacing "Director of Finance, Operations and Technology" with "Deputy Chief Executive Officer" for the solicitation and signature of awards. The policy also updates "Finance Officer" with "Chief Financial Officer" to receive solicitation appeals and serve as the Appeals Officer.

Staff also propose adding language to the comprehensive Financial Policies that each section will be reviewed annually and brought to the Executive Committee on an as needed basis for revisions.

The proposed new and revised policies are included as attachments. Revisions to existing policies are shown in track changes for easy identification of proposed edits.

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Approve revisions to the Financial Policies.

The Commission adopted revisions to the Bylaws on May 26, 2022 to delegate authority to the Executive Committee to “review and approve governance-related policies and procedures including fiscal, administrative, operations and human resources, including approving the compensation of the CEO on an annual basis”.

Submitted by:

DocuSigned by:
Maria Canteros
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Maria Canteros
Senior Administrator, Finance

DocuSigned by:
Nick Zhou
9CAD6F2B98B34BC...

Nick Zhou
Chief Finance Officer

DocuSigned by:
Christine Hom
5659DF0B756A46A...

Christine Hom
Chief Operating Officer

Approved by:

DocuSigned by:
Kristin Spanos
ED639B4561544E4...

Kristin Spanos
Chief Executive Officer

Reviewed by:

DocuSigned by:
Cally Martin
F38237346EC4482...

Cally Martin
Deputy Chief Executive Officer

I. RISK MANAGEMENT AND INTERNAL CONTROL

ADOPTED 2/8/2024

I. Purpose

This policy provides guidelines to ensure that F5AC maintains a strong risk management program and internal control system focused on accountability and oversight of operations to reasonably assure that F5AC:

- Identifies, assesses and controls the primary risks that could keep it from achieving its mission, goals and objectives;
- Safeguards assets;
- Provides accurate and reliable financial information;
- Operates efficiently and effectively; and
- Adheres to applicable laws, regulations, policies, and contracts.

II. Risk Management

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) developed an internal control framework that is the most commonly used framework by organizations. It defines enterprise risk management as:

“...a process, effected by an entity’s board of directors, management and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity, and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of entity objectives.”

Effective risk management ensures the continuity of government operations. The Chief Financial Officer (CFO) shall coordinate an organization-wide risk assessment with the Deputy Chief Executive Officer (DCEO), Chief Operating Officer (COO) or designee once every three years. Following are the key steps in the risk assessment project:

1. Risk Identification – F5AC management and employee experts shall identify risks that could keep it from meeting its mission, goals and objectives. Risk identification should identify at a minimum the exposures in each of these areas:

- Physical environment (natural or man-made disasters and infrastructure);
- Legal environment (laws and legal precedents) and litigation risks;
- Operational environment (day-to-day activities and actions within F5AC, including services provided and workforce demographics);
- Political environment (legislative activity, elections);
- Social environment (socio-economic composition of the community);
- Economic environment (market trends, interest rates);
- Internal environment (the attitude of individuals towards risk);
- Cybersecurity (protecting sensitive data); and
- Emerging risks.

2. Risk Evaluation – The frequency and severity of identified risks should be estimated by management and employee experts. Risks should be prioritized based on their estimated frequency and severity. For each key risk, senior management should determine whether controls already in place are adequate to mitigate the risk to an acceptable level.

3. Risk Mitigation – For risks that senior management determines are not adequately mitigated, the next step is to decide how best to treat the exposures. Management may select a variety of risk responses, including:

- Accept the risk – Revise F5AC’s tolerance for risk and conclude that the resulting exposure is acceptable. “Accept” is best used for risks related to F5AC’s core activities.
- Avoid the risk – Change the objective so F5AC is no longer exposed to the risk. In other words, don’t perform the activity that gives rise to the risk. “Avoid” is best used for risks that are not related to the government’s core activities.
- Control the risk – Enhance internal controls so the resulting exposure is managed to an acceptable level. “Control” is best used for risks with high likelihood of occurrence and/or that recur regularly.
- Transfer the risk – Transfer the risk to another party through contract, ordinance, insurance, or public-private partnership. “Transfer” is frequently used when activities are being provided jointly with a contractor, subrecipient, or partner.

4. Documentation and Program Review

The tri-annual risk assessment shall be documented in a Risk Assessment Report and presented to the Commission. It shall include:

- List of key risks identified;
- List of key controls already in place to mitigate each risk identified;
- Management conclusion whether each key risk is adequately mitigated; and
- An action plan to further mitigate risk for any key risk concluded as not being adequately mitigated.

Between tri-annual risk assessments, F5AC senior management shall continually (a) scan the environment for emerging risks, (b) consider changes to the expected frequency and severity of identified risks based on new information, and (c) evaluate the effectiveness of risk mitigation activities. The risk management model and related risk mitigation strategies shall be updated accordingly.

III. Internal Control System

F5AC shall implement an effective system of internal controls, which includes, but is not limited to:

- **Segregation of Duties** – To prevent the occurrence of undetected errors or fraud, responsibilities shall be divided so that one individual does not control all aspects of a transaction;
- **Safeguarding Assets** – Assets shall be kept secure at all times to prevent unauthorized access, loss or damage;
- **Employee Competence** – Employees shall be selected and trained to ensure they are competent to perform their assigned tasks and act with professional integrity;
- **Safeguarding Information** – Personal and private information shall be protected against anticipated threats to its security or integrity, and guard against unauthorized access and use;
- **Review and Approval** – Every important process and transaction shall be reviewed and approved by a knowledgeable party who was not involved in the transaction; and

- **Documentation** – Evidence for transactions shall be maintained to support accuracy and consistency.

Internal controls, which occur throughout the organization at all levels and functions, include all plans and actions taken by F5AC to minimize the risks to achieving its mission, goals and objectives. Internal controls are the responsibility of the individuals performing F5AC's operations and every employee is responsible for ensuring that the system is effective.

An effective internal control system provides reasonable rather than absolute assurance that F5AC will achieve its mission, goals and objectives. Reasonable assurance is a concept that recognizes the cost of internal controls should not exceed the benefits. Managers must use judgment and estimates to assess cost, benefit, and risk and develop controls that support achievement of goals and adequately safeguard assets, provide reliable information, and meet compliance requirements.

IV. Roles and Responsibilities

Commission, Chief Executive Officer (CEO), and Deputy CEO

- Continue to promote a culture that embraces an effective internal control system and risk management program.
- Provide necessary resources to support the internal control system and risk management program.
- Set strategic objectives for risk management, aligning them with organizational goals.

Chief Financial Officer (CFO)

- Champion efforts related to financial risk management, including budgetary, credit, and liquidity risks.
- Ensure robust financial controls and accurate financial reporting.
- Conduct financial risk assessments and manage financial compliance.
- Coordinate with auditors for financial control verification.

Chief Operating Officer (COO)

- Oversee operational risk management, focusing on daily activities and organizational processes.
- Implement and monitor operational controls, ensuring efficiency and effectiveness.
- Conduct technology risk assessments and manage technology compliance.
- Ensure operational alignment with risk strategies and manage crisis and continuity planning.

Compliance Officer

- Lead the development and maintenance of a compliance framework to manage regulatory and legal risks.
- Conduct compliance risk assessments and audits.
- Develop policies and procedures for legal and regulatory compliance.
- Provide compliance-related training and guidance to all staff.

Directors, Officers, Administrators, Managers, and Supervisors

- Maintain and support an effective system of internal controls within their areas of responsibility.
- Create a control environment compliant with F5AC policies and procedures.
- Coordinate with the CFO, COO, and Compliance Officer in reviewing internal controls and conducting risk assessments.

- Identify and address control weaknesses, implementing corrective actions.

All Employees

- Monitor their work to ensure adherence to proper procedures and prompt error correction.
- Comply with all F5AC policies and procedures.
- Protect resources against waste, loss, unauthorized use, and misappropriation.
- Participate in education and training programs on risks and controls.
- Report breakdowns in internal controls to their supervisor.

II. DEBT MANAGEMENT

ADOPTED 2/8/2024

I. Purpose

The policy establishes guidelines for the issuance and management of debt by F5AC, and to establish the maximum amount of permissible debt.

II. Financial Planning and Analysis

F5AC will adopt and maintain financial plans for both the issuance and repayment of debt. To determine whether new debt should be issued and to structure the appropriate repayment terms for each debt issue, F5AC will:

- Identify and conservatively project the revenue sources that will be utilized to repay any debt;
- Analyze the financial impact of both the additional debt service and any additional operating expenses resulting from the improvement to assure that F5AC will have adequate resources to repay the additional debt service required by the new debt; and
- Consider the need for a new asset and its priority vs. other capital needs.

III. Purpose of Debt

F5AC will manage finances to avoid the use of short-term debt when possible. Short-term debt should be limited to borrowing to cover short-term, temporary cash flow shortages within F5AC's fiscal year through the use of bank loans or tax anticipation notes in anticipation of receipt of taxes, grants or other revenues. As a general rule, debt financing is not considered appropriate for any recurring purpose such as operating and maintenance expenditures.

Long-term debt should be issued for the acquisition, construction, or improvement of capital assets (e.g., land, buildings, infrastructure, and public improvements) that cannot be financed from current revenues or other resources. Current year budget appropriations and accumulated reserve funds should be used to minimize the amount of long-term borrowing that is required. Capital leases may be used to purchase equipment, vehicles, furniture and fixtures.

IV. Repayment of Debt

The maturity of long-term debt shall be kept as short as possible to minimize the financial impact during the life of the debt. At the same time, it should not be so short that the repayment will create an unreasonable burden. In no event shall the life of the debt or lease exceed the life of the asset(s) being financed. F5AC will maintain a debt coverage ratio of the greater of 1.15 or as specified in bond covenants.

V. Debt Amount

Annual total debt service (principal and interest) as a percentage of total budgeted expenditures will not exceed 10%. Any decision to exceed the target limit must be evaluated and approved by Commission action that includes findings articulating the reasons for exceeding the target, expectations for the length of time the total indebtedness will exceed the target, and plan for bringing total indebtedness back into policy.

VI. Adherence to Laws and Regulations

F5AC commits to issuing and managing debt in strict compliance with all applicable federal, state, and local laws and regulations. F5AC will continuously monitor legislative and regulatory developments to

ensure ongoing compliance, with periodic policy reviews and updates to reflect any changes in the legal and regulatory landscape.

VII. Internal Controls and Ethical Standards

F5AC shall establish and maintain robust internal controls to ensure legal and ethical compliance in all debt-related activities. This encompasses regular training for staff, comprehensive audit and review processes, and maintaining a high standard of transparency and ethical conduct. Any conflicts of interest will be managed and disclosed according to F5AC's conflict of interest policy. In situations where this policy conflicts with contractual obligations, regulatory or legal requirements, the latter shall take precedence, with immediate consultation from legal advisors to resolve any such conflicts.

III. EMPLOYEE TRAVEL AND REIMBURSEMENTS

ADOPTED 2/8/2024

I. Overview

This policy outlines the reimbursement of travel and related expenses incurred by employees of F5AC in the course of their duties. F5AC may also pre-pay an employee's travel expenses as approved by the Chief Executive Officer or Designee. It ensures fiscal responsibility and fairness in the reimbursement process. Accounting procedures for these areas are reflected in detail in the F5AC Procedures Manual.

II. Expense Reimbursements

Employees are reimbursed for pre-approved business expenses upon submission of an Employee Reimbursement Form with necessary receipts and supervisor approval. All forms and instructions are available on the Finance page of the Intranet.

III. Conference and Professional Development Expenses

Pre-approved conference and workshop fees, along with associated travel expenses, are reimbursable. Employees may pay upfront and seek reimbursement or use a Voucher Form for direct vendor payment.

IV. Lodging and Meals

Lodging costs are reimbursed based on the conference rate or within the Federal lodging rate for the conference site per gsa.gov and for the approved business travel days. Meal reimbursements are reimbursed by meal and the approved flat rate. These are applicable generally for travel outside the Bay Area, in conjunction with overnight stays and require prior approval by the Chief Executive Officer or Designee.

V. Transportation and Mileage

Transportation choices should be cost-effective, with reimbursements based on actual documented expenses. Mileage for use of personal vehicles is reimbursed at the IRS rate, requiring submission of driver's license and insurance proof. If an airline ticket or other travel expense was reimbursed and not used, it is the employee's responsibility to reimburse F5AC within 10 days of notification of cancellation.

VI. Incidental Expenses

Reimbursement for incidental expenses like parking, tolls, and taxis are based on actual costs, with provisions for reasonable estimates where receipts are unavailable.

VII. Compliance and Approvals

All reimbursement claims require supervisor approval. Out-of-state travel needs written pre-approval by the Chief Executive Officer or Designee. Employees must adhere to this policy and stay informed of any updates.

VIII. Prohibition of Travel Advances

F5AC does not provide travel advances under this policy.

IV. PAYROLL

ADOPTED 2/8/2024

I. Purpose and Scope

The Payroll Policy of First 5 (F5AC) outlines the procedures and responsibilities for ensuring accurate, timely, and compliant payroll processing. This policy applies to all F5AC employees and aligns with government regulations and organizational procedures.

II. Policy Details

1. **Payroll Team Responsibilities:** The designated Human Resources (HR) and Finance staff, forming the Payroll team, are responsible for the timely and accurate processing of payroll.
2. **Timesheet Management:** Employees are required to report hours worked and leave hours used each pay period. Time off requests must be submitted prior to finalizing timesheets. Timesheets are to be completed, submitted electronically, and approved by the assigned supervisor or HR staff.
3. **Employee Data Management:** Human Resources is responsible for setting up new employees in the payroll system and ensuring the completion of onboarding documents. Employees are required to enter personal data changes and benefit enrollments.
4. **Payroll Processing:** Payroll is processed bi-weekly, consistent with the County of Alameda's pay schedule. The process includes verification of timesheets, entry of updates and changes, pre-transmission auditing, and final transmission via Paycom.
5. **Pay Frequency:** Employees are paid bi-weekly, one pay period in arrears.
6. **Payment Processing:** For any reimbursements, a completed Voucher Reimbursement Form with corresponding manager approval must be submitted. The Accounts Payable (A/P) Specialist will process these after required approvals.
7. **Payroll Checks:** Payroll checks are electronic, with paper checks mailed upon request to the employee's home address on payday.
8. **Payroll Adjustments and Reporting:** The Payroll Manager reviews and saves Pay Period Reports for accuracy. Additionally, they prepare Alameda County Employees' Retirement Association (ACERA) files and Journal Entries for the bi-weekly payroll.
9. **Wire Transfers:** Certain payroll-related payments are processed via wire transfers. These are prepared, reviewed, and authorized by designated staff and signers following secure procedures.
10. **Compliance and Review:** This policy, along with associated procedures, will be reviewed regularly to ensure compliance with legal and regulatory requirements and organizational needs.
11. **Training and Communication:** Staff involved in payroll processing will receive regular training, and changes to this policy will be communicated promptly.

V. AGENCY CREDIT CARD

ADOPTED 2/8/2024

I. Purpose and Scope

This policy provides guidelines for the use and management of agency credit cards at F5AC. It aims to ensure responsible use, accurate record-keeping, and compliance with financial controls.

II. Policy Details

1. **Issuance and Use of Credit Cards:** Agency credit cards are primarily issued for transactions exceeding \$1,000, certain recurring expenses or when immediate payment is necessary. The Chief Executive Officer (CEO) must approve the issuance of any new agency credit card. The Office & Facilities Manager is responsible for managing the primary agency credit card.
2. **Requesting Credit Card Payments:** Staff requiring credit card usage for authorized purchases must provide the Office & Facilities Manager with the necessary transaction documentation, including approval and the appropriate budget code.
3. **Departmental Credit Card Management:** Additional cards may be issued by department. Each cardholder is responsible for reconciling monthly expenses, ensuring transactions are verified, properly coded, and approved. These records are then submitted timely to Accounts Payable for payment processing.
4. **Compliance and Oversight:** Cardholders must adhere to F5AC's financial policies and procedures. The Finance team oversees the use and management of all agency credit cards, ensuring policy compliance and accurate record-keeping.
5. **Training and Communication:** Staff issued with a credit card will receive training on this policy. Changes to the policy will be communicated effectively to ensure ongoing compliance and awareness.
6. **Policy Review and Update:** Regular reviews of this policy will ensure its relevance and alignment with F5AC's operational needs and financial controls.

VI. REVENUE ACCOUNTING**UPDATED 5/26/2022 ADOPTED 2/8/2024****Purpose**

The purpose of this policy is to establish and F5AC will maintain adequate control over First 5 Alameda's (F5AC) revenues for accounting and reporting purposes. The accounting process will provide for timely and accurate recording and processing of revenue transactions as well as any specific reporting required.

A. Proposition 10 Revenue

- a. Revenue received for the operation of F5AC is initiated and submitted from First 5 California the California State Children and Families Commission on a monthly basis, based on Proposition 10 funds collected by the State of California. The revenue allocated and transferred to F5AC is based on the percentage of Alameda County live births to California State live births. The funds are remitted by First 5 California directly to the Alameda County Treasury where they are placed in the Children and Families Trust Fund for F5AC.
- b. First 5 California submits a Disbursement to Counties by Month Report which reflects funds collected for the month and distributed to counties based on their percentage of live births to the total State live births. The revenue remitted by the State is reviewed and documented by Finance staff each month to determine the reasonableness of the revenue.

B. City of Oakland Measure AA Parcel Tax Revenue

Revenue received from the City of Oakland's Children's Initiative (OCI) is restricted and tracked as a Special Revenue Fund. The parcel tax revenue is collected by the City of Oakland and disbursed to F5AC via a contract agreement. This funding will be used and tracked as "Other Revenue" described below.

B.C. Other Revenue

F5AC ~~The Commission~~ may receive other revenue not otherwise related to its Proposition 10 funding allocation from such sources as First 5 California the State Commission, other local county or state departments, the federal government, and private foundations. These funds may be restricted in how they are used and require special accounting information to track and report periodically. The use of these revenues must have a formal grant or funding agreement including a budget or plan establishing restrictions and parameters of the funding agreement in place, which shall include a budget or plan establishing restrictions and parameters on the use of the funds. State and Federal funds, as well as private grants, may be utilized as long as F5AC determines that the total costs and requirements of accepting the funds are judged to not ~~to~~ adversely impact general operations. If new revenue is received after the budget is adopted, the Commission shall delegate authority to the CEO to begin spending new program revenue consistent with Purchasing and Contracting policies and the increased appropriation will be presented in the mid-year budget modification. Authority to sign and execute revenue agreements shall be delegated by the Commission to the CEO.

- C. Revenue will be maximized to the extent possible by using Proposition 10 funds to match in accordance with F5AC's Fiscal Leveraging Policy.

- D. If more than one funding source is available for financing a project, the most restrictive sources will be used first.

I. ADMINISTRATIVE COST ~~Policy~~ ADOPTED 5/26/2022 2/8/2024

Per Health and Safety Code Sections 130140(d)(5) and 130151(b)(2), each county commission including F5AC is required to adopt in a public hearing a limit on the percentage of the county commission’s operating budget that may be spent on administrative functions. The guidelines for adoption must be consistent with the First 5 Financial Management Guide.

A. Definition of Administrative Costs

In Alameda County, administrative costs are defined as follows:

Costs incurred in support of general management and administration for a common or joint purpose that benefits more than one cost objective (other than evaluation activities) and/or those costs not readily assignable to a specifically benefited cost objective.

Administrative costs are distinguished from Program and Evaluation costs, which are defined as follows:

Program costs: Costs incurred ~~by that are~~ readily assignable to a program or service provider (other than for evaluation activities) and/or in the execution of direct service provision.

Evaluation costs: Costs incurred in the evaluation of funded programs based on their accountability framework and data collection and evaluation for required reporting to the state and local stakeholders.

B. Allocation of Administrative Costs

~~First 5 Alameda County~~ F5AC allocates administrative costs as indicated in the attached Schedule A Cost Allocation Method.

~~C. —~~ Limit on Administrative Costs

~~The upper limit to be spent on administrative costs is up to 15% of the operating budget.~~

~~D.C.~~ Determination and Monitoring of Administrative Costs

The ~~limit on~~ administrative costs will be guided by an annually determined Indirect Cost Rate and reviewed annually at the time of budget adoption. Administrative costs will be monitored throughout the year and will be reported in the mid-year and year-end budget reports.

D. Principles of Cost Allocation

1. Purpose

F5AC provides certain centralized services to operating units/programs, such as human resources, information technology, accounting, office space, utilities, senior management, etc. In contrast, operating units/programs typically provide services directly to the public. Since operating units/programs frequently receive grant funding, there needs to be a process whereby central service costs are identified and assigned to benefitted operating units/programs. The central service cost allocation plan provides that process. The purpose of this cost allocation plan is to summarize the methods and procedures that First 5 uses to allocate indirect costs to its various programs, grants, and cost centers.

The over-arching objectives when creating the central services cost allocation plan are:

- 1) Fairness - Equitably distribute the reasonable, allowable, and allocable costs of central services to benefitted operating units/programs;
- 2) Reliability - Use data that is reliable and readily available so that cost allocation plans are prepared accurately and consistently from year to year;
- 3) Simplicity - Use a method that is simple to administer (i.e., cost beneficial) and easy to explain to internal and external stakeholders.

2. Definitions

Direct Costs – Costs incurred that are specifically and readily identifiable with a particular operating unit/program. The accounting system records these costs as they are incurred and further distribution is not required.

Indirect Costs – Costs incurred for a common or joint purpose benefiting more than one operating unit/program or costs not specifically and readily identifiable without effort disproportionate to the results achieved. Most administrative costs are indirect costs.

3. Comprehensive Cost Allocation Framework

The general approach of F5AC in allocating costs to operating units/programs is to charge all direct costs directly to operating units, programs, cost centers, grants, etc., and to prorate costs that benefit more than one operating unit/program as indirect costs using a base appropriate to the cost being prorated.

F5AC determines the costs to be allocated for each upcoming year based on budgeted amounts for that year. The central services cost allocation plan is prepared in conjunction with the annual budget preparation each year. The resulting allocation to each cost center is charged to the operating units/programs quarterly throughout the year for all non-payroll expenses. Payroll expenses will be allocated as the expense is incurred. At the end of each year a calculation is performed to determine the actual costs incurred that should have been allocated during the year. A true-up adjustment, if required, will be included in the following year's cost allocation plan.

F5AC has created three Cost Pools:

- Cost Pool 1 — primarily Human Resources costs. This pool allocates indirect costs based on each operating unit/program's full-time equivalent employees (FTEs);

- Cost Pool 2 – primarily contract costs and related contract administration costs. This pool allocates indirect costs based on each operating unit/program’s contract expenditures; and
- Cost Pool 3 – all other costs. This pool allocates indirect costs based on each operating unit/program’s total expenditures.

F5AC determines which of its costs are indirect (as defined above) and sorts these indirect costs into the cost pools based on the following:

- 1) Salaries – The salaries of most employees are charged directly to operating units/programs based on the amount of actual time attributable to each, in accordance with time sheets.

Human Resources employees’ salaries are charged as indirect costs in Cost Pool 1.

Contract staff salaries are charged as direct costs.

Other central administrative staff salaries (primarily employees in the cost centers for Policy & Advocacy, Operational Support, and Finance) are charged as indirect costs in Cost Pool 3. If an unusual amount of time is expended towards a specific operating unit/program, or if these employees serve in a dual-role, they may charge hours directly to those programs.

For employees whose efforts benefit more than one operating unit/program, the percentage allocated to each operating unit/program shall be determined based on the results of a time study. See “Documentation” section below.

- 2) Employee Benefits – Employee benefits (e.g. FICA, workers’ compensation, retirement, health insurance, etc.) are charged in the same proportionate share as salaries and in the same cost pools. If an employee benefit cost cannot reasonably be broken down by a specific operating unit/program or employee, it can be charged as an indirect cost.

- 3) Contract Costs – F5AC’s contract costs (including sub-contracts, professional services contracts, and grants to other entities) with a third party generally benefit more than one operating unit/program and therefore are allocated as an indirect cost in Cost Pool 2.

- 4) Other Costs – Other costs include expenses for information technology, office space, utilities, senior management, capital asset acquisition/depreciation, repairs & maintenance, communications, printing & copying, insurance, memberships & subscriptions, postage, supplies, taxes & fees, travel, facilities management, legal, strategic planning, and office staff. These other indirect costs are charged as indirect costs in Cost Pool 3 because a determination has been made that either:
 - I. The costs benefit operating units/programs proportionately to the size of each operating units/programs budget; or
 - II. The allocating cost via a different method would outweigh the benefit derived.

MAA expenses are not included in any cost pool; instead, such expenses are allocated on the same basis as MAA revenues.

4. Review and Documentation

All costs and other data used to allocate the costs included in the cost allocation plan shall be supported by formal accounting and other records that document the propriety of the costs assigned to operating units/programs. Such costs and other data include but are not limited to:

- The source and rationale of expenses that are sorted into each Cost Pool.
- The source and calculation of percentages used to allocate costs to all benefiting operating units/programs (e.g., headcounts, contract costs by operating unit/program, total costs by operating unit/program).
- For employees whose efforts benefit more than one operating unit/program, the percentage allocated to each unit shall be reviewed and may be updated based on the results of a time study. Each time study shall be updated every three years at which time such employee shall keep a timesheet showing time spent on each operating unit/program for a period that is sufficient to cover a full operating cycle of the employee’s job. The results of each time study shall be documented and maintained until a new time study is conducted.

The central services cost allocation plan shall be reviewed and approved by the Chief Financial Officer each year and shall be submitted to the Chief Executive Officer. It shall be reviewed and approved by the Commission as part of the annual budget adoption.

~~Administrative Cost Policy – Schedule A~~

~~The expenses listed are budgeted and may be assigned to program or evaluation costs if the item provides clear value to either program or evaluation costs and there is clear, auditable justification (labeled as “allocable”). They are allocated between Administrative, Evaluation and Program Expenses as follows:~~

<i>Expense</i>	<i>-Administrative Expenses</i>	<i>Evaluation Expenses</i>	<i>Program Expenses</i>
Building Maintenance, Repairs	100%		
Communications	Allocable	Allocable	Allocable
**Contractual	See chart below		
Copying/Printing	Allocable	Allocable	Allocable
Equipment Leases, Rentals, Maintenance	Allocable	Allocable	Allocable
Equipment Purchase	Allocable	Allocable	Allocable
Insurance	Allocable	Allocable	Allocable
Memberships, Dues	Allocable	Allocable	Allocable

*Personnel	See chart below		
Postage	Allocable	Allocable	Allocable
Professional Services & Fees	Allocable	Allocable	Allocable
Space Rental	Allocable	Allocable	Allocable
Supplies	Allocable	Allocable	Allocable
Taxes & Fees	100%		
Travel	Allocable	Allocable	Allocable
Utilities	100%		
Depreciation	100%		

***Personnel** budgeted within Operational Support and Data and Evaluation strategies are allocated between Administrative, Evaluation and Program expenses as follows:

<i>Personnel</i>	<i>Administrative Expenses</i>	<i>Evaluation Expenses</i>	<i>Program Expenses</i>
Office, Facilities Management	100%		
Administrative Staff	Allocable	Allocable	Allocable
Directors	Allocable	Allocable	Allocable
Human Resources Staff	100%		
Finance Staff	100%		
Finance Staff—Contracts & Budget Specialists	Allocable		Allocable
Information Technology Staff	Allocable	Allocable	Allocable
Policy, Planning, Evaluation Staff		Allocable	Allocable
CEO Office Staff	Allocable	Allocable	Allocable

****Contracts** budgeted within Operation Support and Data and Evaluation strategies are allocated between Administrative, Evaluation and Program expenses as follows:

<i>Contracts</i>	<i>Administrative Expenses</i>	<i>Evaluation Expenses</i>	<i>Program Expenses</i>
Legal	Allocable		Allocable
Finance related/Audit	100%		
HR related	100%		
Strategic Planning	100%		
Infrastructure	100%		
Evaluation		100%	
Data Management	Allocable	Allocable	Allocable

CASH COLLECTIONS AND DISBURSEMENTS

~~UPDATED 5/26/22~~ ADOPTED 2/8/2024

Cash collections and disbursements shall be adequately controlled to ensure timely processing and accurate recording in F5AC's accounting records. Accounting procedures for these areas are reflected in detail in the First 5 Procedures Manual.

- A. Disbursements whether in the form of checks, electronic transfers or other means will be approved by the Chief Executive Officer or ~~other~~ designated alternate staff, adequately documented, and accurately recorded in the accounting records. In all circumstances, the payment requestor shall not be the approver. A process for retaining and retrieving supporting disbursements documentation will be maintained.
- B. The processes for cash collections and disbursements will provide for segregation of duties to the greatest extent possible. Bank reconciliations will be performed on a timely basis and reviewed on a timely basis by the ~~Finance Officer~~ Chief Financial Officer or designee.
- C. All cash collections whether in the form of checks or currency will be deposited in a timely manner, safeguarded until properly deposited, and accurately recorded in the accounting records.
- D. A receivables process will be maintained that identifies and bills all amounts due F5AC on a timely basis. The process will identify overdue receivables and provide timely collection notices.

PURCHASING AND CONTRACTING

UPDATED 5/26/2022 ADOPTED 2/8/2024

- A. Guiding Principles and Policy Overview
- B. Authorization and Execution Thresholds
- C. Competitive and Non-Competitive Procurement Processes
- D. Procurement Notification and Appeals
- E. Sole Source Procurement
- F. General Purchasing Policies
- G. Pre-Authorized Contracting

The Purchasing and Contracting Policy provides Guiding Principles and Policy Overview, Authorization and Execution Thresholds, Competitive and Non-Competitive Procurement Processes, Procurement Notification and Appeals, Procurement Exceptions, General Purchasing Policies and Pre-Authorized Contracting in accordance with Health & Safety Code Sections 130140 and 130150: and Government Code Section 54201, et seq.

A. Guiding Principles and Policy Overview

Guiding Principles: Purchasing goods and services is a critical strategy to leverage the economic strength of F5AC tax dollars to improve communities. The guiding principles of F5AC procurement and contracting are:

1. **Create strategic impact** by funding programs that advance the goals in the F5AC Strategic plan and show evidence of effectiveness;
2. **Promote inclusion and equity** by funding programs that are responsive to the diverse needs of the community and have been shaped with community input;
3. **Promote increased service integration** by funding programs that reduce fragmentation of existing services, that increase access to services, and that promote collaboration;
4. **Build on community strengths and enhance community capacity** by funding programs that build on organizational and neighborhood assets and help community participants and service providers further develop their capacities.

Policy Overview:

F5AC shall procure goods and services using an accessible, fair, and uniform process, allowing for free and open competition aligned with the Commission’s values of diversity, equity, and inclusion. The purchasing process shall provide for the efficient purchasing of supplies, equipment and services. It shall prevent unnecessary purchases of materials and ~~supplies, and~~ supplies and ensure provide compliance with budgetary requirements and with applicable State Contracting codes.

It is important to note that the Purchasing Policy is supplemented by more detailed procedural guidance in the F5AC Procedures Manual.

B. Authorization and Execution Thresholds

1. F5AC must execute a contract for ~~the~~ the purchase of goods or services above \$25,000. ~~requires a contract be put in place.~~
2. Contracts and amendments up to \$100,000 in the aggregate may be approved by the Chief Executive Officer and signed by the Chief Executive Officer (CEO), Deputy CEO Director of Operations, Finance & Technology or dDesignee.
3. Contracts and amendments from \$100,000 - \$150,000 in the aggregate may be approved by the Chief Executive Officer and signed by the Chief Executive Officer, Deputy CEO Director of Operations, Finance & Technology or dDesignee, and will be shared with the F5AC Executive Committee as an Informational Item.
4. Contracts and amendments from \$150,000 - \$300,000 in the aggregate may be approved by the Executive Committee with authority to sign and execute delegated to the Chief Executive Officer, Deputy CEO Director of Operations, Finance & Technology or dDesignee and will be shared with the F5AC Commission as an Informational Item at the Commission meeting immediately following the execution of the contract.
5. Contracts and amendments of \$300,000 and above in the aggregate require Commission approval with authority to sign and execute delegated to the Chief Executive Officer, Deputy CEO Director of Operations, Finance & Technology or dDesignee.
6. Ancillary payments to vendors (e.g., training costs, honorariums, advertisements) shall not exceed 10% of the contract amount or \$25,000, whichever is lower, and must be authorized by the Chief Executive Officer, Deputy CEO Director of Operations, Finance & Technology or dDesignee and will not be attributed to the \$300,000 limit for Commission approval if budget funds are available.

C. Competitive and Non-Competitive Procurement Processes

Detailed guidance for each competitive and non-competitive process, including solicitation templates, may be found in the F5AC Procedures Manual. Competitive bidding may be conducted at any dollar amount of a procurement in support of planned program activities supporting.

1. No bid/quotes: For goods and services up to \$25,000, F5AC may select the provider directly without the need for bids/quotes, keeping within F5AC budget availability. This process shall not be used when it is reasonably foreseeable that the recurring purchases would exceed the no-bid/quote threshold in the aggregate. F5AC must document why the price for these goods or services is fair and reasonable to the agency *For ~~F~~federally-funded purchases, the bid or quote threshold for micro-purchases is \$10,000.
2. For goods and services from \$25,000 - \$75,000, the user must obtain three written bids/quotes from vendors or from the vendors' published price lists. The award may be made to vendor submitting the lowest bid or best value that is responsive to the needs of the Commission. If less than three responses are received, the user must demonstrate that sufficient outreach and diligence were undertaken and document why the requirement for three bids was not met.

3. For goods and services from \$75,000 - \$100,000, the user must conduct an informal solicitation using an Informal Request for Proposal/Qualifications (IRFP/Q) solicitation process. The award will be recommended to the highest ranked proposer based on the evaluation method set forth in the solicitation, or other method deemed appropriate for a formal bidding process. The solicitation shall be posted publicly on F5AC ~~website~~ AC website and publicized through other appropriate channels that extend F5AC 's reach to prospective applicants. IRFP/Qs shall be posted for a minimum of 10 business days prior to the submission deadline. Any exceptions to the posting period shall be approved by the Chief Executive Officer, Deputy CEO ~~Director of Operations, Finance & Technology~~ or dDesignee. IRFP/Q solicitations shall be written to include the scope of work, specifications, and terms and conditions of the proposed purchase or contract. The solicitation shall provide sufficient details to assist prospective applicants in calculating an accurate, unconditioned, and stable bid.

4. For goods and services in excess of \$100,000, the user must conduct a formal Request for Proposal/Qualifications (RFP/Q) solicitation process. The award will be recommended to the highest ranked proposer based on the evaluation method set forth in the solicitation, or other method deemed appropriate for a formal bidding process. The solicitation shall be posted publicly on F5AC's website and publicized through other appropriate channels that extend F5AC 's reach to prospective applicants. Formal RFP/Qs shall be posted for a minimum of 15 business days prior to the submission deadline. Any exceptions to the posting period shall be approved by the Chief Executive Officer, Deputy Chief Executive Officer ~~CEO~~ Director of Operations, Finance & Technology or dDesignee. Formal RFP/Q solicitations shall be written to include the scope of work, specifications, and terms and conditions of the proposed purchase or contract. The solicitation shall provide sufficient details to assist prospective applicants in calculating an accurate, unconditioned, and stable bid.

5. As needed an IRFP/Q or RFP/Q may be structured to award to a pool of vendors. Pool vendors will be selected by the evaluation method set forth in the solicitation. Admittance into the pool does not guarantee a contract. Pools shall be refreshed at least once every ~~two~~ 2 years. When pools are refreshed, F5AC ~~may~~ AC may, at its discretion, allow for existing members to remain in the pool without re-qualifying if there have been no material changes in the qualifications of the pool member.

6. For services frequently used by F5AC, including but not limited to printing and catering, an IRFP/Q or RFP/Q may be structured to create a preferred vendor list, from which F5AC users may select a vendor without an additional procurement process. Admittance on to the list does not guarantee a contract. Preferred vendor lists shall be refreshed at least once every ~~two~~ 2 years. When lists are refreshed, F5AC may, at its discretion, allow for existing members to remain on the list without re-qualifying if there have been no material changes in the qualifications of the list member.

7. F5AC may procure services using cooperative agreements or piggybacking on procurements with other public agency ~~partners, and~~ partners and may allow public partners to piggyback on F5AC solicitation opportunities. Cooperative agreements and piggybacking are permissible when a public entity or cooperative purchasing program allows other entities to utilize all or a portion of the goods and services as originally advertised, competed, evaluated, and awarded. Additionally, F5AC may include assignability clauses to contracts procured by F5AC to allow

other public agencies to piggyback on these opportunities. When applicable, F5AC may also leverage contracts awarded by the State of California without further competitive bidding (Public Contracts Code Section 10298 et seq.).

8. Purchases of goods and services using Federal funds will adhere to requirements within the Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.
9. All procurements listed must have appropriate documentation and approval by the Chief Executive Officer, ~~Deputy Chief Executive Officer~~ CEO Director of Operations, Finance & Technology or ~~d~~Designee and is required for all purchases.

D. Procurement Notification and Appeals

Once a procurement decision has been made through the Informal Request for Proposals or formal Request for Proposals solicitation process, F5AC will notify all proposers in writing of the intent to award the contract. Consistent with F5AC's commitment to developing community organization capacity, unsuccessful proposers will be provided the opportunity for a de-briefing. In the de-briefing, F5AC officials will explain the rationale for the procurement decision. The de-briefing process can help minimize appeals and may lead to higher quality proposals in the future.

The notification shall also outline the administrative appeals procedure, which includes these elements:

- Appeals must be filed in writing no longer than five business days from the date of the award notification.
- Appeals must include name, address, telephone of the party appealing, the title of the RFP/Q being appealed, and a detailed description of the legal and factual grounds of the appeal, with any supporting documentation.
- The appeal may only contest an administrative or procedural aspect of the procurement ~~process, and~~ process and may not appeal the merits of the proposal as determined by the evaluations scores and resulting ranking.
- All appeals will be routed to the ~~Chief Financial~~ Finance-Officer who will serve as the Appeals Officer as designated by the CEO.

The Appeals Officer, at her/his discretion, may make a decision regarding the appeal without requesting further documentation. New grounds raised after the initial appeal letter is filed will not be considered. F5AC will confirm receipt of the appeal, will conduct an investigation and will notify the protestor within a reasonable amount of time.

If the appeal is upheld, F5AC may take one or more of the following actions:

- Refer the results back to the RFP/Q selection committee and direct them to review its decision and make a selection
- Conduct an interview with each of the bidders and then make a selection.
- Terminate the RFP/Q without making a ~~selection, and~~ selection and re-open the RFP/Q process.

E. Sole Source Procurement

Sole source procurement should only be used when competitive procurement providers are deemed infeasible for at least one of the following reasons:

- It has been determined that there is only one viable provider of the required services in the community due to the unique quality, durability, availability, exclusivity or fitness for a particular use sought by F5AC
- After solicitation of a number ~~of~~ several sources, competition is deemed inadequate.
- All providers of a particular service(s) will receive funding.
- The agency/individual was pre-selected by an external funder for this service.
- Categorical exemptions defined as purchases that do not lend themselves to a competitive procurement process, for example purchases where costs are regulated by a third party (bus tokens, postage), purchases that are governed by a different F5AC policy (conference, travel, event sponsorship), or items or service not possible to compete (subscriptions, memberships.)

Whenever sole source procurement is used, the rationale must be justified in writing and approved and signed by the CEO, Deputy CEO Director of Operations, Finance & Technology or dDesignee before the contract is executed. Elements of a justification should include:

- Effort made to solicit bids, if any, and results;
- Summary of the reason for the sole source, based on the exceptions listed above;
- Cost information to justify the cost as reasonable and fair;
- Cost information for similar services and differences that should be noted and explained;
- A description of the vendor's previous work with F5AC and/or existing knowledge of the unique services being sought by F5AC.

For each IRFP/Q or RFP/Q issued, F5AC will establish and communicate to the prospective vendors the bidding or application procedures and evaluation criteria in order to ensure a fair bid or application process and enable F5AC to determine the most cost-effective proposals. IRFP/Q and RFP/Qs will also be posted on the agency's website until the procurement is closed.

F5AC will utilize standardized bidding and application procedures, requests for proposals, contracting provisions, and processes to ensure consistent and effective procurement of supplies, equipment and services.

F. General Purchasing Policies

1. To the extent possible, vendors located in Alameda County will be considered.
2. In accordance with the requirements set forth in Government Code section 130140(d)(4)(B) and Public Contract Code section 3410, preference will be given to United States grown produce and United States processed foods, when there is a choice and when it is economically feasible to do so. In accordance with the statute, F5AC can make the determination of what is "economically feasible", considering the total cost, quantity and quality of the food and the budget and policies of F5AC.
3. In accordance with the requirements set forth in Government Code section 130140(d)(4)(B) and Public Contract Code sections 22150 to 22154, F5AC will purchase recycled products instead of non-recycled products whenever recycled products are available at the same or lesser total cost

than non- recycled products. In addition, F5AC will require vendors of supplies to comply with the Government Code and Public Contract Code sections referenced above, which require that such businesses certify in writing the minimum, if not exact, percentage of postconsumer materials in the products and supplies offered or sold to F5AC. F5AC may waive this certification requirement if the percentage of postconsumer material can be verified in a written advertisement, such as a product label, catalog, or website.

4. F5AC will pay invoices within 40 days of receipt. When discounts are offered, invoices will be paid within the discount period.
5. Payment of goods and services will follow guidelines as outlined in the First 5 Procedures Manual for:
 - Vendor invoices
 - Employee reimbursements
 - Agency credit card purchases
 - Purchase Orders
 - Contracts
6. F5AC will perform a review on all contracts or awards on an annual basis to ensure current value, effective work performance and/or continuation of program or project as included in the current approved Strategic Plan and will determine if the contract is renewable or if the services or project will be released for competitive bidding.

G. Pre-Authorized Contracting

If F5AC is the recipient of non-~~First 5~~ Proposition 10 funds that require F5AC to subcontract to specific organizations, these funds shall be subcontracted to the recipient organization without the application of the procurement policy. In the event that the Commission is required to include specific subcontractors in its proposals and selected for award of funds, ~~the requirements~~the requirements of this policy shall not apply. If the Commission receives unallocated funds or funds that are not dedicated to a specific sub-recipient, the requirements of the policy will apply for use of those funds.



To: First 5 Alameda County Executive Committee

From: Christine Hom, Chief Operating Officer
Detra Teal, Chief Human Resources Officer

Date: February 8, 2024

Subject: Approve Revisions to the First 5 Alameda County Records Retention Schedule

ACTION REQUESTED

Review revisions to the First 5 Alameda County Records Retention Schedule.

BACKGROUND

In 2021, First 5 Alameda County (F5AC) contracted with VIVA Social Impact Partners to review F5AC's governance policies. On October 7, 2021, VIVA presented their recommendations for the modification or creation of governance policies to the Executive Committee including the establishment of a Records Retention and Destruction Policy and a Records Retention Schedule.

F5AC staff worked with agency counsel at Olson Remcho LLP to draft a Records Retention and Destruction Policy and a Records Retention Schedule. The policy and schedule impose specific retention periods for F5AC records in accordance and compliance with state and federal laws. The adoption of the policy and schedule is in accordance with best practices by peer agencies and enables F5AC to manage physical and electronic storage and conserve agency resources. In addition, all records retained under this policy are to be accessible for inspection at F5AC's office, as required by law, under reasonable time provisions and conditions. No F5AC records shall be disposed of except in compliance with this policy and applicable law.

Health and Safety Code section 130140.1 permits the Commission to dispose of its real and personal property. State law provides that certain types of records are required by law to be filed and preserved for specific periods of time. In addition, F5AC, as a public agency, adheres to the California Public Records Act, which affords the public the right to inspect and be provided a copy of most of the written information retained by State and local agencies in the course of the public's business. The California Public Records Act regulates the public's access to records and sets out the specific statutory circumstances under which particular records are open to inspection at all times during the office hours of a local agency.

On May 26, 2022, the Executive Committee approved the First 5 Alameda County Commission Records Retention and Destruction Policy and Records Retention Schedule. Additionally, on the advice of legal

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counsel and in adherence to best governmental practices, the Commission approved a formal Resolution establishing the First 5 Alameda County Commission Records Retention and Destruction Policy and Records Retention Schedule on October 6, 2022. The Resolution also authorizes the Executive Committee to revise and update the schedule going forward as necessary to further the purposes of the resolution and to comply with relevant laws and regulations.

Upon calendar year end review of the policy and schedule, legal counsel from Olson Remcho, LLC and Aleshire & Wynder have recommended the following revisions to the current Attachment A: First 5 Records Retention Schedule for consistency in language and due to subsequent changes in the law related to the minimum legal retention period of the identified categories:

CATEGORY OF RECORD	DESCRIPTION OR EXAMPLE OF RECORD	MINIMUM LEGAL RETENTION PERIOD [F5AC adopted]	MINIMUM LEGAL RETENTION PERIOD [Recommended]
Employee Benefit Invoices	Copies of monthly invoices received from benefit carriers. (Originals are provided to Finance)	2 years	4 years
Employee Leave of Absence Records	Records related to employee leave of absence, including dates and hours of leave used, records relating to any dispute regarding designation of leave (except see Litigation), and related correspondence.	Employment termination plus 30 years	Employment termination plus 10 years
Employee Programs	May include Employee Assistance Program (EAP), Employee Recognition program, etc.	2 years	4 years
Employment - Vehicle Mileage Reimbursement Rates	Annual mileage reimbursement rates	Until superseded + 2 years	Until superseded + 4 years
Employment Applications – Not Hired	Applications, resumes, and related materials submitted for existing or anticipated job openings, including any records pertaining to failure or refusal to hire applicant	Position filled (or search terminated) plus 3 years	Position filled (or search terminated) plus 4 years
Employment Eligibility Verification	Completed I-9 Forms	Employment termination plus 10 years (unless funding source agreement requires longer retention)	For the duration of employment and 4 years after Termination.

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Unemployment Insurance Records	Records relating to unemployment insurance – claims, payments, correspondence, etc.	While current + 4 years, but documents relating to a specific employee should be retained in the Employee Personnel File	While current + 4 years, but documents relating to a specific employee should be retained in the Employment File for a minimum of 5 years
Wage Garnishment	Wage or salary garnishment	Active until garnishment is satisfied; then retain until audited + 4 years	Active until garnishment is satisfied; then retain for a minimum of 4 years or until audited, whichever occurs first.


FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Approve revisions to the First 5 Alameda County Records Retention Schedule.

Submitted by:

DocuSigned by:

5659DF0B756A46A...
 Christine Hom
 Chief Operating Officer

Approved by:

DocuSigned by:

ED639B4561544E4...
 Kristin Spanos
 Chief Executive Officer

DocuSigned by:

4A13315C0573415...
 Detra Teal
 Chief Human Resources Officer

Reviewed by:
 DocuSigned by:

E38237316EC4482...
 Cally Martin
 Deputy Chief Executive Officer

Attachment A
First 5 Alameda County Records Retention Schedule

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CATEGORY OF RECORD	DESCRIPTION OR EXAMPLE OF RECORD	MINIMUM LEGAL RETENTION PERIOD¹
Accounting Records – General Ledger	General Ledger	Fiscal year-end audit closed + 7 years
Accounting Records – Permanent Books of Accounts	Records showing items of gross income, receipts and disbursement (including inventories, per IRS regulations)	Permanent
Accounts Payable	Journals, statements, asset inventories, account postings with supporting documents, vouchers, investments, invoices and back-up documents, purchase orders, travel expense reimbursements, petty cash, postage, PERS reports, check requests, etc.	Fiscal year-end audit closed + 7 years
Accounts Receivable	Receipts for deposited checks, coins, currency; checks received, reports, investments, receipt books, cash receipts, cash register tapes, payments for building permits/parking permits/Transient Occupancy Tax, etc.	Fiscal year-end audit closed + 7 years
Agenda / Agenda Packets	Board– agendas and packets can be imaged immediately for retention, if desired.	Permanent
Agenda reports (staff reports)	Board - Originals can be imaged immediately for retention, if desired. The imaged record can serve as the “original” record, if desired.	Permanent
Agendas/Minutes – External Meetings with Grantees, Consultants, Contractors, or Vendors	Includes agenda, minutes, meeting summaries and attendance record, if any, for meetings with grantees, consultants, contractors, or vendors. NOTE: Transfer records to Contract Compliance Department if related to compliance or performance issues.	Contract completion plus 7 years, or project completion plus 7 years, whichever is longer (unless funding source agreement requires longer retention period)

¹ **Explanation of Retention Periods.** The retention period begins to run from the date of the event, the conclusion of the matter, or the date of the document referenced, whichever is later. Until superseded, but retain for a minimum of two years means that the minimum retention period is two years and that if a superseding retention period reduces that timeline, First 5 will retain all records for the full two years if they were created prior to the date of the superseding retention period.

Agendas/Minutes for Internal Department Meetings	Includes agenda, minutes, meeting summaries and attendance record, if any, for meetings within a single department, or between two or more departments. Department initiating meeting is custodian of record.	2 years
Annual Financial Report	May include independent auditor analysis	Same as audit reports
Audit Reports	Financial services; internal and/or external reports	Permanent
Bank Account Reconciliations	Bank statements, receipts, certificates of deposit, etc.	Fiscal year-end audit closed + 7 years
Bids, Successful	Includes plan and specifications; notices/affidavits.	4 years
Bids, Unsuccessful	Unsuccessful bid packages only	2 years
Brochures/ Publications	Informational/promotional documents created for or by First 5 Alameda County.	5 years
Budget, Annual	Annual operating budget approved by Board	Current + 15 years
Conflict of Interest Code	Conflict of Interest Code – required under Political Reform Act; must be reviewed by July 1st of every even-numbered year and amended if necessary	Permanent
Contracts	Original contracts and agreements, working documents, records, and back-up materials, relating to external entities such as grantees, contractors, consultants, or vendors. Can include leases, license agreements, service/maintenance contracts, etc. Original contracts/agreements regarding the development of real property, design, specifications, surveying, planning, supervision, testing, or observation of construction or improvement to real property; may include records of	10 years after termination/completion, whichever is later. Note that funding source agreement could require longer retention. F5AC cannot destroy any nondischarged contract to which F5AFC is a party.

	retention releases, retention withheld, change orders, etc.	
Correspondence	<p>General correspondence, including letters and e-mail; Various files, not related to specific cases and not otherwise specifically covered by the retention schedule.</p> <p>All other general substantive correspondence, external and internal. Includes emails, memos and letters involving substantive issues not related to a grant, contract, lobbying, employment, or public records request, and that do not fall under any other retention category. If subject matter requires longer retention, use the longer retention period.</p> <p>Does not include advertisements, newsletters, invitations, and mailings of general interest.</p> <p>Correspondence that is transitory does not have to be retained. See First 5 AC Records Retention and Destruction Policy for details.</p>	2 years
Correspondence – Internal/External exchanged with or regarding Grantees, Contractors, Consultants or Vendors	<p><u>Internal</u>: Substantive correspondence exchanged internally regarding grantees, contractors, consultants or vendors not listed under “Contract Documents”.</p> <p><u>External</u>: Routine correspondence, including emails, memos and letters, exchanged with grantees, contractors, consultants, or vendors</p> <p>NOTE: Transfer to Contract Compliance Department internal and external correspondence related to compliance or performance issues.</p>	Contract termination plus 7 years (unless funding source agreement requires longer period)
Credit Cards, First 5 Alameda County-owned	Credit card bills or statements and related receipts. Other records related to use of First 5 Alameda	Until audited + 7 years

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	County-owned credit cards (policies, correspondence, etc.)	
Deeds, Real Property (Grant Deeds)	File with recorded documents; originals may not be destroyed.	Permanent
Deferred Compensation Reports	Finance - pension/retirement funds	Employment termination + 10 years (unless funding source agreement requires longer retention)
Demographic/ Statistical Data		Current + 2 years
EEOC Records (Equal Employment Opportunity Commission)	Records, reports showing compliance with federal equal employment requirements (EEO-4 Reports, etc.)	Permanent
Employee Benefit Plan Documents	Benefit plans (including “cafeteria” and other plans); health insurance programs; records regarding COBRA – extension of benefits for separated employees, insurance policies (health, vision, dental, deferred compensation, etc.),	Permanent
Employee Benefit Invoices	Copies of monthly invoices received from benefit carriers. (Originals are provided to Finance)	42 years
Employee Benefits Records	Documentation of benefits elections, beneficiary designations, eligibility determinations, COBRA notices for each employee. Includes records required to determine retirement benefits for each employee, related forms, and loan documents related to same; and age & social security information.	Employment termination plus 10 years (unless funding source agreement requires longer retention)
Employee Bonds (Fidelity)	Form of insurance that covers employer (First 5 Alameda County) for losses resulting from fraudulent acts of specified employees	Permanent
Employee Exposure Record	Record of employee exposure to certain toxic substance or harmful physical agent, and related records,	Exposure plus 30 years

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	if any (e.g. material safety data sheets, chemical inventory, etc.).	
Employee Information - Applicant Identification Records	Personnel <u>Employee</u> data regarding race, gender, national origin of applicants	Received + 4 years. Note that if hired, the application should be included in Employee Personnel File <u>Employment File</u> and subject to longer retention.
Employee Information, General	Name, address, date of birth, occupation, rate of pay and weekly compensation earned	Employment termination plus 10 years (unless funding source agreement requires longer retention)
Employee Leave of Absence Records	Records related to employee leave of absence, including dates and hours of leave used, records relating to any dispute regarding designation of leave (except see litigation), and related correspondence.	Employment termination plus 1 30 years
Employee Personnel File <u>Employment File</u> Payroll System - Medi-Cal Administrative Activities (MAA) Contract	Employee Personnel <u>Employee time keeping</u> (described above) related to any employee whose position is paid for by MAA. Note: Do not destroy any personnel employment file information if there is any pending claim or litigation.	The longer of: (1) Employment termination plus 10 years; or (2) Termination of MAA Agreement plus 5 years
Employee Personnel File <u>Employment Files</u>	Personnel <u>Employment</u> files, including employment application and resume, job descriptions, performance reviews, new hire forms, <u>workplace violence records</u> , disciplinary records, conference, training, and related certificates, separation records, and related correspondence, <u>and Confidential Medical File</u> . Note: Do not destroy any personnel employment file information if there is any pending claim or litigation.	Employment termination plus 10 years (unless funding source agreement requires a longer period of retention).
Employee Programs	May include Employee Assistance Program (EAP), Employee Recognition program, etc.	4 2 years

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Employee, Medical Records (routine)	Records of first aid treatment for minor injuries (burns, splinters, etc.); records relating to medical leave taken, etc.	Place in <u>Confidential Employee Medical Personnel</u> File.
Employee Records, Non-safety and safety	Non-safety e Employee records may include release authorizations; certifications; reassignments; outside employment; commendations, disciplinary actions; terminations; oaths of office; pre-employment medical evaluations; fingerprints; identification cards (ID's)	Place in <u>Employee Personnel File</u> <u>Employment File</u> .
Employee, Recruitment	Alternate lists/logs, ethnicity <u>Voluntary</u> disclosures, examination materials <u>pre-employment testing, examination answer sheets, job bulletins</u> <u>postings</u>	Position filled (or search terminated) + 5 years
Employment - Surveys and Studies	Includes classification, wage rates	Position filled (or search terminated) + 5 years
Employment - Training Records, Non- Safety	Paperwork documenting internal and external training for non-safety employees; includes any volunteer program training - class training materials, internships	Length of employment + 4 years
Employment - Vehicle Mileage Reimbursement Rates	Annual mileage reimbursement rates	Until superseded + <u>42</u> years
Employment Agreements	Original agreements/contracts for at-will	Place in <u>Employee Personnel File</u> <u>Employment File</u> .
Employment Applications - Not Hired	Applications, resumes, and related materials submitted for existing or anticipated job openings, including any records pertaining to failure or refusal to hire applicant	Position filled (or search terminated) plus <u>43</u> years
Employment Development Department Correspondence	General correspondence exchanged with the EDD, including such topics as unemployment insurance, state disability, FMLA and paid family leave. NOTE: Correspondence regarding a specific employee should be retained based on applicable	5 years for general correspondence. If employee specific, place in <u>Employee Personnel File</u> <u>Employment File</u> .

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	category (e.g., Employee Personnel File <u>Employment File</u> , Employee Exposure Record, Employee Leave of Absence Records).	
Employment Eligibility Verification	Completed I-9 Forms	<u>For the duration of employment and four years after Termination. Employment termination plus 10 years (unless funding source agreement requires longer retention)</u>
ERISA Records (Employee Retirement Security Act)	Employee Retirement Income Security Act of 1974 - Plan reports, certified information filed; records of benefits due	6 years
Ethics Training Records	Records required to be kept under Gov. Code section 53235.2. Records must show dates that local officials satisfied the training requirements and the entity that provided the training	5 years after receipt of training
Family and Medical Leave Act (federal)	Records of leave taken, First 5 Alameda County policies relating to leave, notices, communications relating to taking leave	5 years for general correspondence. If employee specific, place in Employee Personnel File <u>Confidential Medical File</u> .
Forms	Administrative - blank	Until Superseded
Fund Transfers	Internal; bank transfers & wires	Until audited + 7 years
General Ledgers	All annual financial summaries--all agencies	Sec. of State Guidelines recommends permanent retention
Grants - Unsuccessful	Applications not entitled	Date of declination + 2 years
Grants Community Development Block Grant (CDBG); Urban Development; other Federal and State grants	Grant documents and all supporting documents: applications, reports, contracts, project files, proposals, statements, sub-recipient docket, environmental review, inventory, consolidated plan, etc.	Until completed + 7 years
Insurance	Personnel <u>Employee</u> related	Permanent
Insurance Certificates, First 5 Alameda County	Liability, performance bonds, employee bonds, property;	Permanent

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	Insurance certificates filed separately from contracts, includes insurance filed by licensees.	
Insurance, Joint Powers Agreement	Accreditation, MOU, agreements and agendas	Permanent
Insurance, Liability/Property	May include liability, property, Certificates of Participation, deferred, use of facilities	Permanent
Insurance, Risk Management Reports	Federal OSHA Forms; Loss Analysis Report; Safety Reports; Actuarial Studies	Permanent
Investment Reports, Transactions	Summary of transactions, inventory and earnings report	Until audited + 4 years
Invoices	Invoices from vendors and back-up documents	Until audited or contract termination + 7 years, whichever is later
Job Descriptions	Descriptions of duties, qualifications, responsibilities for each position/classification/job title	Position filled (or search terminated) + 5 years
Lease Agreement	Property or equipment	Lease expiration + 4 years
Legal Notices / Affidavits of Publication or Posting	Examples: Notices of public hearings, notices of liens, etc. Also proof of publication of notice, or proof of posting of notice	Current + 4 years, unless part of a project or matter that requires longer retention (i.e., CEQA documents) or risk of litigation
Legal Opinions	Confidential – not for public disclosure (attorney-client privilege)	Until superseded, but retain for a minimum of 4 years
Licenses/Permits – Special (Events; Solicitation)	This category DOES NOT include business licenses/permits	Current + 2 years
Litigation	Case files or records relating to any pending claim or litigation or any settlement or other disposition of litigation	Until finally settled + 4 years Litigation records regarding Employment Practices have a permanent retention period
Maintenance/Repair Records	Equipment	3 years
Marketing, Promotional	Brochures, announcements, etc.	5 years
Minutes	Minutes of any meeting of the legislative body	Permanent
Notices – Public Meetings	Special Meetings	Permanent

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Ordinances Adopted by F5AC		Permanent
OSHA	OSHA 300 Log, privacy case list, OSHA 300A annual summary, OSHA 301 incident report forms	5 years from the end of the calendar year covered by the forms or logs
OSHA (Accident/Illness Reports)	Personnel —Employee Exposure Records & Employee Medical Records regarding exposure to toxic substances; Exempt from public disclosure	Duration of employment plus 30 years
Payroll - Federal/State Reports	Annual W-2's, W-4's, Form 1099s, etc.; quarterly and year-end reports	Fiscal year-end audit closed plus 7 years (unless funding source agreement requires longer retention)
Payroll - Wage Rates / Job Classifications	Employee records	Fiscal year-end audit closed plus 7 years (unless funding source agreement requires longer retention)
Payroll Deduction/ Authorizations	Finance	Fiscal year-end audit closed plus 7 years (unless funding source agreement requires longer retention)
Payroll records (employee information)	Records showing employee information/data – names, addresses, etc.; hours worked; regular and overtime wages, etc.	Fiscal year-end audit closed plus 7 years (unless funding source agreement requires longer retention)
Payroll, registers	Finance Labor costs by employee & program	Permanent
Payroll, time cards/sheets	Employee <u>records</u>	Fiscal year-end audit closed plus 7 years (unless funding source agreement requires longer retention)
<u>Personnel Employment Policies -- Rules and Regulations</u>	Including employee handbooks, employee manuals, and other policies/procedures	Permanent
<u>Personnel Employment Records</u>	Payroll or other records containing name, address, date of birth, occupation, rate of pay, etc., including records relating to promotion, demotion, transfer, lay-off, termination	See <u>Employee Personnel Employment File</u>

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Political Support/Opposition, Requests & Responses	Related to legislation.	7 years
Press Releases	First 5 Alameda County related.	5 years
Procedure Manuals	Administrative.	Until superseded + 4 years
Proclamations	First 5 Alameda County issued proclamations	2 years; if done by Board Resolution, then permanent retention
Public Records Act Request	Requests from the public to inspect or copy public documents	4 years. However, any record subject to the subject of any pending request made pursuant to the California Public Records, whether or not the agency maintains that the record is exempt from disclosure, until the request has been granted or two years have elapsed since the agency has provided written notice to the requester that the request has been denied.
Purchasing RFQ's, RFP's	Requests for Qualifications; Requests for Proposals regarding goods and services	Contract termination plus 7 years or project completion plus 7 years, whichever is later (unless funding source agreement requires longer retention)
Purchasing, Requisitions, Purchase Orders	Original Documents	Until audited + 4 years
Recordings - audio (e.g., for preparation of meeting minutes)	Audio recording "made for whatever purpose by or at the direction of the local agency"	Minimum 30 days
Recordings - routine video monitoring, telephone, and radio communications	Routine daily recording of telephone & radio communications; routine video monitoring including in-car video systems, jail observation/monitoring systems, building security systems. [Includes automated license plate reader (ALPR) video recordings/data]	Videos - 1 year; Phone & Radio communications - 100 days (destruction must be approved by Board & First 5 Alameda County Attorney)
Recordings, video or digitally recorded (Duplicate – see	Other than videos or digital recordings of public meetings; Considered duplicate records if	Minimum 90 days after event is recorded

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Description or Example of Record)	another record of the same event is kept (i.e., written minutes)	
Recordings, video or digitally recorded – meetings of legislative bodies	Videos or digital recordings of public meetings made by or at the direction of First 5 Alameda County	Minimum 30 days
Records Management Disposition Certification	Documentation of final disposition of records	Permanent
Records related to any nondischarged debt of F5AC.		Permanent
Records related to any pending construction that the F5AC has not accepted or as to which a stop notice claim legally may be presented		Permanent
Records related to formation, change of organization, or reorganization of F5AC		Permanent
Records related to the title to real property in which the district has an interest		Permanent
Records Retention Schedules		Current + 2 years
Recruitments and Selection	Records relating to hiring, promotion, selection for training	Position filled (or search terminated) plus 5 years
Release Forms/Waivers	Human Services Recreation Programs	2 years
Resolutions	Resolutions adopted by the Board and First 5 Alameda County	Permanent
Returned Checks	Finance-NSF (not First 5 Alameda County checks)	5 years after audit
Salary/Compensation Studies, Surveys	Studies or surveys of other agencies regarding wages, salaries and other compensation or benefits	While current + 2 years
Statements of Economic Interest - Form 700 (originals) (non-elected)	<u>Originals</u> of statements of designated employees	7 years

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Statements of Economic Interest - Form 700 (copies) (elected officials)	<u>Copies</u> of original statements of elected officials forwarded to Fair Political Practices Commission (FPPC)	7 years
Stop Payments	Finance - bank statements	Fiscal year-end audit closed + 7 years
Unemployment Insurance Records	Records relating to unemployment insurance – claims, payments, correspondence, etc.	While current + 4 years, but documents relating to a specific employee should be retained in the Employee Personnel File <u>Employment File for a minimum of 5 years</u>
Wage Garnishment	Wage or salary garnishment	Active until garnishment is satisfied; then <u>retain for a minimum of 4 years or until audited, which-ever occurs first.</u> retain until audited + 4 years
Warrant Register/Check Register	Record of checks issued; approved by legislative body (copy is normally retained as part of agenda packet information)	Until audited + 2 years
Workers Compensation Files	Work-injury claims (including denied claims); claim files, reports, etc.	Permanent



To: First 5 Alameda County Executive Committee

From: Detra Teal, Chief Human Resources Officer
Cally Martin, Deputy Chief Executive Officer

Date: February 8, 2024

Subject: Employee Handbook Revisions

ACTION REQUESTED

Review and approve revisions to the Employee Handbook.

BACKGROUND

First 5 Alameda County (F5AC) adopted Personnel Policies in May 2004 in preparation for separation from Alameda County. Since then, review has been done annually and resulted in revisions as needed. Revisions are necessary periodically due to changes in practice or law. We engage the employment law firm of Aleshire & Wynder when consultation is needed on issues of employment, including revision of employee policies in the Employee Handbook. All significant policy revisions are listed on the change log at the end of the document.

The following changes are part of a legal review of the Employee Handbook by Joan Pugh Newman at Aleshire & Wynder and in accordance with legislative changes effective January 2024. The changes identified in the Employee Handbook are as follows:

- Page 2: **Contents** – Added Reproductive Loss Leave with page number.
- Page 6: **Equal Opportunity** – Added reproductive health decision-making.
- Page 6: **Policy Prohibiting Harassment and Discrimination** – Added reproductive health decision-making.
- Page 15: **Paid Sick Time** – Updated wording to reflect update to number of days required by law to provide to temporary employees.
- Page 16: **Reproductive Loss Leave**– Added language to include new law regarding leave due to reproductive loss.
- Page 21: **Alternative Work Schedule** – Updated language for 9/80 schedule to include days other than Friday that can be taken for flex-day.
- Page 25: **Technology, Voicemail, Email Policy** – Added “solicitation” language.
- Page 34: **Change Log** – Updated change log with noted changes.

AGENDA ITEM 5

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Approve revisions to the Employee Handbook.

Submitted by:

DocuSigned by:

4A12315C0573415...
Detra Teal
Chief Human Resources Officer

Approved by:

DocuSigned by:

ED620B4561544E4...
Kristin Spanos
Chief Executive Officer

Reviewed by:

DocuSigned by:

F38237316EC4482...
Cally Martin
Deputy Chief Executive Officer

FIRST 5



Employee Handbook

Revised ~~October 2023~~ February 2024

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Change Log

Welcome

Welcome to employment with First 5 Alameda County (F5AC). Through the efforts of our employees, F5AC has established itself as a leading organization in our community and we are excited to have you join our team.

Our vision and mission, along with our strategic plan, guide our work. To ensure our continued success, all employees also need to understand, and comply with, our policies and procedures. This Handbook contains important F5AC information including a summary of our policies, benefits, and work expectations. We encourage you to use it as a reference throughout your employment with us.

If you have any questions, please do not hesitate to ask either your supervisor or our Human Resources team.

Sincerely,



Kristin Spanos, Chief Executive Officer

Our Vision

Every child in Alameda County will have optimal health, development and well-being to reach their greatest potential.

Our Mission

In partnership with the community, we support a county-wide continuous prevention and an early intervention system that promotes optimal health and development, narrows disparities and improves the lives of children aged 0 to 5 years and their families.

Part One: Introduction

This handbook is designed to help you familiarize yourself with important information about First 5 Alameda County (“F5AC”), and information regarding your own privileges and responsibilities as employees.

It is not possible to anticipate every situation that may occur in the workplace or to provide information that answers every possible question. Also, future circumstances may require changes in the policies, practices, and benefits described in this handbook. Accordingly, except for the principle of At-Will Employment relationship with its employees, F5AC reserves the right to modify, rescind, supplement, or revise any provision in this handbook. While F5AC makes reasonable efforts to provide you with advance notice of any modifications or revisions to the handbook and distributes updated information as revisions are made, advance notice of policy changes may not always be possible. Changes to policies apply to F5AC employees on their effective date.

This handbook is not intended to be a contract. The policies and procedures in this handbook are intended to, and do, replace all previous employee handbook policies, practices, and guidelines.

All employees are expected to comply with all policies in this handbook. Employees who fail to comply with any policy will be subject to discipline, up to and including immediate termination.

Any questions regarding the contents of this handbook may be addressed to your supervisor or to Human Resources.

At-Will Employment

Employment with F5AC is “at will.” This means that the employment relationship is not for any specified period and can be terminated by either the employee or F5AC at any time with or without any particular reason and with or without cause. Nothing contained in these policies is intended to, or should be construed to, alter the at-

will relationship between F5AC and its employees. Although other terms, conditions and benefits of employment with F5AC may change, the at-will relationship of employment is one aspect that cannot be changed except by an agreement in writing with F5AC, signed by the CEO and by the employee.

Equal Opportunity

F5AC affords equal opportunity in all aspects of employment to all employees and applicants for employment without regard to race, religion (including religious dress or grooming), creed, sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), [reproductive health decision-making](#), gender, national origin, ethnicity, ancestry, citizenship, age, physical or mental disabilities, color, marital status, registered domestic partner status, sexual orientation, gender identity or expression, genetic information, medical condition, military or veteran status, exercise of rights under the Pregnancy Disability Leave Law or the California Family Rights Act, or any other basis protected by applicable law. This policy applies to all employees and applicants for employment, and extends to all phases of employment, including but not limited to recruitment, hiring, training, promotion, discharge or layoff, rehiring, compensation, and any benefits.

Reasonable Accommodation for Protected Disabilities

F5AC complies with the reasonable accommodation requirements of applicable law, including the obligation to engage in the interactive process to identify possible reasonable accommodations for employees and applicants with disabilities. Employees or applicants who wish to request a reasonable accommodation should make this request to Human Resources. Alternatively, employees may make their request to their direct supervisor, who will be responsible for communicating the request for accommodation to Human Resources.

Any complaints or concerns regarding reasonable accommodation should be directed promptly to Human Resources.

Policy Prohibiting Harassment & Discrimination

Harassment and discrimination in employment on the basis of sex (including pregnancy, childbirth, breastfeeding, or related medical condition), [reproductive health decision-making](#), gender, race, color, national origin, ethnicity, ancestry, citizenship, religion, creed, age, physical or mental disability, medical condition, sexual orientation, gender identity or gender expression, military or veteran status, marital status, registered domestic partner status, genetic information, or any other protected basis (collectively the “Protected Characteristics”) is unlawful under federal and state law.

Every individual is entitled to work free of discrimination or harassment based on any Protected Characteristic. The law prohibits all employees (including coworkers, supervisors, and managers), as well as third parties with whom the employee comes into contact, from engaging in this impermissible conduct. Accordingly, F5AC does not tolerate discrimination or harassment in the workplace or in a work-related situation. Unlawful discrimination and harassment violate F5AC’s rules of conduct.

Unlawful harassment in employment may take many different forms. Some examples are:

- Verbal conduct such as epithets, derogatory comments, slurs, or unwanted comments and jokes
- Visual conduct such as derogatory posters, cartoons, drawings, or gestures
- Physical conduct such as blocking normal movement, restraining, touching, or otherwise physically interfering with work of another individual
- Threatening or demanding that an individual submit to certain conduct or to perform certain actions in order to keep or get a job, to avoid some other loss, or as a condition of job benefits, security, or promotion
- Retaliation by any of the above means for having reported harassment or discrimination or having assisted another employee to report harassment or discrimination

Sexual harassment under these laws includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Internal Complaint Procedure

Discrimination and harassment in employment are not tolerated. In addition, F5AC prohibits retaliation for having made a report, and/or otherwise participating in the reporting or investigative process, under this policy. Violation of this policy will result in disciplinary action up to, and including, immediate discharge.

Any individual who believes they are the object of harassment or discrimination on any prohibited basis, or who has observed such harassment or discrimination, or who believes they have been subjected to retaliation, should notify their supervisor, Human Resources, or any supervisor or manager. Supervisors who receive a complaint under this policy will report it to Human Resources. F5AC will conduct a fair, timely, and thorough investigation, and will do so in a confidential manner, to the extent possible. The investigation will be performed by an impartial and qualified individual and will be appropriately documented.

Following the investigation, F5AC will take such action as is warranted under the circumstances and will timely close the matter.

Agency Complaint Procedure

Both the state and federal governments have agencies whose purpose is to address unlawful discrimination in the workplace. If an individual who provides services to the F5AC believes they have been harmed by an unlawful practice and is not satisfied with F5AC's response to the problem, they may file a written complaint with these agencies.

- For the State of California, the agency is called the Civil Rights Department ("CRD"). The local address for the CRD is 2218 Kausen Drive, #100, Elk Grove, California 95758, or www.dfeh.ca.gov.
- For the federal government, the agency is called the Equal Employment Opportunity Commission ("EEOC"). The local address for the EEOC is 1301 Clay Street, #1170, Oakland, California 94612, or www.eeoc.gov.

If, after an investigation and hearing, either of these agencies finds that unlawful discrimination has occurred, the injured employee may, depending on the circumstances, be entitled to reinstatement or promotion, with or without back pay.

Retaliation

Retaliation against any individual for making a report, or for participating in an investigation, under this policy is strictly prohibited. Individuals are protected by law and by F5AC policy from retaliation for opposing unlawful discriminatory practices, for filing an internal complaint under this policy or for filing a complaint with the DFEH or EEOC, or for otherwise participating in any proceedings conducted by F5AC under this policy and/or by either of these agencies.

Part Two: Employment and Hiring Policies

Work Eligibility

Employees whose job duties require them to work alone with children are required to be fingerprinted prior to employment. Employees whose job requires them to work directly, in-person with families are required to pass a TB test or risk assessment prior to employment, and periodically, at least every 4 years during employment.

California law requires that certain employees must report suspected child abuse or neglect to a child protective agency. Consistent with F5AC's mission to improve the lives of children and their families, all F5AC

employees who interact in-person or regularly by phone with families and children are considered mandated reporters. Applicable employees are provided with training on these reporting procedures during their introductory period.

Introductory Period

The introductory period is typically the first one hundred eighty (180) days following the start of employment at F5AC. During this period, performance is carefully evaluated and a determination is made regarding whether the employee's job performance is sufficient to pass the introductory period and become a "regular" employee. An employee's successful completion of the introductory period does not alter the employee's "at will" status and does not guarantee continued employment for any period. Under certain circumstances and at its sole discretion, F5AC may extend an employee's introductory period for up to an additional 90 days. The introductory period does not alter benefits or seniority. The introductory period is completed only when the employee is notified in writing the introductory period is concluded.

Introductory Employees are employed "at-will" and employment may be terminated by you or by F5AC at any time, during your introductory period, for any reason or no reason, with or without cause, and with or without advance notice.

Employee Classifications

Employees are placed into classifications based on job description, job duties, and applicable wage/hour laws.

- **Exempt Employee:** An executive, administrative, or professional employee who is exempt from the overtime pay requirements of applicable law.
- **Non-exempt Employee:** An employee (generally paid by the hour) who is eligible to receive overtime pay for overtime hours worked.
- **Regular Full-Time Employee:** An employee who is regularly scheduled to work forty (40) hours or more per workweek, and who has successfully completed their introductory period.
- **Regular Part-Time Employee:** An employee who is regularly scheduled to work fewer than forty (40) hours per workweek, and who has successfully completed their introductory period.
- **Introductory Employee:** An employee who has not yet successfully completed their introductory period. (See Introductory Period policy, above.)
- **Temporary Employee:** An employee who is hired on a full- or part-time basis for a specified period, usually not to exceed twelve (12) months. This category includes interns.
- **On-Call Employee:** An employee who is not regularly scheduled to work a specified number of hours in any given workweek, but who is called to work on an as-needed basis.

All employees are classified as: 1) exempt or non-exempt; 2) as regular, introductory, temporary, or on-call; and 3) as part-time or full-time. These classifications determine, e.g., eligibility for benefits, compensatory time, and overtime.

Changes in employee classification may occur when a significant job change occurs (for example, a promotion or a change in work hours, etc.) that is intended to last for more than four (4) months.

Job Postings

F5AC attempts to find the most qualified candidates to fill position vacancies. This is generally accomplished through a combination of internal and external recruiting. Consideration is given to the advancement of current employees. Employees are encouraged to apply for promotions or transfers for which they believe they are qualified.

Open F5AC positions are posted through the Human Resources system and typically announced by F5AC email. Internal postings may occur simultaneously with external postings. F5AC determines when to fill positions from within or to hire externally.

Only Human Resources and the CEO have the authority to extend job offers. All employment offers are made in writing.

Hiring Relatives

Employees' or Commissioners' relatives may apply for F5AC positions. To avoid conflicts of interest, or appearances of conflicts, F5AC established these guidelines:

- Employees & Commissioners may not conduct a job interview or make employment-related decisions involving relatives.
- Employees may not supervise relatives under any circumstances.

The definition of "relative" for purposes of this policy is the employee's:

- Spouse/domestic partner
- Child, or spouse's or domestic partner's child (including natural child, legally adopted child, or a child for whom the employee, spouse, or domestic partner has been awarded court-appointed legal guardianship)
- Parent or spouse's/domestic partner's parent
- Sibling or sibling's spouse/domestic partner
- Any other individual living in the same household as the employee

It is expected that all employees, regardless of any relationship status, will conduct themselves professionally in their interactions with all other employees working at F5AC.

Part Three: Employee Development

Performance Management

Effective performance management is critical to our success. Employees need to know our expectations to carry out our strategic plan and achieve our mission. Supervisors are expected to provide ongoing, timely feedback and coaching to their team so that employees know how they are doing and to address any performance issues. Employees are expected to engage in dialogue with their supervisor to ensure a clear understanding of performance expectations and to identify any areas needing improvement.

Each employee's performance is formally reviewed at the end of the introductory period, and on an annual basis thereafter, to coincide with the approximate anniversary of the employee's start date with F5AC (or the anniversary date of any subsequent change in position). Performance review guidelines are provided by Human Resources for supervisors and employees to follow during the process.

Completed performance reviews signed by the employee, supervisor and Human Resources are placed in the employment file. Employees are provided a copy of their review and may comment on the review in writing.

If an employee's overall performance is rated as less than satisfactory, or if specific areas of performance are identified that need improvement, the supervisor may develop a written performance improvement plan for the employee. Performance improvement plans generally include specific goals for improvement along with the strategies and timeline to improve performance. Supervisors are required to work with Human Resources when any performance issues are identified that may require a written improvement plan.

Professional Development

Staff Development and Training Program

F5AC encourages professional growth for all employees and has created the Staff Development and Training Program. The Development and Training team surveys staff on topics of interest and may engage local trainers to present trainings that support employees' desired growth. Any such trainings are typically offered free to employees and require supervisor approval in advance to attend. Supervisors are encouraged to allow employees to attend appropriate such trainings as work requirements allow.

Individual Professional Development

In addition to trainings through the Staff Development & Training program, employees may request up to \$500 per fiscal year for their own professional development. Employees may request to use these funds for trainings, seminars, courses, webinars and conferences that are approved in advance by their supervisor but are not necessarily required for their particular job. Professional development books, CDs, other materials, licenses or certifications may also be requested by an employee from professional development funds.

Supervisor and Human Resources approval is required prior to payment or reimbursement of professional development funds. Detailed information about submitting professional development requests can be found in F5AC's Procedures Manual.

Part Four: Employee Benefits

Health Insurance

Employer Sponsored Health Insurance (medical, dental and vision insurance) is offered as part of the benefits package to regular and introductory full-time and part-time employees, who regularly work 20 hours or more per week. F5AC contributes to the cost of premiums for the eligible employee, as well as for spouse/domestic partner and/or eligible dependents, up to an amount determined annually by F5AC. If an employee chooses health insurance that costs more than the employer contribution, the balance of the cost is paid by the employee on a pre-tax basis through authorized payroll deductions as applicable by law. The employer contribution is only used to offset the cost of the health premiums and is not used for other purposes, nor is it paid out to employees. F5AC's share of benefit costs for part-time employees is pro-rated to the percent of time the employee is regularly scheduled to work.

Temporary employees with temporary assignments lasting more than 60 days who regularly work 30 or more hours per week and their eligible family members are offered health insurance. For these eligible temporary employees, F5AC covers the same amount of employer share of premiums as it does for eligible regular and introductory employees. Any balance of premium costs is paid by the eligible temporary employee on a pre-tax basis through authorized payroll deductions. Temporary employees who work fewer than 30 hours per week and have temporary assignments lasting fewer than 60 days are not eligible for F5AC health insurance.

F5AC reserves the right to change medical, dental and vision insurance plans and benefits under those plans, to change the employer share of premium payments for the plans or change the amount it pays employees who opt out of the plan(s) (see "Payment in Lieu" section), with or without notice, consistent with any legal obligations it may have. In general, the employer share of premiums is determined prior to each Open Enrollment period.

For the purposes of health insurance coverage, "eligible dependent" is defined as spouse or domestic partner and eligible dependent children up to age 26.

A dependent child is covered for health insurance through the end of the month when they turn 26. Dependent Life Insurance covers full-time students up to age 24.

Flexible Spending Accounts

All regular employees may enroll in F5AC's flexible spending account ("FSA") program, which allows employees to set aside pre-tax dollars to be used for eligible medical or dependent care expenses. The IRS determines annual election limits and provides a comprehensive list of reimbursable expenses.

Carefully estimate your expenses when making an FSA election. FSA plans are "Use it or Lose it," and they reset each calendar year. The Health Care FSA allows employees to carry over up to the IRS Limit from one plan year to the next. If the balance exceeds the IRS limit at the end of the plan year, the account balance above the limit will be forfeited.

COBRA Insurance Continuation

If employees and covered dependents lose health insurance coverage due to certain qualifying events (including termination or reduction in hours), they may have certain rights to remain on the insurance plan at their own expense through COBRA.

Employees who experience a "qualifying event" (e.g., marriage, divorce, adoption) must provide written notice to Human Resources within 60 days after the qualifying event occurs.

Payment in Lieu

Regular employees may choose not to enroll in employer sponsored health insurance if they have proof of medical insurance through another source. Regular employees who confirm that they have coverage elsewhere will receive a “Payment in Lieu” of benefits at a set rate each pay period (pro-rated for part-time employees to the percent of time regularly scheduled to work). This amount is reviewed annually, generally prior to each Open Enrollment period, and F5AC reserves the right to change the amount. Payment in Lieu is subject to state and federal taxes.

Temporary employees who are offered health insurance and choose not to enroll are not eligible to receive a payment in lieu.

Flexible Benefit Credit

All regular and introductory, full-time employees receive an annual Flexible Benefit Credit (“Flex Credit”) per calendar year. This amount is reviewed annually, generally prior to each Open Enrollment period, and F5AC reserves the right to change the amount of the Flex Credit. Part-time, regular employees’ Flex Credit is pro-rated based on the percent of time regularly scheduled to work. The Flex Credit may only be applied to the cost of pre-tax plans.

After applying the Flex Credit to pre-tax plans, the remaining balance is paid to employees as a taxable earning.

Life Insurance

Regular employees who work 20 or more hours per week are eligible to apply for employer-paid \$25,000 basic life and accidental death and dismemberment insurance benefits. Employees may also elect supplemental coverage at their own expense, with premium payments made on a pre-tax basis through authorized payroll deductions under F5AC’s Cafeteria (Section 125) Plan. Additionally, employees may elect supplemental life insurance for their spouse/domestic partner and/or dependent children at their own expense. These premiums are paid on an after-tax basis through payroll deduction.

Alameda County Employees Retirement Association (ACERA) Pension Plan

Regular and introductory, full-time employees are required to become members of ACERA, a defined benefit retirement pension plan for public employees in Alameda County.

- Participating employees are required to make a pre-tax retirement contribution to ACERA through payroll deduction. Contribution rates are set by ACERA and are subject to change each year.
- Part-time or temporary employees are not eligible to become members of ACERA.
- Full-time employees who convert to part-time or temporary status are required to continue ACERA membership.

457(b) Deferred Compensation Plan

Regular and introductory full-time and part-time employees may participate in the Alameda County Deferred Compensation Plan. Pre-tax or Roth (after-tax) contributions are made through authorized paycheck deduction. The plan offers a variety of investment options employees can select. Employees may enroll or change their deferred compensation election at any time during the year; however, any requested changes will not be effective until the month following receipt of the requested change.

Workers' Compensation

As required by law, F5AC pays for workers' compensation insurance to protect employees who are injured on the job. This insurance provides medical, surgical, and hospital treatment to qualifying employees, in addition to compensation for a percentage of loss of pay resulting from work-related injuries or illness.

You must immediately report any work-related injury to your supervisor, regardless of how minor the injury may seem.

Additional Benefits

F5AC offers additional benefits to all regular employees working 20 or more hours per week including Long-Term Disability, Employee Assistance Program, Commuter Benefits and an Employee Discount Program.

Enrollment and eligibility information for all benefits is available from Human Resources.

Part Five: Paid Time Off

Vacations

F5AC provides paid vacation time to certain eligible employees so that they may take time off to relax, recuperate and recharge. Regular and introductory full-time employees earn paid vacation time on the following schedule, beginning on their hire date:

<u>Service Year</u>	<u>Total Possible Annual Accrual</u>
1–3 years:	10 days each calendar year (80 hours)
4–10 years:	15 days each calendar year (120 hours)
11-20 years:	20 days each calendar year (160 hours)
21+ years	25 days each calendar year (200 hours)

The CEO, in consultation with Human Resources, may approve a higher vacation accrual as part of the hiring process or retention efforts. Any additional time must be documented in the employee's file.

Regular and introductory part-time employees who are regularly scheduled to work twenty (20) or more hours per week earn paid vacation time on a pro-rated basis based on the number of hours worked per week. Certain long-term temporary employees may be eligible to accrue vacation, if approved in writing by the CEO. No other employee classifications are eligible for this benefit.

Accrued vacation time cannot be taken until three months after your first day of employment.

Employees may accrue vacation time up to a maximum of two (2) times their annual accrual. For example, an employee with five years of service may accrue up to a maximum of 30 days of accrued vacation time. Upon reaching this accrual cap, the accrual stops until vacation time is taken or vacation pay-out is used to reduce the employee's balance to below the cap. Any unused vacation time is rolled over into the following year, up to the cap.

All vacation time must be requested through the Human Resources system, typically 4 weeks in advance, and is subject to advance approval from your direct supervisor. Please note that F5AC may not be able to approve all time off requests due to organizational needs.

F5AC encourages employees to use their accrued vacation time. Employees may, however, request to receive a vacation pay-out for some of their accrued, unused vacation in lieu of taking paid time off work. Vacation pay-out is limited to the number of hours that an employee accrues in one calendar year under this policy, and employees who request a vacation pay-out are required to have a minimum of one year's accrual remaining after the pay-out.

When ending employment for any reason, employees are paid for any accrued, unused vacation.

F5AC does not pay employees for vacation time before it is accrued.

Holidays

F5AC generally observes the following holidays:

New Year's Day	Labor Day
Martin Luther King Jr. Day	Indigenous Peoples' Day
Lincoln's Birthday	Veterans' Day
Washington's Birthday	Presidential General Election Day (every 4 years)
Memorial Day	Thanksgiving Day
Juneteenth	Friday after Thanksgiving
Independence Day	Christmas Day through New Year's Day (included)

Full-time regular and introductory employees are provided a paid day off for each F5AC-recognized holiday. Part-time regular and introductory employees who are regularly scheduled to work on the above identified holidays are paid for that holiday up to the number of hours they are regularly scheduled to work not to exceed a total of 8 hours per holiday. No other employee classifications are eligible for this benefit, unless preapproved by the CEO.

If an observed holiday falls on a Saturday, said holiday shall be observed on the preceding Friday. If an observed holiday falls on a Sunday, said holiday shall be observed on the following Monday.

Paid Time Off (PTO)

All regular and introductory full-time employees receive 56 hours (7 days) of paid time off (PTO) each year in addition to vacation and paid sick leave and F5AC's regular holidays. PTO allows employees to have additional paid leave to cover absences for personal reasons such as religious observances. Eligible employees receive 56 hours of PTO on January 1 each year; eligible employees hired later in the year receive a PTO allocation at the time of hire that is prorated based on the hire date. Eligible employees may request to use PTO on or following the day that it is received, including new employees, who may request to use PTO during their introductory period. Requests to use PTO should be submitted as soon as possible. Please note that F5AC may not be able to approve all PTO requests due to organizational needs.

Part-time employees are granted pro-rated PTO hours based on their regular part-time schedule.

No other classification of employees receives PTO.

The total amount of PTO an employee may have in their account at any time is 56 hours (or the pro-rated amount described above for part-time employees). If an employee has the maximum amount of PTO remaining in their account on next January 1, no additional PTO will be granted for that year.

When the employment relationship ends, employees will be paid out for any unused PTO in their final paycheck.

Paid Sick Time

Paid sick time provides employees with some paid time off to recover from illness or injury, to care for medical needs of family members, or for any other reason permitted by law, including for an employee who is a victim of domestic violence, sexual assault or stalking to obtain relief, such as medical attention and psychological counseling.

For purposes of this section "family member" means parent or step-parent, spouse, domestic partner, child or stepchild, grandparent, grandchild, sibling, foster parent, foster child, parent-in-law, any other person sharing the relationship of in loco parentis; and, when living in the household of the employee, a sibling-in-law, or "designated person". A "designated person" is defined as a person identified by the employee at the time the employee requests to use paid sick time. Employees are permitted one "designated person" per 12-month period for paid sick leave usage.

Sick time may also be used for health care appointments for the employee or an employee's family member.

Eligible regular and introductory full-time employees may accrue sick time at the rate of 4 hours per pay period for a total possible accrual of thirteen (13) paid sick days per year. Regular and introductory part-time employees accrue sick time on a pro-rated basis, based on the number of hours they are regularly scheduled to work, and accruing at a rate of at least one hour of paid sick time for every 30 hours worked. Employees may use accrued sick time during their introductory period, beginning on their hire date, and may use paid sick time as soon as it accrues.

Temporary employees, whether full-time or part-time, are provided with three-five days (24-40 hours) of paid sick time at the time of hire. Temporary employees may not use sick time until their ninetieth (90th) day of employment.

Regular and introductory full-time and part-time employees' accrued, unused sick time may be carried over from one year to the next, and there is no limit to their sick time accrual. Paid sick time balances for temporary employees may not be carried over to the next year. Instead, temporary employees receive a new grant of three-five days (24-40 hours) of paid sick time every January 1.

No payment is made for accrued, unused sick time at termination or at any other time. However, regular employees who separate, and then are rehired within twelve (12) months, will have their sick leave balance at the time of separation reinstated.

Temporary employees who are rehired within 12 months from their date of separation will also have their sick leave balance reinstated and will also be provided with three-five days (40 hours) of sick time upon rehire, as described above, up to a combined maximum of six-ten (610) days of sick time.

Employees are responsible for directly notifying their supervisor prior to the start of the workday (or no later than one hour following their regularly scheduled start time), when prevented from starting or continuing a workday due to illness or injury. Employees must also keep their supervisor informed about the expected duration of the time away from work.

In most circumstances, a doctor's statement is required when an employee is absent for more than five (5) consecutive days of sick time (either for themselves, or to care for an ill family member) or when an accumulation of absences seems to establish (in the supervisor's judgment) a problematic use of sick time. However, F5AC may request medical verification of the need for any use of sick time, regardless of duration.

If paid sick time is exhausted and additional time off for medical reasons is needed, employees may request a medical leave of absence.

F5AC does not make any advance payments of sick time (i.e., employees may not use sick time before it is accrued). F5AC may provide time off without pay to an employee who requests time off due to personal or family illness or injury as allowed above and who has exhausted their accrued paid time off.

Catastrophic Sick Leave

An employee may be eligible to receive voluntary donations of accrued vacation hours from other employees if they have suffered a catastrophic illness or injury, or if they must care for an immediate family member (as defined in the Paid Sick Time policy in this Handbook) who has suffered a catastrophic illness or injury. Catastrophic illness or injury is a critical, terminal medical condition or a long-term major physical impairment or disability that temporarily prevents the employee from working their usual hours, or from working at all.

The Catastrophic Sick Leave ("CSL") Program is designed to be as confidential as possible and is strictly voluntary. Employees who donate accrued vacation hours to the CSL Bank will be made aware of the dollar value of their donation to the Bank. The recipient of CSL benefits will be made aware of the value of their benefits received from the CSL Bank. Individual donations, and the identities of donors and recipients of benefits, are confidential, will not be disclosed except on a need-to-know basis for administrative purposes.

Any regular full or part-time F5AC employee is eligible to participate in the CSL Bank, either by donating paid vacation leave, or by requesting a donation. The donor employee may donate accrued paid vacation time only. No other paid time off may be donated to the CSL Bank. The donor's hourly value of paid vacation time

donated will be converted into a dollar value and deposited into the bank. After F5AC approval, CSL leave is withdrawn from the CSL Bank and granted as sick hours to the eligible requesting employee.

To be considered for a CSL Bank donation, the requesting employee, family member of the requesting employee, or another person designated in writing by the requesting employee must submit a request for donation to Human Resources. Human Resources administers the CSL Program and Bank.

The requesting employee must provide a medical verification of the employee's qualification for this CSL program, including an explanation of the employee's work limitations and estimated date of return to work, if applicable. If the employee requesting CSL benefits has left work to care for a critically ill family member, they must provide medical documentation confirming the critical illness/injury of the family member, the need for the employee's care, and the expected duration of the care period is required for the family member.

The determination of whether to award donations from the CSL bank will be at F5AC's sole discretion and will be final (e.g., not subject to challenge).

While the CSL bank donation request may be initiated prior to the anticipated date of the exhaustion of paid leave balances, the requesting employee is not eligible to receive and use donations when they have accrued hours available. No retroactive requests will be permitted (e.g., employees will not be granted donations for time off already treated as unpaid leave). Exhaustion of accrued hours alone is not justification for requesting a donation from the CSL Bank.

A requesting employee may be eligible to receive up to a total of 320 hours of donated CSL time throughout their employment. Donations are considered on a first-come, first-served basis. Donations from the CSL Bank may be approved only if there are funds available in the bank.

Periodically, F5AC may notify all employees that they may choose to donate to the bank.

Donations are made in 4-hour increments. Once the donation is made, and deposited in the CSL Bank, it is a final transaction and cannot be retrieved by the donating employee. The maximum donation in a calendar year is 80 hours per employee, except spouses or registered domestic partners, both employed by F5AC, may donate unlimited amounts of paid vacation time between one another. In any case, donations that would result in vacation balances falling below 40 hours are not permitted.

Jury or Witness Duty

Leave is granted for an employee to serve jury duty or witness duty in response to a summons or subpoena. Regular and introductory full-time and part-time employees receive paid time off for a maximum of two weeks when required to serve jury or witness duty (part-time employees' Jury or Witness Duty pay is pro-rated based on the percent of time regularly scheduled to work). If additional leave is required beyond the two-week period, or if the employee is not eligible to receive paid jury duty time, leave for this purpose will be provided as unpaid time off. The employee serving unpaid jury/witness duty may use accrued vacation and/or PTO time during the unpaid portion of the leave.

Proof of attendance from the court is required to receive jury/witness duty pay. When an employee is excused from jury or witness duty in time to work for half or more of the normal workday, the employee is required to work the rest of that day.

Bereavement Leave

All employees may take up to 5 days, consecutive or non-consecutive, for bereavement leave for a death in their immediate family. Any bereavement leave-and must be taken-completed within three months of the death of the family member. F5AC may require documentation of the family member's death.

For purposes of this policy, "immediate family" means parent, step or foster parent or parent-in-law, spouse, domestic partner, child, step or foster child, grandparent, grandchild, sibling or sibling-in-law, or any other person sharing the relationship of "in loco parentis" with the employee.

Reproductive Loss Leave

An employee may take up to 5 -days, consecutive or non-consecutive, for reproductive loss. Employees may take the leave for themselves or for their spouse/partner. Reproductive loss includes:- miscarriage, failed adoption or surrogacy, stillbirth, and unsuccessful assisted reproduction.

Time off with pay for a regular or introductory full-time employee may be granted for this leave. Regular and introductory part-time employees may be granted time off with pay pro-rated based on the percentage of time regularly scheduled to work; the remainder of the five-day bereavement entitlement would be without pay. Employees may request to use their applicable accrued paid time off during any otherwise unpaid leave for the purposes of this policy or the bereavement leave policy.

State Disability Insurance (SDI)

F5AC employees who are unable to work due to illness, injury, or pregnancy disability may be eligible for, and are encouraged to apply for, disability benefits through State Disability Insurance (SDI) for the time they are unable to work. SDI is an employee paid state-administered benefit that provides to employees deemed eligible by the state partial replacement of wages lost because of a disability not caused by work. The determination of benefits is up to the state Employee Development Department (EDD). The first seven calendar days of an employee's absence are generally considered a "waiting period," and SDI benefits are not paid during that period. Information and claim forms are available from the local EDD office or the EDD website.

Paid Family Leave (PFL)

The state-administered Paid Family Leave (PFL) insurance program is an employee-paid benefit that provides to employees deemed eligible by the state partial wage replacement when an employee is taking approved time off work to care for a seriously ill family member (as defined by the state), or to bond with a newborn or newly placed child.

The state Employee Development Department (EDD) determines your benefits. Information and claim forms are available from the local EDD office, or from the EDD website.

Paid Parental Leave

As a special benefit to regular and introductory employees, F5AC offers additional parental leave compensation. When a regular and introductory employee is taking an approved leave to bond with their newborn, an adopted child or a child placed in foster care, the employee is eligible to receive additional compensation from F5AC up to 100% of their regular pay in combination with PFL benefits received. Employees requesting this special additional compensation must provide the PFL Notice of Computation from the EDD to Human Resources.

Coordination of Benefits

If an employee is receiving State Disability Insurance ("SDI"), Paid Family Leave ("PFL") or Workers' Compensation benefits, and the employee has not exhausted their accrued paid benefits from the employer, F5AC will coordinate the outside paid benefit with the employee's accrued paid benefit (to the extent permitted by law) so that total compensation does not exceed the employee's regular wages for that pay period. Employees must communicate to Human Resources the outside benefit amounts and dates paid.

Part Six: Leaves of Absence

F5AC provides unpaid leaves of absence to eligible employees in a variety of circumstances. Information concerning legal requirements applicable to leaves of absence is posted in the workroom and on the intranet. Employees who are considering requesting a leave of absence are encouraged to meet with Human Resources as early as possible to discuss the details of the leave and to coordinate the integration of benefits and payroll.

Employees may request a leave of absence without pay for reasons including, but not limited to: personal or family illness, qualifying exigency arising from a call to active duty, or justifiable personal or other reasons. “Without pay” means that F5AC does not pay for time on leave, although F5AC may permit, or require, the employee exhaust accrued, unused vacation, PTO, and/or paid sick hours during the otherwise unpaid leave, consistent with F5AC policies and applicable law. Generally, no benefits or seniority will accrue during any unpaid portion of the leave. Human Resources will explain to employees requesting unpaid leave how to continue health plan coverage while on a leave of absence.

General information

Leave Requests

As soon as an employee learns of the need for a leave of absence, the employee should submit a written leave request to Human Resources. Request forms are available from Human Resources and on the F5AC intranet. If the need for the leave is foreseeable, employees are required to provide at least 30 days’ advance notice. Approval of the leave may be delayed if timely notice is not provided. If the employee learns of the need for leave fewer than 30 days before the leave is needed, the request must be made as soon as possible.

Medical Certification

Human Resources will notify the employee if medical certification is required for a requested leave to be approved. If the reason for leave is the employee’s own injury or illness, medical certification of the employee’s ability to return to work, with or without any work restrictions, at the conclusion of the leave is required before the employee will be permitted to return.

Concurrent Leaves

If an employee is on a leave that qualifies under more than one law (e.g., leave for a serious health condition under the FMLA/CFRA that is also a Workers’ Compensation injury), the leave time will run concurrently to the extent permitted by law.

Unpaid Leaves

The most common types of unpaid leaves are described below. Please see Human Resources for additional information about any leaves, or if you wish to request leave that is not covered by the descriptions below.

In addition to the leaves outlined below, F5AC may grant time off without pay to an eligible employee who requests time off for personal reasons and who has exhausted their accrued paid vacation and PTO leave. Time off granted in this circumstance, if any, is limited to a maximum of three (3) days. If an employee needs additional time away from work, the employee should request a Personal Leave of Absence.

Family/Medical Leave under the Family Medical Leave Act and California Family Rights Act (“FMLA”/“CFRA”)
Eligible employees may request an unpaid leave of up to 12 workweeks in a rolling 12-month period for any of the following reasons:

- For the employee’s serious health condition
- To care for the serious health condition of the spouse, registered domestic partner, child, parent of an employee; and additionally, under CFRA, grandparent, grandchild, sibling, parent-in-law or “designated person”
- To care for the employee’s child after birth, or following placement for adoption or foster care (“baby bonding”)
- To handle “qualifying exigencies” arising out of the fact that the employee’s spouse, registered domestic partner, child, or parent is on active duty, or is called to active duty, in support of contingency operations as a member of the National Guard or Reserves.

A “designated person” is any individual related by blood or whose association with the employee is the equivalent of a family relationship. The designated person is identified by the employee at the time they request the leave. Employees are limited to one designated person per 12-month period for CFRA leave.

In addition, eligible employees may be entitled to take a leave of up to 26 weeks in a 12-month period to care for a spouse, registered domestic partner, parent, child, or next-of-kin who has sustained serious illness/injury in the line of military duty.

Eligible employees are those who have at least one year of service with F5AC, and who have worked at least 1,250 hours in the 12-month period before the date the requested leave will begin.

Generally, employees taking FMLA/CFRA leave must use accrued paid sick (if applicable), PTO, and vacation time during the leave. The exceptions to this are:

- Employees on FMLA/CFRA leave for their own serious health condition and who are receiving temporary disability benefits (e.g., SDI) or workers' compensation benefits may elect to use their paid leave to supplement their disability benefit up to an amount that, when combined with the disability benefit, does not exceed their regular pay for the pay period.
- Employees taking leave to care for a family member or for baby bonding are generally required to use accrued vacation, PTO or paid sick hours.
- Employees on leave for pregnancy disability are generally required to use paid sick time and may elect to use PTO or vacation time during the leave.

Employees on approved FMLA/CFRA leave retain their employer-paid health insurance under the same terms and conditions as if they remained actively working.

When an authorized FMLA/CFRA leave expires, employees will be returned to the same or comparable position to the extent required by law.

Non-FMLA/CFRA Medical or Family Leave

Employees who are not eligible for leave under the FMLA/CFRA may nonetheless request a leave for any of the reasons allowed for FMLA/CFRA leaves. The employee must provide evidence of one of the reasons for leave as stated in the FMLA/CFRA and provide 30 days' notice if the need for the leave is foreseeable.

If approved, in most cases, leaves of this type will not exceed a maximum duration of eight (8) work weeks within a rolling 12-month period. Generally, employees must exhaust all accrued sick leave (if applicable), PTO, and vacation time during the leave.

An employee whose medical condition temporarily precludes them from working may request an unpaid medical leave of absence as a reasonable accommodation.

F5AC will generally require the employee to provide reasonable medical documentation from a health care provider verifying the employee's temporary inability to work. The duration of leave will depend on the circumstances involved, which F5AC will evaluate on a case-by-case basis. Employees on leave must exhaust accrued paid sick, PTO, and vacation time during the leave.

Employees who have active health insurance with F5AC at the time they request this leave, will continue to be covered by health insurance through the end of the month when the unpaid portion of their leave begins. Afterwards, employees may continue coverage under F5AC's group insurance plans at their own expense pursuant to COBRA.

When an authorized leave ends under this section, employees will generally be returned to the same or comparable position to the extent required by law.

Pregnancy Disability Leave ("PDL")

Employees who are disabled and unable to work due to pregnancy, childbirth, or a related condition are eligible to request a leave up to four months per pregnancy. PDL does not need to be taken all at once but can be taken on an as-needed basis as certified by the employee's health care provider.

Employees requesting foreseeable PDL leave should ordinarily provide thirty days' notice in advance of the date the leave is to begin. When requesting PDL, an employee must provide certification of the need for leave

from the treating health care provider, who must certify the date the leave is to begin as well as the anticipated return-to-work date. When returning from PDL leave, the employee must provide a release to return from the health care provider, including any work restrictions and the duration of any such restrictions.

Employees taking PDL leave must generally use accrued paid sick time during the leave but may elect whether to not to use accrued vacation or PTO.

Employees taking PDL retain their employer-paid health insurance during their approved leave (up to a maximum of four months) under the same terms and conditions as if they remained actively working.

Employees returning from approved PDL will be returned to the same or comparable position to the extent required by law.

Workers' Compensation Leave

Employees who are temporarily unable to work due to a job-related illness or injury may be eligible for a leave of absence until the earlier of the following:

- The employee is released to return to work
- The employee is determined to be unable to return to their usual duties permanently.

Employees must exhaust all accrued sick, vacation, and PTO during this leave. The exception to this is that employees receiving workers' compensation benefits whose leave runs concurrent with FMLA/CFRA leave are not required to use their paid leave but may elect to do so.

Employees who are covered by F5AC health insurance at the time their leave commences, and who do not have FMLA/CFRA leave running concurrently, will remain covered by F5AC health insurance coverage through the end of the month when the unpaid portion of their leave begins. Thereafter, employees may generally elect to continue coverage under F5AC's group insurance plans at their own expense pursuant to COBRA.

Employees returning from workers' compensation leave will be returned to the same or comparable position to the extent required by law.

Personal Leave of Absence

F5AC may consider granting a personal leave of absence without pay. Personal leaves are limited to a maximum of two months in any two-year period (measured in a rolling 24-month period). Personal leaves may generally not be added to any of the previously described leaves.

Any regular F5AC employee may request an unpaid personal leave of absence. Job performance, attendance, and work/program requirements are all taken into consideration before a request is approved. Requests for unpaid personal leave may be denied or granted by F5AC within the sole discretion of the Agency.

Personal leaves of absence must be requested in writing, and 30 days' advance notice is required if the need for leave is foreseeable. All requests must first be reviewed and recommended by the supervisor, Human Resources and approved by the director.

Employees are required to exhaust all accrued paid sick (if applicable), vacation, and PTO hours prior to requesting an unpaid personal leave of absence.

Employees who have active health insurance with F5AC at the time of their unpaid personal leave will have paid health insurance coverage through the end of the month when the unpaid portion of their leave begins. Thereafter, employees may continue coverage under F5AC's group insurance plans at their own expense pursuant to COBRA.

An employee is required to return from the personal leave on the originally scheduled return date. If the employee is unable to return, they must request an extension of the leave in writing within five (5) business days before expiration of the leave, explaining the reason for and requested duration of the additional leave sought. If the requested leave extension is not approved, the employee must return to work on the originally scheduled return date. Failure to return at the conclusion of the approved personal leave will generally be

considered a voluntary resignation from employment. Extensions of leave are considered on a case-by-case basis.

Upon expiration of an approved personal leave, the employee will generally be returned to the same or comparable position, but there is no guarantee of reinstatement following a personal leave.

Part Seven: Work Hours & Pay

Pay Periods

For all employees, the standard pay period is biweekly. Employees are paid every other Friday. If the payday falls on a holiday, employees generally receive pay on the prior workday.

Work Schedules

The regular work schedule is from 8:30 a.m. to 5:00 p.m. Monday through Friday including a half hour unpaid rest period. Some employees may have different work hours and/or an alternative work schedule if the alternative schedule is agreed in advance in writing by the employee and the supervisor and reviewed/approved by Human Resources. Any alternate work schedule is subject to the demands and limitations of the job and department.

Alternative Work Schedules

4/10 Schedule

A 4/10 schedule allows an employee to work 4 days, instead of 5 days per week. An employee works 10 hours per workday, 4 days per week, rather than 5 eight-hour days per week.

Half-Flex Day Schedule

The Half-Flex Day Schedule allows an employee to work 4.5 days per work week. An employee works 9 hours per day, 4 days per week and 4 hours one day per week, rather than 5 eight-hour days per week.

9/80 Schedule

Any regular, exempt full-time employee is eligible to request a 9/80 schedule. A 9/80 schedule allows an employee to work 9 days, instead of 10 days, in a 2-week pay period. This schedule consists of eight 9-hour days and one 8-hour day, with every other Friday off, **(or other designated weekday as approved by F5AC, also known as a flex day off) in a single 80-hour pay period.**

Employees must have supervisor approval and work set workdays each week for their Alternative Work Schedule. Employees may need to occasionally adjust their workdays due to organizational needs or their manager's request. Employees approved for an Alternative Work Schedule will sign a written agreement and cannot accumulate hours or days off.

F5AC holidays are paid at a rate of 8-hours per day. Employees who are scheduled to work a 9-hour or 10-hour day and are off on a holiday must request 1-or 2-hours accrued vacation or PTO to receive full pay for the day off.

If a holiday falls on the day an employee is scheduled for their flex day off, the employee will be allowed to take 8-hours of leave on another day in the pay period the holiday falls, upon supervisor approval. The 8-hours may be combined with 1- or 2-hours vacation or PTO to be paid a full 9- or 10-hour day.

Meal Periods

Non-exempt employees who work five (5) hours or more should take an unpaid lunch break of a minimum of thirty (30) minutes (or up to one (1) hour if working a 9-hour day) towards the middle of their workday. No work for F5AC should be performed during the unpaid meal period. On the rare occasion when F5AC work requirements make it impossible for the employee to be completely relieved of all duties during their lunch break, the employee must note this on the timecard, and inform their supervisor, and they will be paid for their meal period. Employees may not skip meal breaks without prior approval from their supervisor.

Timekeeping Requirements

Non-exempt employees must accurately complete and submit time sheets to be approved by their supervisor or manager for each pay period. Non-exempt employees record actual hours worked and any paid or unpaid leave taken during the period; non-exempt employees must report all hours worked and are prohibited from performing any work "off the clock."

Exempt employees should accurately complete a time sheet for each pay period showing their regular work schedule and any paid or unpaid leave taken.

Overtime Pay and Compensatory Time Off

F5AC provides overtime compensation to non-exempt employees for all hours worked in excess of 40 hours per workweek. All overtime must be approved in advance by the supervisor and the Division Chief.

As an employee option, F5AC offers compensatory time off (CTO) as a substitute for overtime pay. For all hours worked in excess of 40 in the workweek, the employee may elect to receive CTO at the rate of one and one-half hours of paid time off for each hour of overtime worked, up to a maximum of 240 CTO hours. Any employee wishing to receive CTO instead of overtime compensation must have a written CTO agreement on file with Human Resources in advance of performing the overtime work.

Taking paid time off work, such as vacation, PTO, holiday, and sick time, does not constitute hours worked for the purposes of computing overtime.

Multilanguage Pay

If an employee is required by their job duties to use a second or third language at least 20% of the time on the job (in the sole determination of F5AC), the employee or the employee's supervisor may make a request to human Resources that the employee be provided bilingual or trilingual pay.

Prior to any recommendation or approval for this special pay, the employee must first pass a language proficiency exam administered through F5AC's designated testing agency. A passing score is 70%. If the eligible employee passes the test, and F5AC approves, an additional taxable earning will be added to the employee's paycheck each pay period in an amount consistent with the Alameda County bilingual or trilingual pay rate.

Supervisors must contact Human Resources to schedule testing for eligible employees. Supervisors must also confirm, on an annual basis, that the employee is continuing to use the second/third language at least 20% of the time and must annually reauthorize bilingual/trilingual pay, if appropriate.

Part Eight: Workplace Health & Safety

Drug-Free Workplace

As part of F5AC's ongoing commitment to a safe and healthy workplace, we maintain a drug-free workplace. Any employee who reports to work while under the influence of drugs or alcohol runs the risks of endangering their safety and the safety of others, destruction of or damage to personal property or F5AC property, and a loss of productivity and workplace morale.

All employees of F5AC are required to understand and comply with F5AC's drug-free workplace policy. Employees either in our offices, or conducting business on behalf of F5AC regardless of location, are prohibited from the following:

- Use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of alcohol or drugs. (The sole exception to this is the appropriate use or possession of prescription or over-the-counter medication that does not impair the ability to work safely and effectively.)
- Reporting to work, or working, while under the influence of alcohol or drugs.

If an employee is taking prescription or over-the-counter medications that may impair their ability to work safely or effectively, the employee should inform the supervisor of that fact prior to commencing work.

Smoking

Smoking, including the use of e-cigarettes, is prohibited in all F5AC offices, and while conducting F5AC business, regardless of location.

Part Nine: Work Practices and Environment

Punctuality & Attendance

If employees are unable to work as scheduled, they must inform their immediate supervisor prior to the start of the workday or, in any event, no later than one hour following their regularly scheduled start time. Employees must also keep their supervisor informed about the expected length of time away from work.

Employees are expected to be responsible and demonstrate respect for fellow employees by establishing a record of punctuality and regular attendance. These are factors considered in evaluating overall job performance.

Unexcused or frequent lateness or absenteeism is not permitted.

Facilities & Property Use

Employees are expected to treat F5AC facilities and property with respect and to keep their work area and common areas clean and well-maintained. F5AC equipment use is limited to work-related purposes. Employees must have written supervisory approval prior to removing any F5AC property from the premises. Employees may decorate their own workspaces, as long as decorations are consistent with F5AC policies and project a professional image appropriate to our work. Employees must have Office Manager approval before making any changes to public spaces or common areas.

Visitors

All visitors must sign in and out at the front desk and receive a visitor badge to wear in the office. Visitors should stay in the reception area until escorted by an employee. Please keep non-work-related visitors to a minimum to avoid interruptions to coworkers.

Security

F5AC strives to provide a secure work environment for our employees, volunteers, clients, and visitors. Our building is equipped with an alarm system that is activated during non-business hours, and exterior doors are always locked (except the front entrance and conference center entrance which are unlocked during business hours). Employees are required to comply with all F5AC security procedures and immediately report any security breach to your supervisor.

We encourage employees to be prudent about bringing personal items to work. F5AC is not responsible for losses resulting from property theft.

Immediately report lost or stolen keys/fobs or other missing F5AC property to your supervisor. Copying or giving F5AC keys/fobs, alarm codes, or lock combinations to an unauthorized individual is strictly prohibited.

Breastfeeding-Friendly Workplace

F5AC recognizes that breastmilk is the optimal food for infants' growth and development, and encourages all employees to have a positive, accepting attitude toward breastfeeding employees. F5AC promotes and supports breastfeeding and the expression of breastmilk by breastfeeding employees and recognizes that employees have the right to request lactation accommodation.

F5AC provides:

- Information about breastfeeding support when hired and prior to employees' leave for pregnancy disability or related condition or baby-bonding leave.
- Reasonable time to express milk or breastfeed. Supervisors are encouraged to consider flexible break times, schedules, or other reasonable accommodation to meet employees' needs. Employees may request this accommodation either verbally or in writing to their supervisor or Human Resources.
- A designated Lactation Room, furnished with an electrical outlet, refrigerator for breastmilk storage, comfortable seating, a table, and appropriate furnishings/signage to ensure privacy.

Employees who believe they have not been accorded their rights in connection with this policy have the right to file a complaint with the California Labor Commissioner.

Children in the Workplace

F5AC values family and work-life balance and strives to create an employee-friendly workplace. Our employment policies and benefits reflect our beliefs. F5AC also believes in creating an environment that is conducive to work and generally should not be used in lieu of child care.

While we are sensitive to our employee's child care needs, it is not appropriate for minor children and other minor relatives of employees to be in the workplace during working hours, except for brief visits. This policy has been adopted to minimize potential liability to F5AC, the risk of harm to children, and decreased employee productivity due to distractions and disruptions.

F5AC recognizes there may be occasions when child care is not available and employees need to be available for work. In those situations, the employee may request to work remotely on a temporary basis, or, if the work must be done in the office, may request to bring in their child(ren) for a short period of time. In those rare cases where children are in the workplace, they must always be directly supervised by the parent. In the interest of maintaining the health and well-being of all F5AC employees, children who are ill must not be brought to the workplace. Employees may consult F5AC's Employee Assistance Program for assistance with finding emergency care providers to care for sick children.

Remote Work

F5AC considers remote work to be a viable, flexible work option when both the employee and the job are suited to the arrangement. Employees may work at home, or in an alternate location, with supervisory approval. Remote work may be appropriate for some employees and jobs but not for others. It is not an entitlement, companywide benefit, and it in no way changes the employment terms and conditions.

Remote work arrangements will be reviewed annually during the performance review period. An employees' work must be reasonably carried out remotely without impacting productivity. Request to terminate remote work arrangements by an employee will be reviewed and considered for feasibility by Supervisor in consultation with the Operations and HR teams.

Additionally, employees are responsible for:

- Maintaining a safe workspace;
- Safeguarding all confidential information;
- Reporting hours worked the same way as working onsite.

Generally, employees with an approved remote work schedule must come onsite for a minimum of 2 days per week and as requested by your supervisor/manager. Some positions may require less days in the office as noted in the job description.

All employees must reside and perform their duties in California. Short-term accommodation may be made for temporarily working outside California, but employees must contact Human Resources prior to starting work in any location outside California.

Personal Automobile Use

Prior to using a personal vehicle for work, employees must have supervisory approval and provide a copy of their driver license and proof of personal automobile insurance (with required minimum coverage for property damage and public liability). Employees who use their own automobiles for travel on authorized F5AC work will be reimbursed for mileage at the rate established by the Internal Revenue Service.

Use of the personal vehicle for work does not include the normal commute between work and the employee's home.

Attire

Attire should enable employees to be comfortable in the workplace, while also projecting a professional image to co-workers, clients, partners, volunteers, and the public.

The following guidelines provide general parameters for appropriate work attire and help employees exercise good judgment about items not specifically addressed. A clean and neat appearance should be always maintained. In all situations, clothing should be comfortable and practical for work, but not distracting, revealing or offensive to others. Torn, frayed, ripped, messy or overly casual clothing are not considered appropriate for the office.

Employees may observe dress and/or grooming practices consistent with their religious beliefs, and employees requiring special clothing accommodation for any reason should advise their supervisor or Human Resources in advance. Supervisors, in collaboration with HR, are responsible for interpreting and monitoring attire and grooming standards, including counseling employees whose attire is inappropriate.

Expense Reimbursement

Reasonable and customary work-related expenses incurred in the performance of one's job will generally be reimbursed. Reimbursement requires prior written authorization by the employee's immediate supervisor, itemized actual expenses, and the employee's signed expense reimbursement form with all required documentation/receipts attached. Reimbursements submitted after 120 days will be subject to income tax. Employees should consult the Finance team or the F5AC Procedures Manual for specific instructions.

References

F5AC provides only limited reference information about current and former employees to prospective employers. i.e.: only employment dates and job titles. After receiving a written request and authorization signed by the employee, F5AC will also disclose requested earnings. References may only be provided by Human Resources. Any employee who receives a reference request for references or information about any current or former employee must refer this request to Human Resources.

Part Ten: Communication & Technology

Technology, Voicemail and Email

F5AC employees are permitted to use F5AC's voice mail, electronic mail, computers, networking sites and internet access (collectively "Technology Systems") to communicate with others for work purposes and otherwise to perform their job duties. The Technology Systems are primarily used for F5AC work, and not for personal purposes. Minimal personal use may be permitted, provided any use is during non-working time only, and that it does not interfere with the employee's work responsibilities.

Employees are not permitted to use F5AC's Technology Systems to send jokes, solicitations, comments or information to others that may be perceived as discriminatory, harassing, offensive, or disruptive, or otherwise in violation of any F5AC policy. Technology Systems must not be used to send material that disparages an individual, company, or business entity, or to disclose personal or confidential information without authorization.

Employees may not install, copy, stream, or download software or personal files onto the Technology Systems unless authorized by the IT team.

Employees do not have any right or expectation of privacy in the Technology Systems, including email or documents created, maintained, sent, or received by the Technology Systems. F5AC may monitor and/or search the contents of all voicemail, computer files, and electronic communications.

Social Media

F5AC has a social media presence and encourages employees to connect to help spread the word about F5AC's great work and the services and support that are available to children and families in Alameda County. Use of social media presents certain risks and carries responsibilities.

Social Media includes all means of communicating or posting information or content of any sort on the Internet whether or not associated or affiliated with F5AC. The same principles and guidelines found in F5AC's policies apply to your activities online that may relate to F5AC. Ultimately, you are solely responsible for what you post

online. Keep in mind that any conduct on social media or otherwise that adversely affects your job performance, the performance of fellow employees, or otherwise adversely affects staff, volunteers, contractors/grantees, vendors, or any other people who work on behalf of or receive services from F5AC is not permitted.

Employees are expected to ensure their social media postings that may relate to F5AC are consistent with these and all other F5AC policies.

Always be respectful

Always be fair and courteous to fellow employees, volunteers, contractors/grantees, vendors, or other people who work on behalf of or receive services from F5AC. Remember that colleagues, supervisors, and agency partners often have access to the online content you post. Keep in mind that you are more likely to resolve any work-related complaints by speaking directly with your co-workers or by using our Open-Door Policy than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism that may relate to F5AC, avoid any content that could reasonably be viewed as unlawful, malicious, obscene, threatening or intimidating, that disparages employees, volunteers, clients, contractors/grantees or vendors, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant intentionally to harm someone's reputation or posts that could contribute to a hostile work environment.

Be honest and accurate

Make sure you are always honest and accurate when posting information or news that may relate to F5AC, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false.

Be conscious about mixing your personal and professional lives

- Maintain the confidentiality of F5AC's confidential, private, or sensitive information (see the Confidentiality policy contained in Part Eleven of this Handbook for examples). Do not post internal reports or memos, policies, procedures or other internal business-related confidential or sensitive communications.
- Do not create a link from your blog, website, or other social networking site to a F5AC website without identifying yourself as a F5AC employee.
- Express only your personal opinions, and never represent yourself as a spokesperson for F5AC. If F5AC is a subject of the content you are creating, be clear and open about the fact that you are an employee of F5AC; make it clear that your views do not represent those of F5AC, and you are not speaking on behalf of F5AC. It is best to include a disclaimer such as "The postings on this site are my own and do not necessarily reflect the views of F5AC."
- Do not use your F5AC email address to register on social networks, blogs, or other online tools utilized primarily for personal/social purposes.
- Do not use social media while on work time or on F5AC's Technology Systems unless it is work-related as authorized by your supervisor or consistent with F5AC's Technology Use Agreement.

F5AC's social media presence

The Communications team is primarily responsible for F5AC's Social Media presence. Only designated staff may post content on F5AC-affiliated social media sites. Employees who have ideas, suggestions, or resources for posts are encouraged to share them with the Communications team.

Employee Information & Records Inspection

It is important that employment files are current. Employees should update their information in the Human Resources system (address, phone, emergency contacts, etc.) and inform Human Resources when there are changes, such as marital or domestic partnership status, and dependents, that may affect pay or benefits.

Employees have the right to inspect employment records relating to their performance or to any grievance concerning them, or otherwise as permitted by law. Employees wishing to inspect employment records may do so during regular office hours, after a written request is made to Human Resources. An inspection request form is available from Human Resources and also on the F5AC intranet that employees may use to make their request. Records will be made available for inspection within 30 days of receipt of the written request. An

appointment to inspect the file is made with the Human Resources team, who is present with the employee while inspecting the file. Employees may receive copies, at their own cost, of any document in the employment file to the extent required by law. Employee records are the property of F5AC and are not allowed to be taken from Human Resources without prior written authorization.

Internal Communication

F5AC uses bulletin boards, mailboxes, meetings, intranet, and email to communicate important F5AC information. Each employee is responsible for reading posted or distributed information.

Media Relations

Employees should not respond to any inquiries or requests received from the media for comments or statements on behalf of F5AC. Instead, employees should refer requests to the CEO or, if the CEO is unavailable, to the Communications Specialist. The CEO will respond directly or designate another staff member to serve as the F5AC spokesperson.

Part Eleven: Conduct

Workplace Conduct

F5AC requires employees' cooperation, efficiency, productivity, and compliance with all policies and procedures. Employees must always treat each other with dignity and respect at work and in work-related situations.

Some examples of conduct that may result in disciplinary action, up to and including immediate termination, include, but are not limited to:

- Substandard job performance
- Unauthorized or excessive tardiness or absenteeism, unrelated to a protected leave
- Rudeness or discourtesy or disrespect toward a fellow employee, supervisor, volunteer, supporter, or member of the public
- Fighting, roughhousing, bullying, or engaging in violent or threatening language or gestures, or conduct that is abusive, hostile, or disrespectful (such as slandering or ridiculing others, making false accusations, humiliating others in public, or shunning/ostracizing others, etc.)
- Theft of or unauthorized use of F5AC or a coworker's property
- Disregarding established safety or security procedures, or creating an unsafe work situation for anyone
- Refusing to perform a work-related task when directly instructed to do so by a supervisor or member of management
- Possessing a weapon or firearm on F5AC's property
- Violating F5AC policy prohibiting workplace discrimination, harassment, and retaliation, or violating any other F5AC policy

Open Door Policy

F5AC has an open-door policy that encourages employee participation in decisions affecting them and their daily professional responsibilities. Employees who have a different opinion, misunderstanding or conflict with another F5AC employee are encouraged to address the situation directly with the employee(s) involved, if it is appropriate and safe to do so. We also encourage employees who have job-related problems or complaints to talk them over with their supervisor or a manager at any level of management. We believe that employee concerns are best addressed through informal and open communication.

To the extent possible, F5AC maintains confidentiality in addressing and resolving concerns brought to its attention. However, while investigating and resolving concerns, some information will likely be shared on a need-to-know basis.

No employee will be retaliated against for raising a concern in good faith.

Disciplinary Procedures

While F5AC may use any disciplinary step it concludes is appropriate given the circumstances, including immediate termination, any, all, or none of the following disciplinary steps may be taken, as appropriate:

- **Record of Counseling:** The supervisor counsels the employee, generally following a relatively minor offense to communicate or clarify acceptable conduct or performance. Counseling records are documented by the supervisor, signed by the employee to acknowledge receipt and placed in the employment file.
- **Written Warning:** The supervisor presents the written notice of corrective action, or written warning, to the employee in person if possible. A written warning includes a description of the misconduct or performance problem, the expectations going forward and the consequences if the problem is not corrected. Written warnings are signed by the employee to acknowledge receipt and placed in the employment file.
- **Suspension:** Employees may be suspended without pay for a period for relatively serious offenses at the sole discretion of F5AC.
- **Discharge:** Termination can result from a single, serious offense, or it can be the final step in a process designed to correct offenses or performance problems. It can also occur as the result of conduct inconsistent with F5AC policy.

Other disciplinary steps not described above may or may not be taken, depending on the circumstances. Supervisors are required to consult with Human Resources prior to taking or recommending any disciplinary action, including discharge.

The use of any of the above disciplinary procedures in no way alters the at-will employment relationship.

Right to Respond to Notice of Serious Discipline

Public agencies must comply with certain minimal due process procedures before taking Serious Disciplinary actions, defined for this policy to include pay reduction, suspension of more than five days, demotion, or dismissal, against regular employees.

After receiving a notice of intent to impose Serious Discipline, the regular employee has ten days to respond to the proposed discipline, either in writing or verbally. If an employee timely exercises this right to respond to the notice of discipline, a “Skelly” meeting is conducted.

A “Skelly” meeting provides an informal opportunity for an employee to respond to the proposed Serious Discipline. That is, the employee can refute charges, explain circumstances, or generally present their version of events. The employee is not entitled to a full evidentiary hearing or to call witnesses to testify. The employee may have a representative of their choice present at the meeting. The employee and/or the employee’s representative may present the employee’s response at the meeting.

A “Skelly” officer leads the meeting. The “Skelly” officer should generally be an impartial authority who was not involved in the investigation or events leading to the decision to issue proposed Serious Disciplinary action, and who is authorized to make an effective recommendation concerning the proposed action to the final decision maker.

After the “Skelly” meeting is conducted, the “Skelly” officer will provide a recommendation to the CEO either to uphold, modify, or revoke the proposed Serious Discipline. The CEO has the final authority over the proposed disciplinary action.

Conflict of Interest & Incompatible Activities

It is important that employees avoid conflicts of interest. A conflict of interest is a situation where an employee’s personal or economic interest interferes or may interfere with, influence, appear to interfere or influence, the employee’s job duties, or is, in the judgment of F5AC, otherwise incompatible with the employee’s duties and responsibilities at F5AC or with F5AC’s general activities. A conflict may exist even if the conflict or incompatibility has no adverse impact on job performance.

All employees are required to adhere to the F5AC Conflict of Interest Policy.

In compliance with the First 5 Alameda County Incompatible Activities Policy, all employees must complete an Incompatible Activities Statement Certification.

If employees have outside employment, they must advise their supervisor and the Finance Officer.

Any employee needing advice about a potential conflict of interest should contact the Finance Officer or Human Resources. Outside employment that may or does create a conflict of interest with the employee's employment at F5AC will not be permitted.

Confidentiality

Careful custody and handling of F5AC files, documents or materials (in hard copy or electronic format), and especially those files and documents containing confidential information, is critically important to the well-being and success of F5AC and our clients. Each employee is responsible for safeguarding against the theft, loss, and unauthorized use or disclosure of this information and for following F5AC's best practice policies and procedures addressing confidentiality including, but not limited to, HIPAA compliance. Further, employees must not, directly or indirectly, disclose any F5AC-related confidential information to any other person except as necessary to perform their job responsibilities. Employees who have access to confidential information must take all steps necessary to ensure F5AC confidential information is handled, stored, transmitted or destroyed, if appropriate, in a way that protects against loss or misuse, as outlined in F5AC's Confidentiality Procedures Manual.

Confidential and/or private matters include, but are not limited to:

- Employee or client names, addresses, telephone numbers, social security numbers, and medical/health information
- Information contained in employment or benefits files, including but not limited to disciplinary action records, performance evaluations, benefit applications, beneficiary information, etc.
- Anything marked "Confidential" or "Personal," such as incoming mail, internal documents marked with these terms, etc.
- Private/Confidential data in F5AC web-based applications

Private and confidential information should not be disclosed except to those who have both the need and authority to know about the information to properly perform their job duties.

Employees are expected to maintain F5AC confidential information as confidential even after separation from F5AC. Employees will, at F5AC's request at any time and/or when employment terminates, return all documents, papers, computer files or storage devices, web application passwords, or any other material in their possession that may contain or be derived from F5AC confidential information.

External requests for documents or information, including those that may be governed by the Public Records Act, must be referred immediately to the CEO, Public Information and Communications Officer or Chief of Staff.

Part Twelve: Ending Employment

Voluntary Termination

In all cases of voluntary resignation (e.g., separation of employment that is voluntarily initiated by the employee), employees are asked to provide a written notice to their supervisor at least 10 working days in advance of their expected last day of work. If F5AC asks an employee who has given notice of voluntary resignation to leave our employ before the end of the notice period (for example, if a replacement is to begin immediately), the employee will be paid for the entire notice period, up to a maximum of two weeks.

Employees may use available accrued vacation and PTO to extend their employment for up to 4 weeks following their final day in office.

Human Resources will coordinate and/or conduct an exit interview with each employee who voluntarily terminates employment prior to the employee's exit from F5AC. These conversations enable F5AC to gather important information about the employee's experience at F5AC, and the work environment, that may benefit other employees. Although exit interviews are not mandatory, employees are encouraged to participate in them and to speak frankly about their employment experience with F5AC.

Payroll and Returning F5AC Property

All employees separating from F5AC receive their final paycheck on the next regularly scheduled payroll date. Employees are required to return all F5AC property or equipment to Human Resources or the Office Manager before leaving on their last day of work.

Reduction in Workforce

In the event F5AC requires a reduction in workforce, the below guidelines may be followed.

In its sole discretion, F5AC determines when and whether it is necessary to implement a reduction in force (RIF); which employees are affected by the RIF; and the implementation method. Generally, we give primary consideration to the program and F5AC's needs and circumstances.

- To reduce the need for a potential RIF, employees may be hired for temporary positions, with the duration of the position dependent on funding. Employees hired for temporary positions are not eligible for severance pay but may be eligible to receive outplacement services at the conclusion of the temporary position.
- F5AC may reduce positions through attrition instead of RIF.
- F5AC may require a furlough instead of a RIF (e.g., require employees to work fewer hours per week or take a specified period off work without pay). During the period of furlough, F5AC will attempt to maintain employees' health and dental insurance benefits at the same level as they were prior to the furlough for a period not to exceed eighteen (18) months.
- F5AC may reduce positions from full-time to part-time depending on program needs and funding availability. If F5AC reduces a position to part-time, F5AC will attempt to maintain the employee's health and dental benefits at the same level immediately prior to the hours reduction for a period not to exceed eighteen (18) months, and subject to any future changes in the F5AC's benefit package. Employees who voluntarily request a part-time schedule are not eligible for this benefit.
- F5AC may eliminate positions and will determine if the RIF will occur on an agency-wide basis or in one or more programs, departments, and/or classifications.

Length of Service: An employee's length of service is measured from the original employment date with F5AC (including time as a County employee, Tri-Net employee, or Diversified employee) if there has not been a break in service greater than 30 days (not including leave protected by law. Approved legally protected leaves do not constitute a break in service).

Notice: Employees selected for RIF through position elimination will be given at least 10 business days' notice of the proposed final employment date.

Severance Pay: If positions are eliminated due to RIF, F5AC may authorize severance pay of two weeks' regular base salary or pay less applicable tax and other withholdings, for every year of continuous service (according to the above length of service definition), not to exceed eighteen (18) weeks of pay. If severance pay is authorized, it will be paid in one lump sum on or after the termination date, and, according to ACERA, is not pensionable.

To receive severance pay, if payment is authorized, employees must first sign a waiver releasing F5AC from any and all liability related to their employment with F5AC and their separation from employment. Refusal to sign the waiver within the allowed period and/or lawful revocation of the waiver renders an employee ineligible to receive severance pay.

In addition to severance pay, if any, F5AC may also make a payment equivalent to \$500 per year of service (as defined above in the length of service definition), but not to exceed \$3,000 total, to help with the cost of health insurance. This payment, if authorized by F5AC, will be made in one lump sum, and will be issued at the

same as severance pay. To receive the payment described in this paragraph, if authorized, employees must first sign a waiver releasing F5AC from all liability from their employment with F5AC and their separation from employment. Refusal to sign the waiver within the allowed period and/or lawful revocation of the waiver renders an employee ineligible to receive severance pay.

If an employee who was previously part of a RIF and received any severance pay is rehired and then subsequently laid off, that employee may be eligible for severance only up to a maximum of eighteen (18) weeks of pay when all severance payments (e.g., from the first and second RIFs) are combined.

Outplacement Services: Employees whose positions are eliminated in a RIF, or who were hired for temporary positions in connection with a RIF, may be eligible for F5AC outplacement services. These services are designed to help F5AC employees find positions in Alameda County where they can continue to use their skills and expertise on behalf of children aged 0 to 5 years. Outplacement services, if provided, will not exceed three months following the date of separation. F5AC makes no guarantee that utilizing its outplacement services will result in an employment offer.



Acknowledgment

I acknowledge that I have received a copy of the First 5 Alameda County (“F5AC”) Employee Handbook. I understand that the Handbook contains important information on the general employment policies of F5AC and on my privileges and obligations as an employee. I acknowledge that I am expected to read, understand, and adhere to F5AC’s policies, and I understand I am governed by the contents of this Handbook. I further understand that F5AC may change, rescind, or add to any policies, benefits, or practices described in the Handbook, other than the concept of at-will employment. By my signature below, I also acknowledge and understand that employment at F5AC is at-will employment. That is, either I or F5AC may terminate my employment at any time, for any reason or no reason, with or without cause.

Employee Name

Employee Signature

Date

Change Log

Item	Date
Original adoption of Employee policies adopted by Commission	5/21/2004
Handbook Update – Approved by Commission Includes addition of fingerprinting under “Work Eligibility”, “Tools and Technology”; and “Bilingual Pay”. Medical and Dental Insurance sections rewritten to reflect current benefit structure; “Floating Personal Days” and “Personal Use Time” merged under “Paid Time Off (PTO)”; “Unpaid Time Off and Leaves of Absence” section reformatted to include matrix of leaves	5/26/2005
Addition of Catastrophic Leave Bank – approved by Commission	9/29/2005
Year End Manual Clean-up – reviewed by Executive Committee	6/19/2006
Year End Manual Clean-up – reviewed by Executive Committee Includes Addition of Professional Development, Payment in Lieu Long Term Disability, Children in the Workplace, Telecommuting, & References sections; Change in Full Time Status definition, Remove Position Description section	5/22/2008
Formatting Update	2/25/2009
Year End Manual Clean-up – reviewed by Executive Committee Includes addition of Paid Family Leave, Breastfeeding-Friendly Workplace section Addition of Reduction in Workforce section – approved by Commission 12/11/08, with addition of severance pay cap 3/26/09	6/25/2009
Year End Manual Clean-up – reviewed by Executive Committee Includes Addition of Personal Leave of Absence modifications to sick leave policy – approved by Commission on 12/10/09; Deleted Tools and Technology benefit – approved by Commission on 12/10/09	6/24/2010
Year End Manual Clean-up – Reviewed by Executive Committee Addition of Child Abuse Reporting, Confidentiality policies & Temporary Military Duty Leave; Removed Lent to Other Government or Educational Institution Leave	12/8/2011
Deleted ACERA offset benefit – approved by Commission on 12/13/12	12/13/2012
Year End Manual Clean-up – Reviewed by Executive Committee Revisions to Unpaid Leave section, including deletion of the Matrix format, Separation of Pay Periods into Pay Periods and Work Schedules, addition of Reasonable Accommodation Leave, Social Media, Media Relations; Removed Educational, Temporary Military Duty and Military Leaves	5/23/2013
Year End Handbook Clean-up – Reviewed by Executive Committee Consolidation of Medical and Dental Insurance sections, deletion of Wage Garnishments and Appeal of Serious Discipline sections	6/26/2014
Year End Handbook Clean-up – Reviewed by Executive Committee, including modifications to Sick Time to reflect provisions in the Healthy Workplace Healthy Family Act, and to Health and Dental Insurance to reflect provisions in the Affordable Care Act	6/18/2015
Year End Handbook Clean-up – Approved by Commission on 6/16/16 Title change from “Employee Policies and Procedures Handbook” to “Employee Handbook” Addition of “Paid Time Off” usage during Introductory Period Addition to Eligibility of Dependent Children of Temporary Employees; Employer Share of Health and Dental Premiums for Temporary Employees and Their Eligible Dependents; Definition for Eligible Dependents; Vacation Time off Requests; Modification to “Workplace Conduct”	6/16/2016
ddition of \$500 per Fiscal Year for Professional Development, to Be Reimbursed After Completion of Course(s) – Any Unused Funds Will not Carryover	7/20/2016
Addition to Leaves of Absence – Paid Leave, Work Hours and pay – Flex schedule	8/18/2016
Modify Leaves of Absence – Paid Leave	6/15/2017
Week of Christmas Off & 3% Cola Eff. 01/26/18; In Lieu update from \$125 per month to \$137.50 per month – Approved by Commission.	12/14/2017
Year End Handbook Clean-up – Approved by Commission	6/21/2018

Includes Extension of Employee's Introductory period, modify Leaves of Absence – Unpaid, Paid Sick Time, Workplace Conduct	
Modify Benefits & CA Paid Family Leave – Approved by Commission	12/13/2018
Handbook Clean-up – Approved by Commission, including updates to approval levels and titles, Reasonable Accommodation, Replaced Policy Prohibiting Harassment & Discrimination, Benefits, Added “additional benefits” section, Vacations, Jury Duty, Pay Periods, 9/80 Schedule, Bereavement, Leave Policies and Catastrophic Leave Bank, Paid Parental Leave, Children in workplace, Telecommuting has been renamed Remote Work, Attire, Technology-Voicemail & Email, Social Media, Workplace Conduct, Open-door Policy, Conflict of Interest, Voluntary Employment Terminations, Reduction in Workforce. The following have been removed: References to pre-employment/onboarding processes, sections on Employing Commissioners, Executive Benefits Package, Long-Term Disability, Payroll Deductions, and Parking.	10/17/2019
Update approved by the Commission – At-Will Employment, Policy Prohibiting Harassment & Discrimination, Adding Presidential General Election Holiday and COVID 19 Temporary Remote Work Policy	10/15/2020
Update approved by the Executive Committee – Handbook Clean-up – approved by the Commission Executive Committee, including updates to approval levels and titles, clarification on introductory employees, At Will Employment, Policy Prohibiting Harassment & Discrimination, Work Eligibility, Introductory Period, Employee Classifications, Professional Development, Benefits, Vacations, Paid Time Off, Paid Sick Time, Bereavement Leave, Paid Parental Leave, Leaves of Absences , Work Schedules, Bilingual and Multilanguage Pay, Breastfeeding-Friendly Workplace, Expense Reimbursement, References, Communication & Technology, Conflict of Interest & Incompatible Activities, Confidentiality, Reduction in Force Additions: Juneteenth & Indigenous People's Day Holidays; Additional Eligible Family Members under CFRA, 4-10 Schedule; COVID-19 Workforce Vaccination Policy, Right to Respond to Notice of Serious Discipline	05/26/2022
Updates for legislative compliance to add “designated person” to Paid Sick Time and Unpaid Leaves, to include 5 days of bereavement leave for part-time employees (paid leave prorated), to update name of Civil Rights Department (from Fair Employment and Housing).	12/08/2022
Updates to TB test in Work Eligibility section, added Alternative Work Schedule, Overtime Pay and Compensatory Time Off, Remote Work Policy, Removed COVID-19 Workplace Vaccination Policy	10/5/2023
<u>Updates to Equal Opportunity and Policy Prohibiting Harassment and Discrimination (SB848) temporary employee sick leave allotment per SB616, Reproductive Loss Leave per SB848, updated Alternative Work Schedule (9/80 schedule), and Technology, Voicemail and Email Policy</u>	<u>1/24/2024</u>



To: First 5 Alameda County Executive Committee

From: Christine Hom, Chief Operating Officer
Maria Canteros, Senior Administrator, Finance

Date: February 8, 2024

Subject: FY 2023-25 Contract Authorization

REQUESTED ACTION

To review the following contract authorization.

BACKGROUND

Per our Financial Policies, Section VII. Purchasing and Contracting, the Commission must approve contract/award amounts over \$300,000 in aggregate. The following award requires specific authorization from the Commission.

Olson Remcho, LLP – \$200,000

First 5 Alameda County is requesting approval of a sole source FY 2023-24 \$200,000 contract amendment with Olson Remcho, LLP to provide legal consultation on an as needed basis.

Olson Remcho currently has a FY 2023-25 \$320,000 contract (FY 2023-24: \$200,000, FY 2024-25: \$120,000) and the addition of \$200,000 brings the aggregate amount for FY 2023-24 to \$400,000 for which Commission approval is needed.

Fiscal Impact: Funding is budgeted and provided by Proposition 10 and the contract with the City of Oakland for the Oakland Children’s Initiative (OCI) where F5AC serves as the Early Education Fund Implementation Partner.

Action requested: Approve an aggregate FY 2023-25 award amount of \$520,000 for Olson Remcho, LLP.

RECOMMENDATION

That the Executive Committee recommend the above contract authorization be brought to the Commission for approval at their next meeting.

Submitted by:

DocuSigned by:
Christine Hom
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Christine Hom
Chief Operating Officer

Reviewed by:

DocuSigned by:
Kristin Spanos
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Kristin Spanos
Chief Executive Officer

DocuSigned by:
Maria Canteros
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Maria Canteros
Senior Administrator, Finance

Reviewed by:

DocuSigned by:
Cally Martin
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Cally Martin
Deputy Chief Executive Officer

DocuSigned by:
Nick Zhou
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Nick Zhou
Chief Financial Officer



To: First 5 Alameda County Executive Committee

From: Kristin Spanos, Chief Executive Officer
Cally Martin, Deputy CEO
Christine Hom, Chief Operating Officer
Nick Zhou, Chief Financial Officer
Maria Canteros, Senior Administrator, Finance

Date: February 8, 2024

Subject: FY 2023-24 Mid-Year Financial Report and Proposed Budget Modifications

REQUESTED ACTION

To review and provide guidance on the FY 2023-24 Mid-Year Financial Report and Proposed Budget Modifications in preparation for presentation to the Commission.

BACKGROUND: FY 2023-24 MID-YEAR FINANCIAL REPORT, JULY 1, 2023-DECEMBER 31, 2023

This narrative, and the attached statements, report Revenues and Expenses for the period July 1 – December 31, 2023. At the end of December, 50% of the fiscal year was complete. A detailed description of revenue and expenses is listed below.

Revenue

As of December 31st, total revenue was \$8.4 million, or 17% of the current year's original budget revenue compared to 27% last year. Of this amount:

- Tobacco Tax receipts of approximately \$3.3m (of \$9.9m budgeted) or 33% was received for the first six months of the fiscal year. Proposition 10 revenues are typically received 2 months in arrears consistent with prior year's trends.
- Measure AA Parcel Tax receipts of \$14.7m, of which \$2.4m is current revenue, and the balance of \$12.3m is deferred revenue and will be updated as expenses are incurred.
- Other F5AC income includes \$112,747 (of \$1.5m budgeted) or 8% of funding received. Revenue consists of grant reimbursements from First 5 San Benito for the IMPACT Legacy and the IMPACT T/TA Regional Hub reimbursements based on expenses incurred during the period.
- As of December 31st, \$1.4m (of \$4m budgeted) or 37% of Interagency Income had been received from contract reimbursements from Alameda County Public Health Department (Help Me Grow Linkage Line contract and Perinatal Health Outreach Services contract), Alameda County Health Care Services Agency (Fathers Corp program support), Alameda County Social Services Agency (Workforce Pilot, Navigation and HMG support and CEL Application funding),

AGENDA ITEM 7

Alameda County Housing and Community Development Agency (Unincorporated Needs Assessment), Alameda County Office of Education (QRIS Block Grant, Inclusive ELC grant), and California Department of Social Services (QCC QRIS Block Grant).

- Grant funding of \$921,256 (of \$3.8m budgeted) or 27% was received from Sunlight Giving for general support, Alameda Alliance for Health, Stupski Foundation and new funding from the Kresge Foundation and Fatherhood Summit sponsors.
- MAA invoicing for FY 2022-23 expenditures is in process and reimbursements are expected later this calendar year. MAA revenue is budgeted at \$2.5m for FY 2023-24.

Expenses

At \$12m, total Expenditures for the first six months were 24% of the approved budgeted amount of \$50.6m. Personnel costs are at 40% of the budgeted amount. Contracts and grants expenses are at \$3.5m or 12% of the budget. Invoicing for first and second quarter contract payments are currently underway and will be updated in third quarter expenditures. Consistent with prior year practice, the majority of contracts and professional services contract expenses are paid in the second half of the fiscal year due to the timing of when reporting and invoices are received.

Program operating costs are at 39% of the budget; expenses are incurred at different times of the year based on various program factors. Administrative costs for the 6-month period are at 6%. We anticipate experiencing a greater rate of budgeted spending through the end of the fiscal year. Infrastructure cost spending is closely in line with the budget for the 6-month mark and is comprised primarily of agency-wide administrative expenses including insurance premium payments and office operating costs.

Summary

Total receipt of revenues is on the lower end at the mid-year primarily due to the timing of monies to be received from the State Controller's Office for Proposition 10, Proposition 56 revenue and new California Electronic Cigarette Excise Tax (CECET) payments and revenues due to be received from other F5AC income. Expenses incurred are also lower at the mid-year mark as has always been the case in previous years and will change as the year progresses and expense line items are expected to trend closer to budget projections by year-end.

Background: Proposed FY 2023-24 Budget Modifications

The operating budget for FY 2023-24 was adopted by the Commission in June 2023. As in prior years, F5AC staff submit mid-year proposals to modify the adopted budget to address material changes in revenue, seek approval for unanticipated expenses that may have occurred and make necessary transfers and adjustments to reflect changes to program goals since the adoption of the original budget.

Revenue and Available Funds

FY 2023-24 adopted budget projects revenue and available funding totaling \$50,566,703. The proposed budget modification changes this amount to \$56,391,721 a net increase of \$5,825,018.

The primary changes in revenue for this fiscal year are increased funding from the Alameda Alliance for Health, Alameda County Office of Education, First 5 San Benito (formerly via First 5 California), and from the City of Oakland Measure AA Tax to support the Children's Health Initiative. New revenue includes funds from the Kresge Foundation and Hellman Foundation. The projected Prop 10 Tobacco Tax

AGENDA ITEM 7

revenue has been reduced to reflect the August 2023 update and the sustainability fund has been adjusted to support the continued program planning, hiring, and other implementation costs.

Expenditures

FY 2023-24 adopted budget projects expenses totaling \$50,766,703. The proposed budget modification changes this amount to \$56,391,721, a net increase of \$5,825,018. Please refer to the following summary of major changes and the attached worksheet detailing proposed revised revenue.

Updated Revenue Received/Budgeted Since Adoption of Original Budget:

Funder/Source	Amount (\$)	Strategy	Description/Purpose
Measure AA Tax – Increase \$1,331,740			
City of Oakland	\$1,331,740	Children’s Health Initiative and Expansion	Adjusted revenue to reflect the updated annual allocation supporting the implementation activities as F5AC assumes the role as the City of Oakland’s Early Childhood Implementation Partner supporting early care and education programs.
Other First 5 Income – Increase \$110,941			
First 5 CA (IMPACT 2020)	(\$1,225,293)	Quality Early Childhood Education	Funding no longer disbursed by First 5 California in the current fiscal year. See below for the updated funding award to support local QRIS work.
First 5 San Francisco via Children’s Council of San Francisco	(\$145,000)	Quality Early Childhood Education	Funding is no longer disbursed by the Children’s Council of San Francisco in the current fiscal year. See below for the updated funding award to support the IMPACT Local Regional Training and Technical Assistance Hub.
First 5 San Benito (IMPACT Legacy and IMPACT Local Regional T/TA Regional Hub)	\$1,311,063	Quality Early Childhood Education	Funding to support the local QRIS work and to support the IMPACT Local Regional Training and Technical Assistance Hub have been combined into one award.

AGENDA ITEM 7

First 5 San Benito (Home Visiting Regional Technical Assistance)	\$170,171	Parent Partnership	New funding award to support the activities related to implementation of the Home Visiting Regional Technical Assistance Partnership.
Interagency Income – Increase \$190,149			
Alameda County Health Care Services Agency	\$64,800	Fatherhood	Carryover of unspent funds in the prior fiscal year to support the completion of the 10-year Father’s Corp evaluation.
Alameda County Office of Education	\$125,349	Quality Early Care and Education	Increased funding to support the addition of a new Quality Improvement Navigator position.
Grants – Increase \$386,566			
Alameda Alliance for Health	\$141,308	Pediatric Care Coordination	Additional funding to support an additional Member Outreach Care Coordinator as part of the expansion of comprehensive pediatric care management services to engage families in pediatric well-child, provide navigation support, and continue its quality improvement support to healthcare providers and practices.
Hellman Foundation (via the California Children and Families Foundation)	\$100,000	Data & Evaluation	New grant award to support activities as part of the identification and implementation of the Kindergarten Readiness Assessment tool in Alameda County.
Kaiser Permanente, Kresge Foundation, and miscellaneous summit sponsors.	\$145,258	Fatherhood	Summit sponsors
Other Income – Increase \$3,805,622			
Prop 10 Tax Revenue	(\$411,331)	All Strategies	Reduction in projected Prop 10 revenue as of August 2023. The new revenue projections use updated birth rates for the county, reflecting lower

AGENDA ITEM 7

			birth rates and decrease in tobacco sales.
Sustainability Funds	\$4,216,953	All Strategies	Projected increase in use of sustainability funds to maintain strategy budgets for the FY 2023-24 investments.
	\$5,825,018	Revenue – Proposed Increase	
	\$50,566,703	Revenue – Original Approved Budget	
	\$56,391,721	Revenue – Proposed Revised Budget	

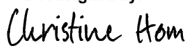
Fiscal Impact

The fiscal impact of the budget modification is a net increase of \$5,825,018 in revenues and expenses, funded by grants and reimbursements, bringing the total budget to \$56,391,721.

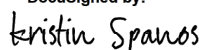
Recommendation


That the Executive Committee recommend the Commission approve the FY 2023-24 Mid-Year Financial Report and Proposed Budget Modifications.

Submitted by:

DocuSigned by:

 5659DF0B756A46A
 Christine Hom
 Chief Operating Officer


Reviewed by:

DocuSigned by:

 ED630B4561544E4...
 Kristin Spanos
 Chief Executive Officer

DocuSigned by:

 9CAD6F2B98B34BC
 Nick Zhou
 Chief Financial Officer

DocuSigned by:

 F38237346EC4482...
 Cally Martin
 Deputy CEO

DocuSigned by:

 8493762444274E9
 Maria Canteros
 Senior Administrator, Finance

**First 5 Alameda County
Revenue**

For the Period July 1, 2023 - December 31, 2023

Revenues	footnote	Original Budget FY2023-24	Actual	% Received in first half this year	% Received in first half last year	Proposed Revised Budget FY2023-24	% Received in first half this year	Proposed Revised Budget Balance Remaining	
Tobacco Tax Revenue	1	9,989,067	3,257,520	33%	25%	9,577,736	34%	6,320,216	
Measure AA Parcel Tax Revenue	2	23,181,428	2,440,896	11%	0%	24,513,168	10%	22,072,272	
Other First 5 Income									
First 5 California (IMPACT 2020)	3	1,225,293	-	0%	7%	-	0%	-	
Children's Council of San Francisco (First 5 San Francisco/Hub)	3	145,000	-	0%	32%	-	0%	-	
First 5 San Benito (IMPACT Legacy & HUB)	3		112,747			1,311,063	9%	1,198,316	
First 5 San Benito (Home Visiting Regional Technical Assistance)	4					170,171	0%	170,171	
Total Other First 5 Income		1,370,293	112,747	8%	10%	1,481,234	8%	1,368,487	
Interagency Income									
Alameda County Health Care Services Agency (Fathers Corp)	5	400,000	238,696	60%	30%	464,800	51%	226,104	
Alameda County Office of Education (QRIS Block Grant)	6	489,585	150,242	31%	34%	614,934	24%	464,692	
Alameda County Office of Education (Inclusive ELC Grant)		26,561	11,811	44%	54%	26,561	44%	14,750	
Alameda County Public Health Dept. (shared Technology costs)		141,409	-	0%	0%	141,409	0%	141,409	
Alameda County Public Health Dept. (Perinatal Health Outreach Services)		140,000	69,004	49%	0%	140,000	49%	70,996	
Alameda County Social Services Agency (CEL Application)		882,222	91,919	10%	0%	882,222	10%		
City of Berkeley (Fathers Corp)		25,000	-	0%	0%	25,000	0%		
Federal Pass-through Grants:									
Alameda County Housing and Community Development Agency (Unincorporated Needs Assessment)		30,407	10,719	35%	0%	30,407	35%	19,688	
Alameda County Public Health Dept. CHDP (CAP)		479,658	208,380	43%	22%	479,658	43%	271,278	
Alameda County Social Services Agency (Family Navigator, Comprehensive Child Development and Workforce Pilot)		717,508	337,034	47%	11%	717,508	47%	380,474	
Federal Pass-through State Grants:									
California Dept. of Social Services (QCC QRIS Block Grant)		515,119	315,583	61%	74%	515,119	61%	199,536	
Total Interagency Income		3,847,469	1,433,389	37%	28%	4,037,618	36%	2,604,228	
Grants									
Sunlight Giving		525,000	200,000	38%	225%	525,000	38%	325,000	
Alameda Alliance for Health	6	1,453,036	506,383	35%	85%	1,594,344	32%	1,087,961	
Hellman Foundation (via CA Children and Families Foundation)	7					100,000	0%	100,000	
Stupski Foundation		214,877	93,812	44%	0%	214,877	44%	121,065	
Kaiser Permanente Hospitals Foundation	5	88,000	-	0%	0%	102,188	0%	102,188	
Child Family & Community Services (via CA Children and Families Foundat		1,072,600	-	0%	0%	1,072,600	0%	1,072,600	
California Wellness Foundation		20,000	-	0%	0%	20,000	0%	20,000	
Heising-Simons Foundation		20,000	-	0%	0%	20,000	0%	20,000	
Kresge Foundation	7	-	70,000	100%	0%	70,000	100%	-	
MISC Summit Sponsors	7	-	51,061	84%	0%	61,070	84%	10,009	
Total Grants		3,393,513	921,256	27%	225%	3,780,079	24%	2,858,823	
Fiscal Leveraging - Medical Administrative Activities		2,500,000	-	0%	0%	2,500,000	0%	2,500,000	
Other Income									
Investment Revenue		324,000	221,245	68%	66%	324,000	68%	102,755	
Miscellaneous Revenue - Other		-	-		50%	-	0%	-	
TOTAL REVENUE		44,605,770	8,387,053			46,213,835		37,826,782	
RESERVES									
Proposition 10 - Sustainability Funds		5,960,933	-	0%	0%	10,177,886	0%	10,177,886	
TOTAL REVENUES & AVAILABLE FUNDS		50,566,703	8,387,053	17%	27%	56,391,721	15%	48,004,668	
	1	Prop 10 Tobacco Tax revenue for Alameda County has been updated to reflect the projected decrease per the August 2023 update from the State and added to the proposed Mid-Year Revised Budget.							
	2	Measure AA Parcel Tax revenue has been updated to reflect the updated annual allocation for FY23-24 and added to the proposed Mid-Year Revised Budget.							
	3	Revenue previously received from First 5 California and Childrens Council of San Francisco has changed to First 5 San Benito and updated in the proposed Mid-Year Revised Budget.							
	4	New award from First 5 San Benito to support the Home Visiting Regional Technical Assistance activities has been added to the proposed Mid-Year Revised Budget.							
	5	Revenue received in the prior year has been added to the proposed Mid-Year Revised Budget for current year activities.							
	6	Revenue has been updated to reflect the current award amount in the proposed Mid-Year Revised Budget.							
	7	New revenue has been added to the proposed Mid-Year Revised Budget.							

**First 5 Alameda County
Budget vs. Actual Expenditures by Category
Proposed Revisions
For the Period July 1, 2023 - December 31, 2023**

AGENDA ITEM 7.2

Expenditures	Original Budget FY2023-24	Actuals	% Spent in first half this year	% Spent in first half last year	Proposed Revised Budget FY2023-24	% Spent in first half this year	Proposed Revised Budget Balance Remaining
Personnel Costs	18,649,906	7,543,433	40%	41%	20,726,421	36%	13,182,988
Program Contracts and Grants*	29,863,530	3,543,944	12%	18%	33,534,005	11%	29,990,061
Program Operating Costs**	551,419	213,743	39%	19%	629,447	34%	415,704
Infrastructure Costs	1,501,848	707,279	47%	57%	1,501,848	47%	794,569
TOTAL EXPENDITURES	50,566,703	12,008,399	24%	32%	56,391,721	21%	44,383,322

* Program Contracts and Grants also include stipends and professional services contracts with individuals or vendors for time limited services that support program work (e.g. consultants, web design, etc.)

** Program Operating costs: Costs that support agency program implementation (e.g. supplies, travel, meeting costs, etc.)

Notes: Proposed revisions reflect changes in planned Expenditure Category costs for FY 2023-24

FY 2023-24 proposed increase in expenditure categories for personnel, contracts, grants, stipends, professional services, program operating costs, and infrastructure costs are due to adjustments to current funded activities supporting Parent Partnership, Pediatric Care Coordination, Quality Early Childhood Education, Policy & Advocacy, Data & Evaluation, Communications, Operational Support, and Children's Health Initiative activities.

**First 5 Alameda County
Proposed Revised Operating Expenditure Budget By Strategy
July 1, 2022 - June 30, 2023**

AGENDA ITEM 7.3

	Parent Partnership	Pediatric Care Coordination	Quality Early Childhood Education	Fatherhood	Neighborhoods Ready for School	Policy & Advocacy	Data & Evaluation	Training	Communications	Operational Support (Finance, Human Resources, Technology & Admin/Facilities)	Children's Health Initiative	TOTAL ORIGINAL BUDGET
ORIGINAL BUDGET												
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24
Personnel Costs												
Salaries & Benefits	1,030,315	3,387,212	2,491,392	460,916	530,848	2,231,938	1,059,701	408,097	499,655	5,566,434	983,397	18,649,906
Program Contracts/Grants												
Contracts	1,340,480	1,044,649	2,121,912	300,955	2,654,152	90,413	310,100	175,000	265,413	1,883,527	18,928,584	29,115,185
Grants & Stipends	0	0	452,000	3,000	0	0	0	0	0	0	0	455,000
Professional Services*	0	4,000	63,446	75,000	0	3,165	0	97,000	0	50,734	0	293,345
Total Contracts/Grants	1,340,480	1,048,649	2,637,358	378,955	2,654,152	93,578	310,100	272,000	265,413	1,934,261	18,928,584	29,863,530
Program Operating Costs**	7,750	89,499	115,153	23,929	15,000	9,187	8,610	19,903	77,932	184,456	0	551,419
Infrastructure Costs	0	0	0	0	0	0	0	0	0	1,501,848	0	1,501,848
Total Direct Program Costs	2,378,545	4,525,360	5,243,903	863,800	3,200,000	2,334,703	1,378,411	700,000	843,000	7,685,151	19,911,981	50,566,703

	Parent Partnership	Pediatric Care Coordination	Quality Early Childhood Education	Fatherhood	Neighborhoods Ready for School	Policy & Advocacy	Data & Evaluation	Training	Communications	Operational Support (Finance, Human Resources, Technology & Admin/Facilities)	Children's Health Initiative	TOTAL REVISED BUDGET
PROPOSED REVISED BUDGET												
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24
Personnel Costs												
Salaries & Benefits	1,163,545	3,510,089	2,962,011	460,916	530,848	2,351,614	1,077,294	421,922	468,673	6,081,151	1,698,358	20,726,421
Program Contracts/Grants												
Contracts	1,451,799	1,018,274	2,036,478	438,716	2,654,152	90,413	593,507	124,000	365,413	2,737,188	21,136,737	32,646,677
Grants & Stipends	0	0	452,000	13,000	0	0	0	0	0	0	0	465,000
Professional Services*	0	19,375	94,785	106,269	0	3,165	0	148,000	0	50,734	0	422,328
Total Contracts/Grants	1,451,799	1,037,649	2,583,263	557,985	2,654,152	93,578	593,507	272,000	365,413	2,787,922	21,136,737	33,534,005
Program Operating Costs**	5,750	100,499	115,153	54,957	15,000	9,187	8,610	19,903	77,932	184,456	38,000	629,447
Infrastructure Costs	0	0	0	0	0	0	0	0	0	1,501,848	0	1,501,848
Total Direct Program Costs	2,621,094	4,648,237	5,660,427	1,073,858	3,200,000	2,454,379	1,679,411	713,825	912,018	10,555,377	22,873,095	56,391,721

	Parent Partnership	Pediatric Care Coordination	Quality Early Childhood Education	Fatherhood	Neighborhoods Ready for School	Policy & Advocacy	Data & Evaluation	Training	Communications	Operational Support (Finance, Human Resources, Technology & Admin/Facilities)	Children's Health Initiative	BUDGET CHANGES
NET CHANGES BY STRATEGY REVISED BUDGET FY 2023-24												
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24
Personnel Costs												
Salaries & Benefits	133,230	122,876	470,619	(0)	(0)	119,676	17,593	13,825	(30,982)	514,717	714,961	2,076,515
Program Contracts/Grants												
Contracts	111,319	(26,375)	(85,434)	137,761	0	0	283,407	(51,000)	100,000	853,661	2,208,153	3,531,492
Grants & Stipends	0	0	0	10,000	0	0	0	0	0	0	0	10,000
Professional Services*	0	15,375	31,339	31,269	0	0	0	51,000	0	0	0	128,983
Total Contracts/Grants	111,319	(11,000)	(54,095)	179,030	0	0	283,407	0	100,000	853,661	2,208,153	3,670,475
Program Operating Costs**	(2,000)	11,000	0	31,028	0	0	0	0	0	0	38,000	78,028
Infrastructure Costs	0	0	0	0	0	0	0	0	0	0	0	0
Total Direct Program Costs	242,549	122,876	416,524	210,058	(0)	119,676	301,000	13,825	69,018	1,368,378	2,961,114	5,825,018



To: First 5 Alameda County Executive Committee

From: Christine Hom, Chief Operating Officer
Maria Canteros, Senior Administrator, Finance
Nick Zhou, Chief Financial Officer
Cally Martin, Deputy Chief Executive Officer

Date: February 8, 2023

Subject: FY 2023-24 Mid-Year Investment Report, July 1, 2023 – December 31, 2023

REQUESTED ACTION

Review the FY 2023-24 Mid-Year Investment Report covering the period July 1, 2023 – December 31, 2023.

BACKGROUND OF ACTIVITIES

As required by California Government Code, the investment objectives of First 5 Alameda County are first, to provide safety of principal to ensure the preservation of capital in the overall portfolio; second, to provide sufficient liquidity to meet all requirements that may be reasonably anticipated; and third, to earn a commensurate rate of return consistent with the constraints imposed by the safety and liquidity objectives.

The performance objective of the First 5 Alameda County investment portfolio is to earn a total rate of return that exceeds the total rate of return on identified benchmarks.

First 5 Alameda County maintains the majority of its funds invested in a portfolio of high quality, very liquid, fixed-income securities, which are professionally managed by the Commission's investment advisor, Chandler Asset Management. The remaining funds continue to be invested with the Alameda County Treasurer's pool. This report summarizes the activity and status of the investment portfolio as of December 31, 2023.

PORTFOLIO HIGHLIGHTS

The Investment Report shows the performance of funds that are invested in the portfolio with Chandler Asset Management. At the end of the last fiscal year (June 30, 2023), the total cost basis of the portfolio was \$27,140,589. On July 3, 2023, First 5 Alameda County liquidated \$3 million from the portfolio to meet operational cash flow needs. The market value of the Chandler portfolio as of December 31, 2023, was \$23,435,809 at a cost of \$24,293,435.

INVESTMENT REPORT

Investment Activity

The Investment Activity shows all transactions affecting our portfolio as of December 31, 2023. Purchases of securities are conducted when a maturity occurs, or when the investment advisor sells a security before maturity to rebalance the portfolio. Rebalancing is conducted to manage the risk profile of the portfolio, diversify portfolio maturities and sectors, protect market value, and enhance overall return.

Investment Income

Investment income is primarily derived from interest or yield payments on securities held in the investment portfolio. Typically, interest income from each security is received semi-annually. The Commission's investment advisor buys, sells and exchanges securities consistent with the First 5 Alameda County Investment Policy in order to optimize overall yields.

Total investment earnings for the period ending December 31, 2023, was \$221,245, consisting of \$217,313 interest received and \$3,932 dividends received. For the same period last fiscal year, the total investment earnings for the period ending December 31, 2022, was \$214,368 consisting of \$213,059 interest received and \$1,309 dividends received.

Market Value and Unrealized Gains and Losses

The market value of the portfolio securities changes as a result of market supply and demand, shifts in interest rates, and other factors. There was an unrealized loss position of \$857,626 at the end of December 2023. This is determined by comparing the Cost and the Market Value of the portfolio on that date. This is a loss on paper only, implying that a loss would have been realized, had the portfolio been liquidated on December 31st. Since the portfolio was not liquidated, this section is for informational purposes only. Per the Governmental Accounting Standards Board (GASB), government entities must report unrealized gains and losses on investments (GASB 31).

Investment Fees

Fees include those levied by the portfolio manager and the fees levied by the account custodian US Bank. The total fees paid during this period were \$15,299.

Yield Benchmarks

Investment yields are compared to the Local Agency Investment Fund (LAIF) and the Alameda County Treasury Investment Pool yields in order to benchmark investment manager performance. Chandler's average portfolio yield for the 6-month period of 2.12% is slightly behind both the LAIF yield of 3.62% and the Alameda County Treasury Investment Pool yield of 3.33% (through October 2023) for the year.

FISCAL IMPACT

The total realized investment earnings of interest and dividends received (net of fees) for July 1, 2023 – December 31, 2023, was \$205,946. Investment revenue for FY 2023-24 is budgeted at \$324,000.

RECOMMENDATION

Recommend the FY 2023-24 Mid-Year Investment Report covering the period July 1, 2023 – December 31, 2023, be approved by the Commission at their next meeting on February 15, 2024.

Submitted by:

DocuSigned by:
Christine Hom
5659DE0B756A46A...
Christine Hom
Chief Operating Officer

Approved by:

DocuSigned by:
Kristin Spanos
ED639B4561544E4...
Kristin Spanos
Chief Executive Officer

DocuSigned by:
Maria Canteros
8493762444274E9...
Maria Canteros,
Senior Administrator, Finance

DocuSigned by:
Nick Zhou
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Nick Zhou
Chief Financial Officer

Reviewed by:

DocuSigned by:
Cally Martin
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Cally Martin
Deputy Chief Executive Officer

**First 5 Alameda County
Investment Report - Chandler Asset Management
For the Period July 1, 2023 - December 31, 2023**

INVESTMENT INCOME:

<i>Interest Received</i>	\$	217,313
<i>Dividends Received</i>	\$	3,932
Total Investment Earnings	\$	221,245
<i>Less:</i>		
Investment Fees (Chandler)		(13,378)
US Bank Custodial Fees		(1,921)
<i>Net Investment Income</i>	\$	205,946

INVESTMENT ACTIVITY:

Portfolios - Cost Basis at 6/30/23	\$	27,140,589
Purchases	\$	3,613,577
Maturities	\$	-
Sales	\$	(2,630,349)
Principal Pay Downs	\$	(761,983)
Calls	\$	-
Capital Gains/Losses	\$	(53,099)
Withdrawals	\$	(3,015,299)
Contributions	\$	-
Portfolios - Cost Basis at 12/31/23	\$	24,293,435

COST VS. MARKET VALUE:

Portfolios at Market 12/31/23	\$	23,435,809
Portfolios at Cost 12/31/23		24,293,435
Unrealized Gain (Loss) at 12/31/23	\$	(857,626)

APPROXIMATE YIELD AND BENCHMARKS (Annualized) for FY 2023-24:

Chandler Asset Management	2.12%
Local Agency Investment Fund (LAIF)	3.62%
Alameda County Treasurer's Pool (through October 2023)	3.33%



First 5 Alameda County

Holdings Report

Account #10022

As of December 31, 2023

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024	3,136.58	09/22/2020 0.38%	3,136.12 3,136.12	99.73 7.04%	3,128.03 0.42	0.01% (8.09)	NR / AAA AAA	0.80 0.04
36265MAC9	GM Financial Auto Lease Trust 2022-1 A3 1.9% Due 3/20/2025	99,194.76	02/15/2022 1.91%	99,193.91 99,193.91	99.37 5.69%	98,567.85 57.59	0.42% (626.06)	Aaa / NR AAA	1.22 0.17
05601XAC3	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due 3/25/2025	24,700.29	01/11/2022 1.11%	24,696.59 24,696.59	99.43 6.24%	24,560.12 4.53	0.10% (136.47)	NR / AAA AAA	1.23 0.11
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	12,473.27	02/17/2021 0.27%	12,473.05 12,473.05	98.79 6.20%	12,321.82 0.94	0.05% (151.23)	Aaa / NR AAA	1.31 0.20
44891RAC4	Hyundai Auto Receivables Trust 2020-C A3 0.38% Due 5/15/2025	16,623.97	10/20/2020 0.39%	16,620.14 16,620.14	99.37 6.13%	16,518.67 2.81	0.07% (101.47)	NR / AAA AAA	1.37 0.11
89240BAC2	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 5/15/2025	46,345.36	02/02/2021 0.27%	46,336.76 46,336.76	98.89 6.00%	45,832.36 5.36	0.19% (504.40)	Aaa / NR AAA	1.37 0.19
43815GAC3	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	69,655.21	11/16/2021 0.89%	69,640.53 69,640.53	97.04 5.75%	67,590.21 17.03	0.29% (2,050.32)	Aaa / NR AAA	2.06 0.61
47789QAC4	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	76,163.21	07/13/2021 0.52%	76,156.42 76,156.42	97.29 5.63%	74,100.48 17.60	0.31% (2,055.94)	Aaa / NR AAA	2.21 0.53
89238JAC9	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	63,667.12	11/09/2021 0.71%	63,665.76 63,665.76	97.03 5.67%	61,776.84 20.09	0.26% (1,888.92)	NR / AAA AAA	2.29 0.60
44935FAD6	Hyundai Auto Receivables Trust 2021-C A3 0.74% Due 5/15/2026	48,335.98	11/09/2021 0.75%	48,325.20 48,325.20	97.28 5.70%	47,023.56 15.90	0.20% (1,301.64)	NR / AAA AAA	2.37 0.55
43815BAC4	Honda Auto Receivables Trust 2022-1 A3 1.88% Due 5/15/2026	156,144.58	02/15/2022 1.89%	156,121.10 156,121.10	97.33 5.61%	151,978.80 130.47	0.65% (4,142.30)	Aaa / AAA NR	2.37 0.71
05602RAD3	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	97,628.67	05/10/2022 3.23%	97,623.59 97,623.59	98.59 5.24%	96,250.54 52.23	0.41% (1,373.05)	Aaa / AAA NR	2.65 0.70
89238FAD5	Toyota Auto Receivables OT 2022-B A3 2.93% Due 9/15/2026	85,000.00	04/07/2022 2.95%	84,998.01 84,998.01	98.01 5.47%	83,305.02 110.69	0.35% (1,692.99)	Aaa / AAA NR	2.71 0.79

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
362554AC1	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	54,032.63	10/13/2021 0.68%	54,031.25 54,031.25	96.65 5.81%	52,221.35 15.31	0.22% (1,809.90)	Aaa / AAA NR	2.71 0.65
47787JAC2	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	80,278.95	03/10/2022 2.34%	80,261.20 80,261.20	97.77 5.39%	78,485.84 82.78	0.33% (1,775.36)	Aaa / NR AAA	2.71 0.73
448977AD0	Hyundai Auto Receivables Trust 2022-A A3 2.22% Due 10/15/2026	208,784.93	03/09/2022 2.23%	208,776.89 208,776.89	97.72 5.40%	204,034.03 206.00	0.87% (4,742.86)	NR / AAA AAA	2.79 0.72
380146AC4	GM Financial Auto Receivables 2022-1 A3 1.26% Due 11/16/2026	54,206.93	01/11/2022 1.27%	54,202.22 54,202.22	97.07 5.49%	52,619.16 28.46	0.22% (1,583.06)	NR / AAA AAA	2.88 0.69
47800AAC4	John Deere Owner Trust 2022-B A3 3.74% Due 2/16/2027	125,000.00	07/12/2022 3.77%	124,988.06 124,988.06	98.38 5.27%	122,978.13 207.78	0.52% (2,009.93)	Aaa / NR AAA	3.13 1.08
02582JIT8	American Express Credit Trust 2022-2 A 3.39% Due 5/17/2027	265,000.00	05/17/2022 3.42%	264,941.38 264,941.38	97.95 4.99%	259,577.84 399.27	1.10% (5,363.54)	NR / AAA AAA	3.38 1.30
161571HT4	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	250,000.00	09/07/2023 5.23%	249,930.70 249,930.70	101.55 4.59%	253,866.50 573.33	1.08% 3,935.80	NR / AAA AAA	4.71 2.46
Total ABS		1,836,372.44	2.58%	1,836,118.88	5.34%	1,806,737.15 1,948.59	7.68% (29,381.73)	Aaa / AAA AAA	2.87 0.99

AGENCY									
3130A1XJ2	FHLB Note 2.875% Due 6/14/2024	550,000.00	06/18/2019 1.96%	573,792.90 573,792.90	98.93 5.29%	544,108.96 746.71	2.31% (29,683.94)	Aaa / AA+ NR	0.45 0.44
3130A2UW4	FHLB Note 2.875% Due 9/13/2024	475,000.00	09/13/2019 1.79%	499,600.25 499,600.25	98.60 4.93%	468,331.95 4,096.88	2.01% (31,268.30)	Aaa / AA+ NR	0.70 0.68
3135G0X24	FNMA Note 1.625% Due 1/7/2025	520,000.00	Various 1.22%	529,792.20 529,792.20	96.90 4.78%	503,885.20 4,084.17	2.16% (25,907.00)	Aaa / AA+ AA+	1.02 0.98
3135G03U5	FNMA Note 0.625% Due 4/22/2025	510,000.00	04/22/2020 0.67%	508,949.40 508,949.40	95.08 4.54%	484,897.80 610.94	2.06% (24,051.60)	Aaa / AA+ AA+	1.31 1.27
3135G04Z3	FNMA Note 0.5% Due 6/17/2025	600,000.00	Various 0.47%	600,600.40 600,600.40	94.36 4.53%	566,181.00 116.66	2.40% (34,419.40)	Aaa / AA+ AA+	1.46 1.42
3137EAEU9	FHLMC Note 0.375% Due 7/21/2025	340,000.00	07/21/2020 0.48%	338,306.80 338,306.80	93.97 4.43%	319,507.52 566.67	1.36% (18,799.28)	Aaa / AA+ AA+	1.56 1.52

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3135G05X7	FNMA Note 0.375% Due 8/25/2025	640,000.00	Various 0.46%	637,215.80 637,215.80	93.49 4.51%	598,346.88 840.00	2.54% (38,868.92)	Aaa / AA+ AA+	1.65 1.61
3137EAEX3	FHLMC Note 0.375% Due 9/23/2025	645,000.00	Various 0.44%	643,091.55 643,091.55	93.33 4.43%	601,996.56 658.44	2.56% (41,094.99)	Aaa / AA+ AA+	1.73 1.68
3135G06G3	FNMA Note 0.5% Due 11/7/2025	630,000.00	Various 0.55%	628,448.60 628,448.60	93.15 4.40%	586,814.13 472.50	2.49% (41,634.47)	Aaa / AA+ AA+	1.85 1.80
3133EPGW9	FFCB Note 3.875% Due 4/25/2028	400,000.00	05/05/2023 3.55%	405,800.00 405,800.00	99.40 4.03%	397,583.60 2,841.67	1.70% (8,216.40)	Aaa / AA+ AA+	4.32 3.91
3133EPA47	FFCB Note 4.875% Due 11/1/2028	250,000.00	11/27/2023 4.49%	254,225.00 254,225.00	104.38 3.87%	260,939.25 2,031.25	1.12% 6,714.25	Aaa / AA+ NR	4.84 4.26
Total Agency		5,560,000.00	1.24%	5,619,822.90	4.56%	5,332,592.85 17,065.89	22.70% (287,230.05)	Aaa / AA+ AA+	1.72 1.62
CORPORATE									
06367WB85	Bank of Montreal Note 1.85% Due 5/1/2025	266,000.00	07/23/2021 0.85%	275,794.12 275,794.12	95.88 5.09%	255,028.83 820.17	1.09% (20,765.29)	A2 / A- AA-	1.33 1.29
89788MAA0	Truist Financial Corp Callable Note Cont 07/03/2025 1.2% Due 8/5/2025	250,000.00	02/03/2022 1.85%	244,510.00 244,510.00	93.85 5.27%	234,621.50 1,216.67	1.00% (9,888.50)	A3 / A- A	1.60 1.54
46647PBK1	JP Morgan Chase & Co Callable Note Cont 4/22/2025 2.083% Due 4/22/2026	101,000.00	05/20/2021 2.30%	104,770.33 104,770.33	95.78 5.45%	96,742.75 403.23	0.41% (8,027.58)	A1 / A- AA-	2.31 1.26
023135BX3	Amazon.com Inc Callable Note Cont 4/12/2026 1% Due 5/12/2026	470,000.00	05/10/2021 1.09%	467,969.60 467,969.60	92.38 4.43%	434,167.20 639.72	1.85% (33,802.40)	A1 / AA AA-	2.36 2.29
808513BR5	Charles Schwab Corp Callable Note Cont 4/13/2026 1.15% Due 5/13/2026	270,000.00	12/14/2021 1.48%	266,233.50 266,233.50	91.64 4.93%	247,439.61 414.00	1.05% (18,793.89)	A2 / A- A	2.37 2.28
91324PEC2	United Health Group Inc Callable Note Cont 4/15/2026 1.15% Due 5/15/2026	375,000.00	Various 1.09%	375,977.75 375,977.75	92.57 4.49%	347,145.75 551.04	1.48% (28,832.00)	A2 / A+ A	2.37 2.29
89236TJK2	Toyota Motor Credit Corp Note 1.125% Due 6/18/2026	440,000.00	Various 1.23%	437,932.00 437,932.00	92.34 4.44%	406,293.80 178.75	1.73% (31,638.20)	A1 / A+ A+	2.47 2.38

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
CORPORATE									
06051GJD2	Bank of America Corp Callable Note Cont 6/19/2025 1.319% Due 6/19/2026	300,000.00	Various 2.29%	300,792.00 300,792.00	94.11 5.54%	282,339.30 131.90	1.20% (18,452.70)	A1 / A- AA-	2.47 1.42
037833DN7	Apple Inc Callable Note Cont 7/11/2026 2.05% Due 9/11/2026	180,000.00	12/14/2021 1.53%	184,291.20 184,291.20	94.20 4.35%	169,556.58 1,127.50	0.72% (14,734.62)	Aaa / AA+ NR	2.70 2.56
06368FAC3	Bank of Montreal Note 1.25% Due 9/15/2026	150,000.00	09/13/2021 1.28%	149,818.50 149,818.50	91.09 4.80%	136,639.20 552.08	0.58% (13,179.30)	A2 / A- AA-	2.71 2.59
87612EBM7	Target Corp Callable Note Cont 12/15/2026 1.95% Due 1/15/2027	170,000.00	01/19/2022 1.99%	169,711.00 169,711.00	93.30 4.33%	158,605.41 1,528.58	0.68% (11,105.59)	A2 / A A	3.04 2.87
26444HAC5	Duke Energy Florida LLC Callable Note Cont 10/15/2026 3.2% Due 1/15/2027	300,000.00	02/22/2022 2.51%	309,444.00 309,444.00	96.58 4.41%	289,740.60 4,426.67	1.25% (19,703.40)	A1 / A NR	3.04 2.81
084664CZ2	Berkshire Hathaway Callable Note Cont 2/15/2027 2.3% Due 3/15/2027	275,000.00	03/07/2022 2.30%	274,947.75 274,947.75	94.58 4.12%	260,094.18 1,862.36	1.11% (14,853.57)	Aa2 / AA A+	3.21 3.02
665859AW4	Northern Trust Company Callable Note Cont 4/10/2027 4% Due 5/10/2027	280,000.00	Various 3.89%	281,305.90 281,305.90	98.65 4.44%	276,211.04 1,586.67	1.18% (5,094.86)	A2 / A+ A+	3.36 3.09
756109BG8	Realty Income Corp Calllable Note Cont 5/15/2027 3.95% Due 8/15/2027	156,000.00	11/28/2022 5.00%	149,193.72 149,193.72	97.21 4.80%	151,643.08 2,327.87	0.65% 2,449.36	A3 / A- NR	3.62 3.28
06051GGF0	Bank of America Corp Callable Note 1/20/2027 3.824% Due 1/20/2028	200,000.00	01/24/2023 5.41%	191,724.00 191,724.00	96.08 5.22%	192,156.40 3,420.36	0.83% 432.40	A1 / A- AA-	4.06 2.79
57636QAW4	MasterCard Inc Callable Note Cont 2/9/28 4.875% Due 3/9/2028	165,000.00	03/06/2023 4.90%	164,839.95 164,839.95	103.07 4.05%	170,069.63 2,502.50	0.73% 5,229.68	Aa3 / A+ NR	4.19 3.65
341081GN1	Florida Power and Light Callable Note Cont 3/15/2028 4.4% Due 5/15/2028	250,000.00	05/19/2023 4.68%	246,955.00 246,955.00	100.16 4.35%	250,399.75 1,405.56	1.07% 3,444.75	Aa2 / A+ AA-	4.38 3.78
74340XCG4	Prologis LP Callable Note Cont 5/15/2028 4.875% Due 6/15/2028	290,000.00	Various 5.17%	286,358.30 286,358.30	101.27 4.55%	293,691.41 628.33	1.25% 7,333.11	A3 / A NR	4.46 3.90

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
CORPORATE									
24422EXB0	John Deere Capital Corp Note 4.95% Due 7/14/2028	270,000.00	09/08/2023 5.02%	269,214.30 269,214.30	102.52 4.33%	276,805.35 6,199.88	1.20% 7,591.05	A2 / A A+	4.54 3.95
89115A2U5	Toronto-Dominion Bank Note 5.523% Due 7/17/2028	255,000.00	09/08/2023 5.54%	254,829.15 254,829.15	102.95 4.79%	262,532.96 6,415.89	1.14% 7,703.81	A1 / A AA-	4.55 3.90
78016HZS2	ROYAL BANK OF CANADA Note 5.2% Due 8/1/2028	255,000.00	09/08/2023 5.50%	251,769.15 251,769.15	101.92 4.73%	259,903.65 5,930.17	1.13% 8,134.50	A1 / A AA-	4.59 3.96
69371RS64	Paccar Financial Corp Note 4.95% Due 8/10/2028	200,000.00	10/05/2023 5.25%	197,436.00 197,436.00	103.15 4.19%	206,293.80 3,877.50	0.89% 8,857.80	A1 / A+ NR	4.61 4.02
74456QBX3	Public Service EI & Gas Callable Note Cont 6/1/2028 3.65% Due 9/1/2028	230,000.00	09/21/2023 5.29%	213,791.90 213,791.90	96.40 4.51%	221,717.93 2,798.33	0.95% 7,926.03	A1 / A NR	4.67 4.18
63743HFJ6	National Rural Utilities Callable Note Cont 8/15/2028 5.05% Due 9/15/2028	250,000.00	10/05/2023 5.52%	245,010.00 245,010.00	102.59 4.42%	256,487.25 3,717.36	1.10% 11,477.25	A2 / A- A	4.71 4.04
Total Corporate		6,348,000.00	3.12%	6,314,619.12	4.61%	6,136,326.96 54,663.09	26.28% (178,292.16)	A1 / A A+	3.32 2.92
MONEY MARKET FUND									
60934N104	Federated Investors Government Obligations Fund	16,192.35	Various 5.22%	16,192.35 16,192.35	1.00 5.22%	16,192.35 0.00	0.07% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund		16,192.35	5.22%	16,192.35	5.22%	16,192.35 0.00	0.07% 0.00	Aaa / AAA AAA	0.00 0.00
MUNICIPAL BONDS									
13063DRK6	California State Taxable GO 2.4% Due 10/1/2024	345,000.00	10/16/2019 1.91%	352,924.65 352,924.65	98.08 5.03%	338,389.46 2,070.00	1.44% (14,535.19)	Aa2 / AA- AA	0.75 0.73
649791RC6	New York St STE-GO 1.25% Due 3/15/2027	275,000.00	06/17/2022 3.89%	243,933.25 243,933.25	90.88 4.33%	249,927.70 1,012.15	1.07% 5,994.45	Aa1 / AA+ AA+	3.21 3.07
Total Municipal Bonds		620,000.00	2.72%	596,857.90	4.73%	588,317.16 3,082.15	2.51% (8,540.74)	Aa2 / AA AA	1.79 1.72

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
SUPRANATIONAL									
459058JL8	Intl. Bank Recon & Development Note 0.5% Due 10/28/2025	280,000.00	10/21/2020 0.52%	279,683.60 279,683.60	93.19 4.42%	260,942.64 245.00	1.11% (18,740.96)	Aaa / AAA AAA	1.83 1.78
4581X0DV7	Inter-American Dev Bank Note 0.875% Due 4/20/2026	615,000.00	04/13/2021 0.97%	612,183.30 612,183.30	92.71 4.23%	570,174.50 1,061.30	2.42% (42,008.80)	Aaa / AAA AAA	2.30 2.23
Total Supranational		895,000.00	0.83%	891,866.90	4.29%	831,117.14	3.53% (60,749.76)	Aaa / AAA AAA	2.15 2.09
US TREASURY									
912828D56	US Treasury Note 2.375% Due 8/15/2024	595,000.00	08/29/2019 1.45%	621,379.88 621,379.88	98.37 5.06%	585,284.84 5,337.62	2.51% (36,095.04)	Aaa / AA+ AA+	0.62 0.60
912828ZC7	US Treasury Note 1.125% Due 2/28/2025	525,000.00	03/18/2020 0.81%	533,100.59 533,100.59	96.05 4.65%	504,266.70 1,995.79	2.15% (28,833.89)	Aaa / AA+ AA+	1.16 1.13
912828ZF0	US Treasury Note 0.5% Due 3/31/2025	560,000.00	Various 0.46%	560,940.63 560,940.63	95.08 4.60%	532,459.20 711.48	2.26% (28,481.43)	Aaa / AA+ AA+	1.25 1.22
91282CAM3	US Treasury Note 0.25% Due 9/30/2025	600,000.00	02/19/2021 0.51%	592,851.56 592,851.56	93.13 4.38%	558,750.00 381.15	2.37% (34,101.56)	Aaa / AA+ AA+	1.75 1.71
91282CAT8	US Treasury Note 0.25% Due 10/31/2025	600,000.00	Various 0.49%	593,328.13 593,328.13	92.89 4.33%	557,320.20 255.49	2.37% (36,007.93)	Aaa / AA+ AA+	1.84 1.79
91282CAZ4	US Treasury Note 0.375% Due 11/30/2025	550,000.00	03/26/2021 0.77%	540,138.67 540,138.67	92.86 4.30%	510,748.15 180.33	2.17% (29,390.52)	Aaa / AA+ AA+	1.92 1.87
91282CCW9	US Treasury Note 0.75% Due 8/31/2026	150,000.00	09/17/2021 0.86%	149,185.55 149,185.55	91.68 4.08%	137,519.55 380.15	0.59% (11,666.00)	Aaa / AA+ AA+	2.67 2.58
91282CCZ2	US Treasury Note 0.875% Due 9/30/2026	900,000.00	Various 1.08%	891,046.88 891,046.88	91.85 4.04%	826,629.30 2,001.03	3.52% (64,417.58)	Aaa / AA+ AA+	2.75 2.66
91282CDG3	US Treasury Note 1.125% Due 10/31/2026	300,000.00	11/15/2021 1.25%	298,171.88 298,171.88	92.28 4.04%	276,831.90 574.86	1.18% (21,339.98)	Aaa / AA+ AA+	2.84 2.73
91282CET4	US Treasury Note 2.625% Due 5/31/2027	250,000.00	06/09/2022 3.07%	244,912.11 244,912.11	95.71 3.98%	239,277.25 573.77	1.02% (5,634.86)	Aaa / AA+ AA+	3.42 3.21
91282CEW7	US Treasury Note 3.25% Due 6/30/2027	200,000.00	Various 3.12%	201,174.48 201,174.48	97.72 3.95%	195,445.40 17.85	0.83% (5,729.08)	Aaa / AA+ AA+	3.50 3.27
91282CFB2	US Treasury Note 2.75% Due 7/31/2027	150,000.00	08/22/2022 3.12%	147,457.03 147,457.03	95.99 3.96%	143,988.30 1,726.22	0.62% (3,468.73)	Aaa / AA+ AA+	3.58 3.33

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
91282CFH9	US Treasury Note 3.125% Due 8/31/2027	130,000.00	09/19/2022 3.70%	126,648.44 126,648.44	97.19 3.96%	126,343.75 1,372.77	0.54% (304.69)	Aaa / AA+ AA+	3.67 3.39
91282CFM8	US Treasury Note 4.125% Due 9/30/2027	700,000.00	10/21/2022 4.43%	690,757.81 690,757.81	100.63 3.94%	704,429.60 7,337.09	3.02% 13,671.79	Aaa / AA+ AA+	3.75 3.41
91282CGC9	US Treasury Note 3.875% Due 12/31/2027	340,000.00	Various 3.77%	341,615.63 341,615.63	99.84 3.92%	339,442.06 36.19	1.44% (2,173.57)	Aaa / AA+ AA+	4.00 3.67
91282CGH8	US Treasury Note 3.5% Due 1/31/2028	650,000.00	Various 3.83%	640,375.00 640,375.00	98.42 3.92%	639,742.35 9,520.38	2.76% (632.65)	Aaa / AA+ AA+	4.09 3.71
91282CGP0	US Treasury Note 4% Due 2/29/2028	650,000.00	Various 4.10%	646,951.17 646,951.17	100.33 3.91%	652,132.65 8,785.72	2.81% 5,181.48	Aaa / AA+ AA+	4.17 3.76
91282CGT2	US Treasury Note 3.625% Due 3/31/2028	500,000.00	04/11/2023 3.57%	501,308.59 501,308.59	98.91 3.90%	494,551.00 4,605.53	2.12% (6,757.59)	Aaa / AA+ AA+	4.25 3.86
91282CHE4	US Treasury Note 3.625% Due 5/31/2028	500,000.00	06/14/2023 4.00%	491,738.28 491,738.28	98.94 3.89%	494,707.00 1,584.70	2.11% 2,968.72	Aaa / AA+ AA+	4.42 4.03
91282CJN2	US Treasury Note 4.375% Due 11/30/2028	200,000.00	12/28/2023 3.83%	204,875.00 204,875.00	102.33 3.85%	204,656.20 765.03	0.87% (218.80)	Aaa / AA+ AA+	4.92 4.38
Total US Treasury		9,050,000.00	2.26%	9,017,957.31 9,017,957.31	4.17%	8,724,525.40 48,143.15	37.23% (293,431.91)	Aaa / AA+ AA+	2.88 2.68
TOTAL PORTFOLIO		24,325,564.79	2.23%	24,293,435.36 24,293,435.36	4.49%	23,435,809.01 126,209.17	100.00% (857,626.35)	Aa1 / AA AA+	2.68 2.33
TOTAL MARKET VALUE PLUS ACCRUED						23,562,018.18			



Staff Announcements

February 15, 2024



GENERAL AGENCY ANNOUNCEMENTS



Measure C

- On Monday, January 29, **the First District Court of Appeal issued its final opinion upholding the validity of Measure C.**



Kindergarten Readiness Assessment (KRA) Tool Decision-Making Convening Next Steps

- **School districts selected the Early Development Instrument (EDI) as the policy-focused tool for future KRA studies.**
- First 5 presented the outcomes of the series for school districts at the February Quarterly Superintendents meeting.
- Districts appreciated the facilitated process and engagement we provided through the convening. We are thrilled to have their buy-in as we enter KRA implementation planning this year.



Stanford University Case Study

- **Stanford University's Center on Early Childhood selected First 5 Alameda to be the first case study they will develop** to highlight innovative early childhood system building work nationally.
- The Center is led by Dr. Philip Fisher, a nationally renowned researcher and evaluator of scalable and evidence-based early childhood interventions.
- The study will be used as a tool to inform policy and increased investments.

GENERAL AGENCY ANNOUNCEMENTS



Welcome new Chief Financial Officer, Nick Zhou

- Started January 2, 2024
- Served as the CFO for Marin Housing Authority, an agency with the goal of providing for the housing needs of residents with low- and moderate-income
- Nick holds a master's degree in accountancy and is in the process of becoming a Certified Public Accountant.
- Supports agency planning, resource allocation, revenue maximization and provides overall financial resource stewardship.





PLACE

We partner with communities to build relationships, services, and infrastructure that support neighborhood conditions for family and child well-being.

PLACE



Neighborhoods Ready For School (NRFS) Convening Series Wrap-Up

Our NRFS partners have concluded the year-long strategic planning process facilitated by Cities & People. **Each NRFS grantee partner finalized a community-driven, four-year strategic plan that will guide the next phase of their site's NRFS efforts.**



Youth Ventures JPA & Oakland Thrives Leadership Council

The YVJPA & OTLC held its first quarterly meeting last month. The table is actively discussing ways that OTLC can **support collective impact work across the City of Oakland** in areas like data sharing, leadership development, and communications.





PEOPLE

We partner with stakeholders to support parents, caregivers, and children and ensure that families and providers have the resources they need for children to thrive.

PEOPLE



Oakland Children's Initiative

- Developing **multi-year contracts for FY24-25 thru FY26-27 with priority public system partners** OUSD and City of Oakland Head Start.
- Engaged [HTA Consulting](#) to **document first year of implementation** in anticipation of forthcoming two-year evaluation led by the City of Oakland.



Partnership Engagement

- Continuing to **share the story of our comprehensive early childhood system building efforts** with partners as well as provide updates on Oakland Children's Initiative implementation and the status of Measure C, including to:
 - Oakland Starting Smart and Strong (OSSS) Leadership Planning Team
 - Alameda County Housing and Community Development Department staff
 - Alameda County Early Care and Education Planning Council Steering Committee



PEOPLE



Back in Person! Help Me Grow Connections Café

- The Pediatric Care Coordination team hosted its first in-person Help Me Grow Connections Café since 2020 this month, **welcoming more than 70 participants from 40 different organizations and agencies** serving Alameda County families for a morning of networking and peer-to-peer learning.
- The café hosted 10 presenters in the First 5 Conference Center, providing information and resources for housing, child care, food access, children with special needs, parenting and fatherhood support, mental health, and tax preparation.





POLICY

We advocate for policy and systems change that centers the needs of families, young children, and caregivers and supports community and family conditions for children and families to thrive. We also support community-led efforts, including parent leadership.

POLICY



State Leadership Engagement

- **Established regular meetings with state leaders**
 - Jackie Thu-Huong Wong, Executive Director, First 5 California
 - Sarah Neville-Morgan, Deputy Superintendent of Public Instruction, California Department of Education
 - Maria Guadalupe “Lupe” Jaime-Mileham, Deputy Director, Child Care and Development Division, California Department of Social Services
 - Karla Pleitéz Howell, Executive Director, First 5 Los Angeles

The purpose of the meetings are to update key leaders on the status of our local work, identify areas of coordination and leveraging with state policy, and lift-up local successes and needs that require state decision making and/or partnership.

POLICY



First 5 Association's 2024 Annual Meeting and Advocacy Day

- **Participated in First 5 Annual Meeting**
 - Annual Meeting 2/5-2/6 - Nine staff attended sessions on Race, Equity, Diversity, and Inclusion (REDI), an equity approach to data and evaluation, the future of the First 5 Network, and fiscal operations.
 - Advocacy Day- 2/7 **First 5 Alameda's Government and Policy Team with** the First 5 Association, First 5 California, and other First 5 Commissions. Attended six legislative meetings with our Alameda County State Delegation, including a **meeting with Assemblymember Bonta.**



QUESTIONS?





To: First 5 Alameda County Commission

From: Kristin Spanos, Chief Executive Officer
Cally Martin, Deputy CEO
Christine Hom, Chief Operating Officer
Nick Zhou, Chief Financial Officer
Maria Canteros, Senior Administrator, Finance

Date: February 15, 2024

Subject: FY 2023-24 Mid-Year Financial Report and Proposed Budget Modifications

REQUESTED ACTION

To review the FY 2023-24 Mid-Year Financial Report and Proposed Budget Modifications.

BACKGROUND: FY 2023-24 MID-YEAR FINANCIAL REPORT, JULY 1, 2023-DECEMBER 31, 2023

This narrative, and the attached statements, report Revenues and Expenses for the period July 1 – December 31, 2023. At the end of December, 50% of the fiscal year was complete. A detailed description of revenue and expenses is listed below.

Revenue

As of December 31st, total revenue was \$8.4 million, or 17% of the current year's original budget revenue compared to 27% last year. Of this amount:

- Tobacco Tax receipts of approximately \$3.3m (of \$9.9m budgeted) or 33% was received for the first six months of the fiscal year. Proposition 10 revenues are typically received 2 months in arrears consistent with prior year's trends.
- Measure AA Parcel Tax receipts of \$14.7m, of which \$2.4m is current revenue, and the balance of \$12.3m is deferred revenue and will be updated as expenses are incurred.
- Other F5AC income includes \$112,747 (of \$1.5m budgeted) or 8% of funding was received. Revenue consists of grant reimbursements from First 5 San Benito for the IMPACT Legacy and the IMPACT T/TA Regional Hub reimbursements based on expenses incurred during the period.
- As of December 31st, \$1.4m (of \$4m budgeted) or 37% of Interagency Income was received from contract reimbursements from Alameda County Public Health Department (Help Me Grow Linkage Line contract and Perinatal Health Outreach Services contract), Alameda County Health Care Services Agency (Fathers Corp program support), Alameda County Social Services Agency (Workforce Pilot, Navigation and HMG support and CEL Application funding), Alameda County Housing and Community Development Agency (Unincorporated Needs Assessment), Alameda

AGENDA ITEM 8

County Office of Education (QRIS Block Grant, Inclusive ELC grant), and California Department of Social Services (QCC QRIS Block Grant).

- Grant funding of \$921,256 (of \$3.8m budgeted) or 27% was received from Sunlight Giving, Alameda Alliance for Health, Stupski Foundation; and new funding from the Kresge Foundation and Fatherhood Summit sponsors.
- MAA invoicing for FY 2022-23 expenditures is in process and reimbursements are expected later this calendar year. MAA revenue is budgeted at \$2.5m for FY 2023-24.

Expenses

At \$12m, total Expenditures for the first six months were 24% of the approved budgeted amount of \$50.6m. Personnel costs are at 40% of the budgeted amount. Contracts and grants expenses are at \$3.5m or 12% of the budget. Invoicing for first and second quarter contract payments are currently underway and will be updated in third quarter expenditures. Consistent with prior year practice, the majority of contracts and professional services contract expenses are paid in the second half of the fiscal year due to the timing of when reporting and invoices are received.

Program operating costs are at 39% of the budget; expenses are incurred at different times of the year based on various program factors. Administrative costs for the 6-month period are at 6%. We anticipate experiencing a greater rate of budgeted spending through the end of the fiscal year. Infrastructure cost spending is closely in line with the budget for the 6-month mark and is comprised primarily of agency-wide administrative expenses including insurance premium payments and office operating costs.

Summary

Total receipt of revenues is on the lower end at the mid-year primarily due to the timing of monies to be received from the State Controller's Office for Proposition 10, Proposition 56 revenue and new California Electronic Cigarette Excise Tax (CECET) payments and revenues due to be received from other F5AC income. Expenses incurred are also lower at the mid-year mark as has always been the case in previous years and will change as the year progresses and expense line items are expected to trend closer to budget projections by year-end.

Background: Proposed FY 2023-24 Budget Modifications

The operating budget for FY 2023-24 was adopted by the Commission in June 2023. As in prior years, F5AC staff submit mid-year proposals to modify the adopted budget to address material changes in revenue, seek approval for unanticipated expenses that may have occurred and make necessary transfers and adjustments to reflect changes to program goals since the adoption of the original budget.

Revenue and Available Funds

FY 2023-24 adopted budget projects revenue and available funding totaling \$50,566,703. The proposed budget modification changes this amount to \$56,391,721 a net increase of \$5,825,018.

The primary changes in revenue for this fiscal year are increased funding from the Alameda Alliance for Health, Alameda County Office of Education, First 5 San Benito (formerly via First 5 California), and from the City of Oakland Measure AA Tax to support the Oakland Children's Initiative. New revenue includes funds from the Kresge Foundation and Hellman Foundation. The projected Prop 10 Tobacco Tax

AGENDA ITEM 8

revenue has been reduced to reflect the August 2023 update and the sustainability fund has been adjusted to support the continued program planning, hiring, and other implementation costs.

Expenditures

FY 2023-24 adopted budget projects expenses totaling \$50,566,703. The proposed budget modification changes this amount to \$56,391,721, a net increase of \$5,825,018. Please refer to the following summary of major changes and the attached worksheet detailing proposed revised revenue.

Updated Revenue Received/Budgeted Since Adoption of Original Budget:

Funder/Source	Amount (\$)	Strategy	Description/Purpose
Measure AA Tax – Increase \$1,331,740			
City of Oakland	\$1,331,740	Children’s Health Initiative and Expansion	Adjusted revenue to reflect the updated annual allocation supporting the implementation activities as F5AC assumes the role as the City of Oakland’s Early Education Implementation Partner supporting early care and education programs.
Other First 5 Income – Increase \$110,941			
First 5 CA (IMPACT 2020)	(\$1,225,293)	Quality Early Childhood Education	Funding no longer disbursed by First 5 California in the current fiscal year. See below for the updated funding award to support local QRIS work.
First 5 San Francisco via Children’s Council of San Francisco	(\$145,000)	Quality Early Childhood Education	Funding is no longer disbursed by the Children’s Council of San Francisco in the current fiscal year. See below for the updated funding award to support the IMPACT Local Regional Training and Technical Assistance Hub.
First 5 San Benito (IMPACT Legacy and IMPACT Local Regional T/TA Regional Hub)	\$1,311,063	Quality Early Childhood Education	Funding to support the local QRIS work and to support the IMPACT Local Regional Training and Technical Assistance Hub have been combined into one award.

AGENDA ITEM 8

First 5 San Benito (Home Visiting Regional Technical Assistance)	\$170,171	Parent Partnership	New funding award to support the activities related to implementation of the Home Visiting Regional Technical Assistance Partnership.
Interagency Income – Increase \$190,149			
Alameda County Health Care Services Agency	\$64,800	Fatherhood	Carryover of unspent funds in the prior fiscal year to support the completion of the 10-year Father’s Corp evaluation.
Alameda County Office of Education	\$125,349	Quality Early Care and Education	Increased funding to support the addition of a new Quality Improvement Navigator position.
Grants – Increase \$386,566			
Alameda Alliance for Health	\$141,308	Pediatric Care Coordination	Additional funding to support an additional Member Outreach Care Coordinator as part of the expansion of comprehensive pediatric care management services to engage families in pediatric well-child visits, provide navigation support, and continue its quality improvement support to healthcare providers and practices.
Hellman Foundation (via the California Children and Families Foundation)	\$100,000	Data & Evaluation	New grant award to support activities as part of the identification and implementation of the Kindergarten Readiness Assessment tool in Alameda County.
Kaiser Permanente, Kresge Foundation, and miscellaneous summit sponsors.	\$145,258	Fatherhood	Summit sponsors
Other Income – Increase \$3,805,622			
Prop 10 Tax Revenue	(\$411,331)	All Strategies	Reduction in projected Prop 10 revenue as of August 2023. The new revenue projections use updated birth rates for the county, reflecting lower

AGENDA ITEM 8

			birth rates and decrease in tobacco sales.
Sustainability Funds	\$4,216,953	All Strategies	Projected increase in use of sustainability funds to maintain strategy budgets for the FY 2023-24 investments.
	\$5,825,018	Revenue – Proposed Increase	
	\$50,566,703	Revenue – Original Approved Budget	
	\$56,391,721	Revenue – Proposed Revised Budget	


Fiscal Impact

The fiscal impact of the budget modification is a net increase of \$5,825,018 in revenues and expenses, funded by grants and reimbursements, bringing the total budget to \$56,391,721.


Recommendation


That the Commission approve the FY 2023-24 Mid-Year Financial Report and Proposed Budget Modifications.


Submitted by:

DocuSigned by:

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 Christine Hom
 Chief Operating Officer

Approved by:

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 Kristin Spanos
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 Maria Canteros
 Senior Administrator, Finance

Reviewed by:

DocuSigned by:

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 Cally Martin
 Deputy Chief Executive Officer

**First 5 Alameda County
Revenue**

For the Period July 1, 2023 - December 31, 2023

Revenues	footnote	Original Budget FY2023-24	Actual	% Received in first half this year	% Received in first half last year	Proposed Revised Budget FY2023-24	% Received in first half this year	Proposed Revised Budget Balance Remaining	
Tobacco Tax Revenue	1	9,989,067	3,257,520	33%	25%	9,577,736	34%	6,320,216	
Measure AA Parcel Tax Revenue	2	23,181,428	2,440,896	11%	0%	24,513,168	10%	22,072,272	
Other First 5 Income									
First 5 California (IMPACT 2020)	3	1,225,293	-	0%	7%	-	0%	-	
Children's Council of San Francisco (First 5 San Francisco/Hub)	3	145,000	-	0%	32%	-	0%	-	
First 5 San Benito (IMPACT Legacy & HUB)	3		112,747			1,311,063	9%	1,198,316	
First 5 San Benito (Home Visiting Regional Technical Assistance)	4					170,171	0%	170,171	
Total Other First 5 Income		1,370,293	112,747	8%	10%	1,481,234	8%	1,368,487	
Interagency Income									
Alameda County Health Care Services Agency (Fathers Corp)	5	400,000	238,696	60%	30%	464,800	51%	226,104	
Alameda County Office of Education (QRIS Block Grant)	6	489,585	150,242	31%	34%	614,934	24%	464,692	
Alameda County Office of Education (Inclusive ELC Grant)		26,561	11,811	44%	54%	26,561	44%	14,750	
Alameda County Public Health Dept. (shared Technology costs)		141,409	-	0%	0%	141,409	0%	141,409	
Alameda County Public Health Dept. (Perinatal Health Outreach Services)		140,000	69,004	49%	0%	140,000	49%	70,996	
Alameda County Social Services Agency (CEL Application)		882,222	91,919	10%	0%	882,222	10%		
City of Berkeley (Fathers Corp)		25,000	-	0%	0%	25,000	0%		
Federal Pass-through Grants:									
Alameda County Housing and Community Development Agency (Unincorporated Needs Assessment)		30,407	10,719	35%	0%	30,407	35%	19,688	
Alameda County Public Health Dept. CHDP (CAP)		479,658	208,380	43%	22%	479,658	43%	271,278	
Alameda County Social Services Agency (Family Navigator, Comprehensive Child Development and Workforce Pilot)		717,508	337,034	47%	11%	717,508	47%	380,474	
Federal Pass-through State Grants:									
California Dept. of Social Services (QCC QRIS Block Grant)		515,119	315,583	61%	74%	515,119	61%	199,536	
Total Interagency Income		3,847,469	1,433,389	37%	28%	4,037,618	36%	2,604,228	
Grants									
Sunlight Giving		525,000	200,000	38%	225%	525,000	38%	325,000	
Alameda Alliance for Health	6	1,453,036	506,383	35%	85%	1,594,344	32%	1,087,961	
Hellman Foundation (via CA Children and Families Foundation)	7					100,000	0%	100,000	
Stupski Foundation		214,877	93,812	44%	0%	214,877	44%	121,065	
Kaiser Permanente Hospitals Foundation	5	88,000	-	0%	0%	102,188	0%	102,188	
Child Family & Community Services (via CA Children and Families Foundat		1,072,600	-	0%	0%	1,072,600	0%	1,072,600	
California Wellness Foundation		20,000	-	0%	0%	20,000	0%	20,000	
Heising-Simons Foundation		20,000	-	0%	0%	20,000	0%	20,000	
Kresge Foundation	7	-	70,000	100%	0%	70,000	100%	-	
MISC Summit Sponsors	7	-	51,061	84%	0%	61,070	84%	10,009	
Total Grants		3,393,513	921,256	27%	225%	3,780,079	24%	2,858,823	
Fiscal Leveraging - Medical Administrative Activities		2,500,000	-	0%	0%	2,500,000	0%	2,500,000	
Other Income									
Investment Revenue		324,000	221,245	68%	66%	324,000	68%	102,755	
Miscellaneous Revenue - Other		-	-		50%	-	0%	-	
TOTAL REVENUE		44,605,770	8,387,053			46,213,835		37,826,782	
RESERVES									
Proposition 10 - Sustainability Funds		5,960,933	-	0%	0%	10,177,886	0%	10,177,886	
TOTAL REVENUES & AVAILABLE FUNDS		50,566,703	8,387,053	17%	27%	56,391,721	15%	48,004,668	
	1	Prop 10 Tobacco Tax revenue for Alameda County has been updated to reflect the projected decrease per the August 2023 update from the State and added to the proposed Mid-Year Revised Budget.							
	2	Measure AA Parcel Tax revenue has been updated to reflect the updated annual allocation for FY23-24 and added to the proposed Mid-Year Revised Budget.							
	3	Revenue previously received from First 5 California and Childrens Council of San Francisco has changed to First 5 San Benito and updated in the proposed Mid-Year Revised Budget.							
	4	New award from First 5 San Benito to support the Home Visiting Regional Technical Assistance activities has been added to the proposed Mid-Year Revised Budget.							
	5	Revenue received in the prior year has been added to the proposed Mid-Year Revised Budget for current year activities.							
	6	Revenue has been updated to reflect the current award amount in the proposed Mid-Year Revised Budget.							
	7	New revenue has been added to the proposed Mid-Year Revised Budget.							

**First 5 Alameda County
Budget vs. Actual Expenditures by Category
Proposed Revisions
For the Period July 1, 2023 - December 31, 2023**

AGENDA ITEM 8.2

Expenditures	Original Budget FY2023-24	Actuals	% Spent in first half this year	% Spent in first half last year	Proposed Revised Budget FY2023-24	% Spent in first half this year	Proposed Revised Budget Balance Remaining
Personnel Costs	18,649,906	7,543,433	40%	41%	20,726,421	36%	13,182,988
Program Contracts and Grants*	29,863,530	3,543,944	12%	18%	33,534,005	11%	29,990,061
Program Operating Costs**	551,419	213,743	39%	19%	629,447	34%	415,704
Infrastructure Costs	1,501,848	707,279	47%	57%	1,501,848	47%	794,569
TOTAL EXPENDITURES	50,566,703	12,008,399	24%	32%	56,391,721	21%	44,383,322

* Program Contracts and Grants also include stipends and professional services contracts with individuals or vendors for time limited services that support program work (e.g. consultants, web design, etc.)

** Program Operating costs: Costs that support agency program implementation (e.g. supplies, travel, meeting costs, etc.)

Notes: Proposed revisions reflect changes in planned Expenditure Category costs for FY 2023-24

FY 2023-24 proposed increase in expenditure categories for personnel, contracts, grants, stipends, professional services, program operating costs, and infrastructure costs are due to adjustments to current funded activities supporting Parent Partnership, Pediatric Care Coordination, Quality Early Childhood Education, Policy & Advocacy, Data & Evaluation, Communications, Operational Support, and Children's Health Initiative activities.

**First 5 Alameda County
Proposed Revised Operating Expenditure Budget By Strategy
July 1, 2023 - June 30, 2024**

AGENDA ITEM 8.3

	Parent Partnership	Pediatric Care Coordination	Quality Early Childhood Education	Fatherhood	Neighborhoods Ready for School	Policy & Advocacy	Data & Evaluation	Training	Communications	Operational Support (Finance, Human Resources, Technology & Admin/Facilities)	Children's Health Initiative	TOTAL ORIGINAL BUDGET
FY 2023-24 ORIGINAL ADOPTED BUDGET												
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24
Personnel Costs												
Salaries & Benefits	1,030,315	3,387,212	2,491,392	460,916	530,848	2,231,938	1,059,701	408,097	499,655	5,566,434	983,397	18,649,906
Program Contracts/Grants												
Contracts	1,340,480	1,044,649	2,121,912	300,955	2,654,152	90,413	310,100	175,000	265,413	1,883,527	18,928,584	29,115,185
Grants & Stipends	0	0	452,000	3,000	0	0	0	0	0	0	0	455,000
Professional Services*	0	4,000	63,446	75,000	0	3,165	0	97,000	0	50,734	0	293,345
Total Contracts/Grants	1,340,480	1,048,649	2,637,358	378,955	2,654,152	93,578	310,100	272,000	265,413	1,934,261	18,928,584	29,863,530
Program Operating Costs**	7,750	89,499	115,153	23,929	15,000	9,187	8,610	19,903	77,932	184,456	0	551,419
Infrastructure Costs	0	0	0	0	0	0	0	0	0	1,501,848	0	1,501,848
Total Direct Program Costs	2,378,545	4,525,360	5,243,903	863,800	3,200,000	2,334,703	1,378,411	700,000	843,000	7,685,151	19,911,981	50,566,703

	Parent Partnership	Pediatric Care Coordination	Quality Early Childhood Education	Fatherhood	Neighborhoods Ready for School	Policy & Advocacy	Data & Evaluation	Training	Communications	Operational Support (Finance, Human Resources, Technology & Admin/Facilities)	Children's Health Initiative	TOTAL REVISED BUDGET
FY 2023-24 PROPOSED REVISED BUDGET												
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24
Personnel Costs												
Salaries & Benefits	1,163,545	3,510,089	2,962,011	460,916	530,848	2,351,614	1,077,294	421,922	468,673	6,081,151	1,698,358	20,726,421
Program Contracts/Grants												
Contracts	1,451,799	1,018,274	2,036,478	438,716	2,654,152	90,413	593,507	124,000	365,413	2,737,188	21,136,737	32,646,677
Grants & Stipends	0	0	452,000	13,000	0	0	0	0	0	0	0	465,000
Professional Services*	0	19,375	94,785	106,269	0	3,165	0	148,000	0	50,734	0	422,328
Total Contracts/Grants	1,451,799	1,037,649	2,583,263	557,985	2,654,152	93,578	593,507	272,000	365,413	2,787,922	21,136,737	33,534,005
Program Operating Costs**	5,750	100,499	115,153	54,957	15,000	9,187	8,610	19,903	77,932	184,456	38,000	629,447
Infrastructure Costs	0	0	0	0	0	0	0	0	0	1,501,848	0	1,501,848
Total Direct Program Costs	2,621,094	4,648,237	5,660,427	1,073,858	3,200,000	2,454,379	1,679,411	713,825	912,018	10,555,377	22,873,095	56,391,721

	Parent Partnership	Pediatric Care Coordination	Quality Early Childhood Education	Fatherhood	Neighborhoods Ready for School	Policy & Advocacy	Data & Evaluation	Training	Communications	Operational Support (Finance, Human Resources, Technology & Admin/Facilities)	Children's Health Initiative	BUDGET CHANGES
FY 2023-24 NET CHANGES BY STRATEGY REVISED BUDGET												
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24
Personnel Costs												
Salaries & Benefits	133,230	122,876	470,619	(0)	(0)	119,676	17,593	13,825	(30,982)	514,717	714,961	2,076,515
Program Contracts/Grants												
Contracts	111,319	(26,375)	(85,434)	137,761	0	0	283,407	(51,000)	100,000	853,661	2,208,153	3,531,492
Grants & Stipends	0	0	0	10,000	0	0	0	0	0	0	0	10,000
Professional Services*	0	15,375	31,339	31,269	0	0	0	51,000	0	0	0	128,983
Total Contracts/Grants	111,319	(11,000)	(54,095)	179,030	0	0	283,407	0	100,000	853,661	2,208,153	3,670,475
Program Operating Costs**	(2,000)	11,000	0	31,028	0	0	0	0	0	0	38,000	78,028
Infrastructure Costs	0	0	0	0	0	0	0	0	0	0	0	0
Total Direct Program Costs	242,549	122,876	416,524	210,058	(0)	119,676	301,000	13,825	69,018	1,368,378	2,961,114	5,825,018



To: First 5 Alameda County Commission

From: Christine Hom, Chief Operating Officer
Maria Canteros, Senior Administrator, Finance
Nick Zhou, Chief Financial Officer
Cally Martin, Deputy Chief Executive Officer

Date: February 15, 2023

Subject: FY 2023-24 Mid-Year Investment Report, July 1, 2023 – December 31, 2023

REQUESTED ACTION

To review the FY 2023-24 Mid-Year Investment Report covering the period July 1, 2023 – December 31, 2023.

BACKGROUND OF ACTIVITIES

As required by California Government Code, the investment objectives of First 5 Alameda County are first, to provide safety of principal to ensure the preservation of capital in the overall portfolio; second, to provide sufficient liquidity to meet all requirements that may be reasonably anticipated; and third, to earn a commensurate rate of return consistent with the constraints imposed by the safety and liquidity objectives.

The performance objective of the First 5 Alameda County investment portfolio is to earn a total rate of return that exceeds the total rate of return on identified benchmarks.

First 5 Alameda County maintains the majority of its funds invested in a portfolio of high quality, very liquid, fixed-income securities, which are professionally managed by the Commission's investment advisor, Chandler Asset Management. The remaining funds continue to be invested with the Alameda County Treasurer's pool. This report summarizes the activity and status of the investment portfolio as of December 31, 2023.

PORTFOLIO HIGHLIGHTS

The Investment Report shows the performance of funds that are invested in the portfolio with Chandler Asset Management. At the end of the last fiscal year (June 30, 2023), the total cost basis of the portfolio was \$27,140,589. On July 3, 2023, First 5 Alameda County liquidated \$3 million from the portfolio to meet operational cash flow needs. The market value of the Chandler portfolio as of December 31, 2023, was \$23,435,809 at a cost of \$24,293,435.

INVESTMENT REPORT

Investment Activity

The Investment Activity shows all transactions affecting our portfolio as of December 31, 2023. Purchases of securities are conducted when a maturity occurs, or when the investment advisor sells a security before maturity to rebalance the portfolio. Rebalancing is conducted to manage the risk profile of the portfolio, diversify portfolio maturities and sectors, protect market value, and enhance overall return.

Investment Income

Investment income is primarily derived from interest or yield payments on securities held in the investment portfolio. Typically, interest income from each security is received semi-annually. The Commission's investment advisor buys, sells and exchanges securities consistent with the First 5 Alameda County Investment Policy in order to optimize overall yields.

Total investment earnings for the period ending December 31, 2023, was \$221,245, consisting of \$217,313 interest received and \$3,932 dividends received. For the same period last fiscal year, the total investment earnings for the period ending December 31, 2022, was \$214,368 consisting of \$213,059 interest received and \$1,309 dividends received.

Market Value and Unrealized Gains and Losses

The market value of the portfolio securities changes as a result of market supply and demand, shifts in interest rates, and other factors. There was an unrealized loss position of \$857,626 at the end of December 2023. This is determined by comparing the Cost and the Market Value of the portfolio on that date. This is a loss on paper only, implying that a loss would have been realized, had the portfolio been liquidated on December 31st. Since the portfolio was not liquidated, this section is for informational purposes only. Per the Governmental Accounting Standards Board (GASB), government entities must report unrealized gains and losses on investments (GASB 31).

Investment Fees

Fees include those levied by the portfolio manager and the fees levied by the account custodian US Bank. The total fees paid during this period were \$15,299.

Yield Benchmarks

Investment yields are compared to the Local Agency Investment Fund (LAIF) and the Alameda County Treasury Investment Pool yields in order to benchmark investment manager performance. Chandler's average portfolio yield for the 6-month period of 2.12% is slightly behind both the LAIF yield of 3.62% and the Alameda County Treasury Investment Pool yield of 3.33% (through October 2023) for the year.

FISCAL IMPACT

The total realized investment earnings of interest and dividends received (net of fees) for July 1, 2023 – December 31, 2023, was \$205,946. Investment revenue for FY 2023-24 is budgeted at \$324,000.

RECOMMENDATION

That the Commission approve the FY 2023-24 Mid-Year Investment Report covering the period July 1, 2023 – December 31, 2023.

Submitted by:

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Christine Hom
Chief Operating Officer

DocuSigned by:
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Maria Canteros,
Senior Administrator, Finance

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Nick Zhou
Chief Financial Officer

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Kristin Spanos
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Kristin Spanos
Chief Executive Officer

Reviewed by:

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Cally Martin
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Cally Martin
Deputy Chief Executive Officer

**First 5 Alameda County
Investment Report - Chandler Asset Management
For the Period July 1, 2023 - December 31, 2023**

INVESTMENT INCOME:

<i>Interest Received</i>	\$	217,313
<i>Dividends Received</i>	\$	3,932
Total Investment Earnings	\$	221,245
<i>Less:</i>		
Investment Fees (Chandler)		(13,378)
US Bank Custodial Fees		(1,921)
<i>Net Investment Income</i>	\$	205,946

INVESTMENT ACTIVITY:

Portfolios - Cost Basis at 6/30/23	\$	27,140,589
Purchases	\$	3,613,577
Maturities	\$	-
Sales	\$	(2,630,349)
Principal Pay Downs	\$	(761,983)
Calls	\$	-
Capital Gains/Losses	\$	(53,099)
Withdrawals	\$	(3,015,299)
Contributions	\$	-
Portfolios - Cost Basis at 12/31/23	\$	24,293,435

COST VS. MARKET VALUE:

Portfolios at Market 12/31/23	\$	23,435,809
Portfolios at Cost 12/31/23		24,293,435
Unrealized Gain (Loss) at 12/31/23	\$	(857,626)

APPROXIMATE YIELD AND BENCHMARKS (Annualized) for FY 2023-24:

Chandler Asset Management	2.12%
Local Agency Investment Fund (LAIF)	3.62%
Alameda County Treasurer's Pool (through October 2023)	3.33%



First 5 Alameda County

Holdings Report

Account #10022

As of December 31, 2023

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024	3,136.58	09/22/2020 0.38%	3,136.12 3,136.12	99.73 7.04%	3,128.03 0.42	0.01% (8.09)	NR / AAA AAA	0.80 0.04
36265MAC9	GM Financial Auto Lease Trust 2022-1 A3 1.9% Due 3/20/2025	99,194.76	02/15/2022 1.91%	99,193.91 99,193.91	99.37 5.69%	98,567.85 57.59	0.42% (626.06)	Aaa / NR AAA	1.22 0.17
05601XAC3	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due 3/25/2025	24,700.29	01/11/2022 1.11%	24,696.59 24,696.59	99.43 6.24%	24,560.12 4.53	0.10% (136.47)	NR / AAA AAA	1.23 0.11
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	12,473.27	02/17/2021 0.27%	12,473.05 12,473.05	98.79 6.20%	12,321.82 0.94	0.05% (151.23)	Aaa / NR AAA	1.31 0.20
44891RAC4	Hyundai Auto Receivables Trust 2020-C A3 0.38% Due 5/15/2025	16,623.97	10/20/2020 0.39%	16,620.14 16,620.14	99.37 6.13%	16,518.67 2.81	0.07% (101.47)	NR / AAA AAA	1.37 0.11
89240BAC2	Toyota Auto Receivables Owners 2021- A A3 0.26% Due 5/15/2025	46,345.36	02/02/2021 0.27%	46,336.76 46,336.76	98.89 6.00%	45,832.36 5.36	0.19% (504.40)	Aaa / NR AAA	1.37 0.19
43815GAC3	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	69,655.21	11/16/2021 0.89%	69,640.53 69,640.53	97.04 5.75%	67,590.21 17.03	0.29% (2,050.32)	Aaa / NR AAA	2.06 0.61
47789QAC4	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	76,163.21	07/13/2021 0.52%	76,156.42 76,156.42	97.29 5.63%	74,100.48 17.60	0.31% (2,055.94)	Aaa / NR AAA	2.21 0.53
89238JAC9	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	63,667.12	11/09/2021 0.71%	63,665.76 63,665.76	97.03 5.67%	61,776.84 20.09	0.26% (1,888.92)	NR / AAA AAA	2.29 0.60
44935FAD6	Hyundai Auto Receivables Trust 2021-C A3 0.74% Due 5/15/2026	48,335.98	11/09/2021 0.75%	48,325.20 48,325.20	97.28 5.70%	47,023.56 15.90	0.20% (1,301.64)	NR / AAA AAA	2.37 0.55
43815BAC4	Honda Auto Receivables Trust 2022-1 A3 1.88% Due 5/15/2026	156,144.58	02/15/2022 1.89%	156,121.10 156,121.10	97.33 5.61%	151,978.80 130.47	0.65% (4,142.30)	Aaa / AAA NR	2.37 0.71
05602RAD3	BMW Vehicle Owner Trust 2022-A A3 3.21% Due 8/25/2026	97,628.67	05/10/2022 3.23%	97,623.59 97,623.59	98.59 5.24%	96,250.54 52.23	0.41% (1,373.05)	Aaa / AAA NR	2.65 0.70
89238FAD5	Toyota Auto Receivables OT 2022-B A3 2.93% Due 9/15/2026	85,000.00	04/07/2022 2.95%	84,998.01 84,998.01	98.01 5.47%	83,305.02 110.69	0.35% (1,692.99)	Aaa / AAA NR	2.71 0.79

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
362554AC1	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	54,032.63	10/13/2021 0.68%	54,031.25 54,031.25	96.65 5.81%	52,221.35 15.31	0.22% (1,809.90)	Aaa / AAA NR	2.71 0.65
47787JAC2	John Deere Owner Trust 2022-A A3 2.32% Due 9/16/2026	80,278.95	03/10/2022 2.34%	80,261.20 80,261.20	97.77 5.39%	78,485.84 82.78	0.33% (1,775.36)	Aaa / NR AAA	2.71 0.73
448977AD0	Hyundai Auto Receivables Trust 2022-A A3 2.22% Due 10/15/2026	208,784.93	03/09/2022 2.23%	208,776.89 208,776.89	97.72 5.40%	204,034.03 206.00	0.87% (4,742.86)	NR / AAA AAA	2.79 0.72
380146AC4	GM Financial Auto Receivables 2022-1 A3 1.26% Due 11/16/2026	54,206.93	01/11/2022 1.27%	54,202.22 54,202.22	97.07 5.49%	52,619.16 28.46	0.22% (1,583.06)	NR / AAA AAA	2.88 0.69
47800AAC4	John Deere Owner Trust 2022-B A3 3.74% Due 2/16/2027	125,000.00	07/12/2022 3.77%	124,988.06 124,988.06	98.38 5.27%	122,978.13 207.78	0.52% (2,009.93)	Aaa / NR AAA	3.13 1.08
02582JIT8	American Express Credit Trust 2022-2 A 3.39% Due 5/17/2027	265,000.00	05/17/2022 3.42%	264,941.38 264,941.38	97.95 4.99%	259,577.84 399.27	1.10% (5,363.54)	NR / AAA AAA	3.38 1.30
161571HT4	Chase Issuance Trust 23-A1 A 5.16% Due 9/15/2028	250,000.00	09/07/2023 5.23%	249,930.70 249,930.70	101.55 4.59%	253,866.50 573.33	1.08% 3,935.80	NR / AAA AAA	4.71 2.46
Total ABS		1,836,372.44	2.58%	1,836,118.88	5.34%	1,806,737.15 1,948.59	7.68% (29,381.73)	Aaa / AAA AAA	2.87 0.99

AGENCY									
3130A1XJ2	FHLB Note 2.875% Due 6/14/2024	550,000.00	06/18/2019 1.96%	573,792.90 573,792.90	98.93 5.29%	544,108.96 746.71	2.31% (29,683.94)	Aaa / AA+ NR	0.45 0.44
3130A2UW4	FHLB Note 2.875% Due 9/13/2024	475,000.00	09/13/2019 1.79%	499,600.25 499,600.25	98.60 4.93%	468,331.95 4,096.88	2.01% (31,268.30)	Aaa / AA+ NR	0.70 0.68
3135G0X24	FNMA Note 1.625% Due 1/7/2025	520,000.00	Various 1.22%	529,792.20 529,792.20	96.90 4.78%	503,885.20 4,084.17	2.16% (25,907.00)	Aaa / AA+ AA+	1.02 0.98
3135G03U5	FNMA Note 0.625% Due 4/22/2025	510,000.00	04/22/2020 0.67%	508,949.40 508,949.40	95.08 4.54%	484,897.80 610.94	2.06% (24,051.60)	Aaa / AA+ AA+	1.31 1.27
3135G04Z3	FNMA Note 0.5% Due 6/17/2025	600,000.00	Various 0.47%	600,600.40 600,600.40	94.36 4.53%	566,181.00 116.66	2.40% (34,419.40)	Aaa / AA+ AA+	1.46 1.42
3137EAEU9	FHLMC Note 0.375% Due 7/21/2025	340,000.00	07/21/2020 0.48%	338,306.80 338,306.80	93.97 4.43%	319,507.52 566.67	1.36% (18,799.28)	Aaa / AA+ AA+	1.56 1.52

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3135G05X7	FNMA Note 0.375% Due 8/25/2025	640,000.00	Various 0.46%	637,215.80 637,215.80	93.49 4.51%	598,346.88 840.00	2.54% (38,868.92)	Aaa / AA+ AA+	1.65 1.61
3137EAEX3	FHLMC Note 0.375% Due 9/23/2025	645,000.00	Various 0.44%	643,091.55 643,091.55	93.33 4.43%	601,996.56 658.44	2.56% (41,094.99)	Aaa / AA+ AA+	1.73 1.68
3135G06G3	FNMA Note 0.5% Due 11/7/2025	630,000.00	Various 0.55%	628,448.60 628,448.60	93.15 4.40%	586,814.13 472.50	2.49% (41,634.47)	Aaa / AA+ AA+	1.85 1.80
3133EPGW9	FFCB Note 3.875% Due 4/25/2028	400,000.00	05/05/2023 3.55%	405,800.00 405,800.00	99.40 4.03%	397,583.60 2,841.67	1.70% (8,216.40)	Aaa / AA+ AA+	4.32 3.91
3133EPA47	FFCB Note 4.875% Due 11/1/2028	250,000.00	11/27/2023 4.49%	254,225.00 254,225.00	104.38 3.87%	260,939.25 2,031.25	1.12% 6,714.25	Aaa / AA+ NR	4.84 4.26
Total Agency		5,560,000.00	1.24%	5,619,822.90	4.56%	5,332,592.85 17,065.89	22.70% (287,230.05)	Aaa / AA+ AA+	1.72 1.62
CORPORATE									
06367WB85	Bank of Montreal Note 1.85% Due 5/1/2025	266,000.00	07/23/2021 0.85%	275,794.12 275,794.12	95.88 5.09%	255,028.83 820.17	1.09% (20,765.29)	A2 / A- AA-	1.33 1.29
89788MAA0	Truist Financial Corp Callable Note Cont 07/03/2025 1.2% Due 8/5/2025	250,000.00	02/03/2022 1.85%	244,510.00 244,510.00	93.85 5.27%	234,621.50 1,216.67	1.00% (9,888.50)	A3 / A- A	1.60 1.54
46647PBK1	JP Morgan Chase & Co Callable Note Cont 4/22/2025 2.083% Due 4/22/2026	101,000.00	05/20/2021 2.30%	104,770.33 104,770.33	95.78 5.45%	96,742.75 403.23	0.41% (8,027.58)	A1 / A- AA-	2.31 1.26
023135BX3	Amazon.com Inc Callable Note Cont 4/12/2026 1% Due 5/12/2026	470,000.00	05/10/2021 1.09%	467,969.60 467,969.60	92.38 4.43%	434,167.20 639.72	1.85% (33,802.40)	A1 / AA AA-	2.36 2.29
808513BR5	Charles Schwab Corp Callable Note Cont 4/13/2026 1.15% Due 5/13/2026	270,000.00	12/14/2021 1.48%	266,233.50 266,233.50	91.64 4.93%	247,439.61 414.00	1.05% (18,793.89)	A2 / A- A	2.37 2.28
91324PEC2	United Health Group Inc Callable Note Cont 4/15/2026 1.15% Due 5/15/2026	375,000.00	Various 1.09%	375,977.75 375,977.75	92.57 4.49%	347,145.75 551.04	1.48% (28,832.00)	A2 / A+ A	2.37 2.29
89236TJK2	Toyota Motor Credit Corp Note 1.125% Due 6/18/2026	440,000.00	Various 1.23%	437,932.00 437,932.00	92.34 4.44%	406,293.80 178.75	1.73% (31,638.20)	A1 / A+ A+	2.47 2.38

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
CORPORATE									
06051GJD2	Bank of America Corp Callable Note Cont 6/19/2025 1.319% Due 6/19/2026	300,000.00	Various 2.29%	300,792.00 300,792.00	94.11 5.54%	282,339.30 131.90	1.20% (18,452.70)	A1 / A- AA-	2.47 1.42
037833DN7	Apple Inc Callable Note Cont 7/11/2026 2.05% Due 9/11/2026	180,000.00	12/14/2021 1.53%	184,291.20 184,291.20	94.20 4.35%	169,556.58 1,127.50	0.72% (14,734.62)	Aaa / AA+ NR	2.70 2.56
06368FAC3	Bank of Montreal Note 1.25% Due 9/15/2026	150,000.00	09/13/2021 1.28%	149,818.50 149,818.50	91.09 4.80%	136,639.20 552.08	0.58% (13,179.30)	A2 / A- AA-	2.71 2.59
87612EBM7	Target Corp Callable Note Cont 12/15/2026 1.95% Due 1/15/2027	170,000.00	01/19/2022 1.99%	169,711.00 169,711.00	93.30 4.33%	158,605.41 1,528.58	0.68% (11,105.59)	A2 / A A	3.04 2.87
26444HAC5	Duke Energy Florida LLC Callable Note Cont 10/15/2026 3.2% Due 1/15/2027	300,000.00	02/22/2022 2.51%	309,444.00 309,444.00	96.58 4.41%	289,740.60 4,426.67	1.25% (19,703.40)	A1 / A NR	3.04 2.81
084664CZ2	Berkshire Hathaway Callable Note Cont 2/15/2027 2.3% Due 3/15/2027	275,000.00	03/07/2022 2.30%	274,947.75 274,947.75	94.58 4.12%	260,094.18 1,862.36	1.11% (14,853.57)	Aa2 / AA A+	3.21 3.02
665859AW4	Northern Trust Company Callable Note Cont 4/10/2027 4% Due 5/10/2027	280,000.00	Various 3.89%	281,305.90 281,305.90	98.65 4.44%	276,211.04 1,586.67	1.18% (5,094.86)	A2 / A+ A+	3.36 3.09
756109BG8	Realty Income Corp Calllable Note Cont 5/15/2027 3.95% Due 8/15/2027	156,000.00	11/28/2022 5.00%	149,193.72 149,193.72	97.21 4.80%	151,643.08 2,327.87	0.65% 2,449.36	A3 / A- NR	3.62 3.28
06051GGF0	Bank of America Corp Callable Note 1/20/2027 3.824% Due 1/20/2028	200,000.00	01/24/2023 5.41%	191,724.00 191,724.00	96.08 5.22%	192,156.40 3,420.36	0.83% 432.40	A1 / A- AA-	4.06 2.79
57636QAW4	MasterCard Inc Callable Note Cont 2/9/28 4.875% Due 3/9/2028	165,000.00	03/06/2023 4.90%	164,839.95 164,839.95	103.07 4.05%	170,069.63 2,502.50	0.73% 5,229.68	Aa3 / A+ NR	4.19 3.65
341081GN1	Florida Power and Light Callable Note Cont 3/15/2028 4.4% Due 5/15/2028	250,000.00	05/19/2023 4.68%	246,955.00 246,955.00	100.16 4.35%	250,399.75 1,405.56	1.07% 3,444.75	Aa2 / A+ AA-	4.38 3.78
74340XCG4	Prologis LP Callable Note Cont 5/15/2028 4.875% Due 6/15/2028	290,000.00	Various 5.17%	286,358.30 286,358.30	101.27 4.55%	293,691.41 628.33	1.25% 7,333.11	A3 / A NR	4.46 3.90

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
CORPORATE									
24422EXB0	John Deere Capital Corp Note 4.95% Due 7/14/2028	270,000.00	09/08/2023 5.02%	269,214.30 269,214.30	102.52 4.33%	276,805.35 6,199.88	1.20% 7,591.05	A2 / A A+	4.54 3.95
89115A2U5	Toronto-Dominion Bank Note 5.523% Due 7/17/2028	255,000.00	09/08/2023 5.54%	254,829.15 254,829.15	102.95 4.79%	262,532.96 6,415.89	1.14% 7,703.81	A1 / A AA-	4.55 3.90
78016HZS2	ROYAL BANK OF CANADA Note 5.2% Due 8/1/2028	255,000.00	09/08/2023 5.50%	251,769.15 251,769.15	101.92 4.73%	259,903.65 5,930.17	1.13% 8,134.50	A1 / A AA-	4.59 3.96
69371RS64	Paccar Financial Corp Note 4.95% Due 8/10/2028	200,000.00	10/05/2023 5.25%	197,436.00 197,436.00	103.15 4.19%	206,293.80 3,877.50	0.89% 8,857.80	A1 / A+ NR	4.61 4.02
74456QBX3	Public Service EI & Gas Callable Note Cont 6/1/2028 3.65% Due 9/1/2028	230,000.00	09/21/2023 5.29%	213,791.90 213,791.90	96.40 4.51%	221,717.93 2,798.33	0.95% 7,926.03	A1 / A NR	4.67 4.18
63743HFJ6	National Rural Utilities Callable Note Cont 8/15/2028 5.05% Due 9/15/2028	250,000.00	10/05/2023 5.52%	245,010.00 245,010.00	102.59 4.42%	256,487.25 3,717.36	1.10% 11,477.25	A2 / A- A	4.71 4.04
Total Corporate		6,348,000.00	3.12%	6,314,619.12 6,314,619.12	4.61%	6,136,326.96 54,663.09	26.28% (178,292.16)	A1 / A A+	3.32 2.92
MONEY MARKET FUND									
60934N104	Federated Investors Government Obligations Fund	16,192.35	Various 5.22%	16,192.35 16,192.35	1.00 5.22%	16,192.35 0.00	0.07% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund		16,192.35	5.22%	16,192.35 16,192.35	5.22%	16,192.35 0.00	0.07% 0.00	Aaa / AAA AAA	0.00 0.00
MUNICIPAL BONDS									
13063DRK6	California State Taxable GO 2.4% Due 10/1/2024	345,000.00	10/16/2019 1.91%	352,924.65 352,924.65	98.08 5.03%	338,389.46 2,070.00	1.44% (14,535.19)	Aa2 / AA- AA	0.75 0.73
649791RC6	New York St STE-GO 1.25% Due 3/15/2027	275,000.00	06/17/2022 3.89%	243,933.25 243,933.25	90.88 4.33%	249,927.70 1,012.15	1.07% 5,994.45	Aa1 / AA+ AA+	3.21 3.07
Total Municipal Bonds		620,000.00	2.72%	596,857.90 596,857.90	4.73%	588,317.16 3,082.15	2.51% (8,540.74)	Aa2 / AA AA	1.79 1.72

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
SUPRANATIONAL									
459058JL8	Intl. Bank Recon & Development Note 0.5% Due 10/28/2025	280,000.00	10/21/2020 0.52%	279,683.60 279,683.60	93.19 4.42%	260,942.64 245.00	1.11% (18,740.96)	Aaa / AAA AAA	1.83 1.78
4581X0DV7	Inter-American Dev Bank Note 0.875% Due 4/20/2026	615,000.00	04/13/2021 0.97%	612,183.30 612,183.30	92.71 4.23%	570,174.50 1,061.30	2.42% (42,008.80)	Aaa / AAA AAA	2.30 2.23
Total Supranational		895,000.00	0.83%	891,866.90	4.29%	831,117.14	3.53% (60,749.76)	Aaa / AAA AAA	2.15 2.09
US TREASURY									
912828D56	US Treasury Note 2.375% Due 8/15/2024	595,000.00	08/29/2019 1.45%	621,379.88 621,379.88	98.37 5.06%	585,284.84 5,337.62	2.51% (36,095.04)	Aaa / AA+ AA+	0.62 0.60
912828ZC7	US Treasury Note 1.125% Due 2/28/2025	525,000.00	03/18/2020 0.81%	533,100.59 533,100.59	96.05 4.65%	504,266.70 1,995.79	2.15% (28,833.89)	Aaa / AA+ AA+	1.16 1.13
912828ZF0	US Treasury Note 0.5% Due 3/31/2025	560,000.00	Various 0.46%	560,940.63 560,940.63	95.08 4.60%	532,459.20 711.48	2.26% (28,481.43)	Aaa / AA+ AA+	1.25 1.22
91282CAM3	US Treasury Note 0.25% Due 9/30/2025	600,000.00	02/19/2021 0.51%	592,851.56 592,851.56	93.13 4.38%	558,750.00 381.15	2.37% (34,101.56)	Aaa / AA+ AA+	1.75 1.71
91282CAT8	US Treasury Note 0.25% Due 10/31/2025	600,000.00	Various 0.49%	593,328.13 593,328.13	92.89 4.33%	557,320.20 255.49	2.37% (36,007.93)	Aaa / AA+ AA+	1.84 1.79
91282CAZ4	US Treasury Note 0.375% Due 11/30/2025	550,000.00	03/26/2021 0.77%	540,138.67 540,138.67	92.86 4.30%	510,748.15 180.33	2.17% (29,390.52)	Aaa / AA+ AA+	1.92 1.87
91282CCW9	US Treasury Note 0.75% Due 8/31/2026	150,000.00	09/17/2021 0.86%	149,185.55 149,185.55	91.68 4.08%	137,519.55 380.15	0.59% (11,666.00)	Aaa / AA+ AA+	2.67 2.58
91282CCZ2	US Treasury Note 0.875% Due 9/30/2026	900,000.00	Various 1.08%	891,046.88 891,046.88	91.85 4.04%	826,629.30 2,001.03	3.52% (64,417.58)	Aaa / AA+ AA+	2.75 2.66
91282CDG3	US Treasury Note 1.125% Due 10/31/2026	300,000.00	11/15/2021 1.25%	298,171.88 298,171.88	92.28 4.04%	276,831.90 574.86	1.18% (21,339.98)	Aaa / AA+ AA+	2.84 2.73
91282CET4	US Treasury Note 2.625% Due 5/31/2027	250,000.00	06/09/2022 3.07%	244,912.11 244,912.11	95.71 3.98%	239,277.25 573.77	1.02% (5,634.86)	Aaa / AA+ AA+	3.42 3.21
91282CEW7	US Treasury Note 3.25% Due 6/30/2027	200,000.00	Various 3.12%	201,174.48 201,174.48	97.72 3.95%	195,445.40 17.85	0.83% (5,729.08)	Aaa / AA+ AA+	3.50 3.27
91282CFB2	US Treasury Note 2.75% Due 7/31/2027	150,000.00	08/22/2022 3.12%	147,457.03 147,457.03	95.99 3.96%	143,988.30 1,726.22	0.62% (3,468.73)	Aaa / AA+ AA+	3.58 3.33

Holdings Report

As of December 31, 2023



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
91282CFH9	US Treasury Note 3.125% Due 8/31/2027	130,000.00	09/19/2022 3.70%	126,648.44 126,648.44	97.19 3.96%	126,343.75 1,372.77	0.54% (304.69)	Aaa / AA+ AA+	3.67 3.39
91282CFM8	US Treasury Note 4.125% Due 9/30/2027	700,000.00	10/21/2022 4.43%	690,757.81 690,757.81	100.63 3.94%	704,429.60 7,337.09	3.02% 13,671.79	Aaa / AA+ AA+	3.75 3.41
91282CGC9	US Treasury Note 3.875% Due 12/31/2027	340,000.00	Various 3.77%	341,615.63 341,615.63	99.84 3.92%	339,442.06 36.19	1.44% (2,173.57)	Aaa / AA+ AA+	4.00 3.67
91282CGH8	US Treasury Note 3.5% Due 1/31/2028	650,000.00	Various 3.83%	640,375.00 640,375.00	98.42 3.92%	639,742.35 9,520.38	2.76% (632.65)	Aaa / AA+ AA+	4.09 3.71
91282CGP0	US Treasury Note 4% Due 2/29/2028	650,000.00	Various 4.10%	646,951.17 646,951.17	100.33 3.91%	652,132.65 8,785.72	2.81% 5,181.48	Aaa / AA+ AA+	4.17 3.76
91282CGT2	US Treasury Note 3.625% Due 3/31/2028	500,000.00	04/11/2023 3.57%	501,308.59 501,308.59	98.91 3.90%	494,551.00 4,605.53	2.12% (6,757.59)	Aaa / AA+ AA+	4.25 3.86
91282CHE4	US Treasury Note 3.625% Due 5/31/2028	500,000.00	06/14/2023 4.00%	491,738.28 491,738.28	98.94 3.89%	494,707.00 1,584.70	2.11% 2,968.72	Aaa / AA+ AA+	4.42 4.03
91282CJN2	US Treasury Note 4.375% Due 11/30/2028	200,000.00	12/28/2023 3.83%	204,875.00 204,875.00	102.33 3.85%	204,656.20 765.03	0.87% (218.80)	Aaa / AA+ AA+	4.92 4.38
Total US Treasury		9,050,000.00	2.26%	9,017,957.31 9,017,957.31	4.17%	8,724,525.40 48,143.15	37.23% (293,431.91)	Aaa / AA+ AA+	2.88 2.68
TOTAL PORTFOLIO		24,325,564.79	2.23%	24,293,435.36 24,293,435.36	4.49%	23,435,809.01 126,209.17	100.00% (857,626.35)	Aa1 / AA AA+	2.68 2.33
TOTAL MARKET VALUE PLUS ACCRUED						23,562,018.18			



First 5 Alameda County

Period Ending December 31, 2023

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com

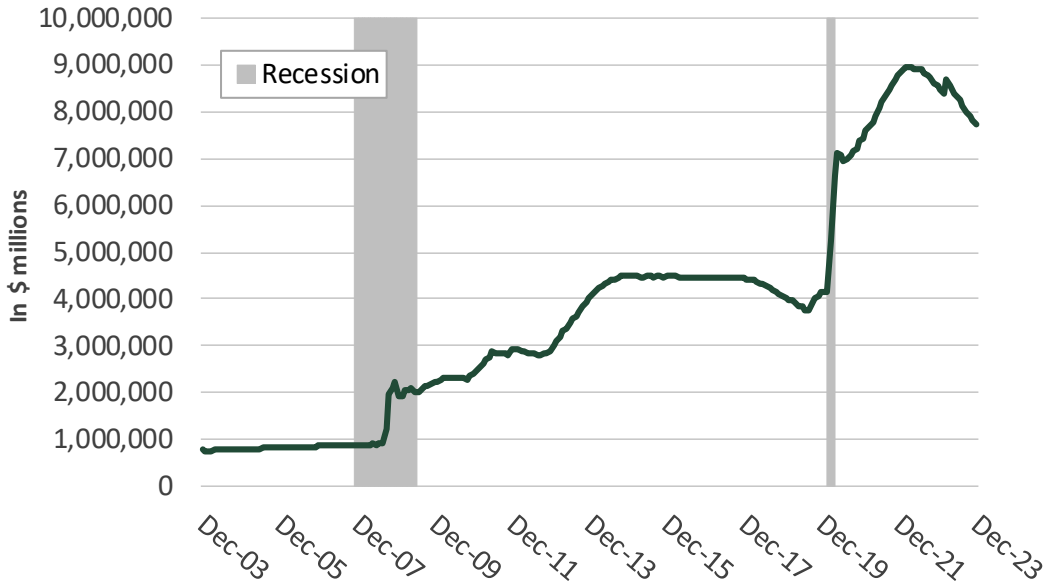




Section 1 | Economic Update

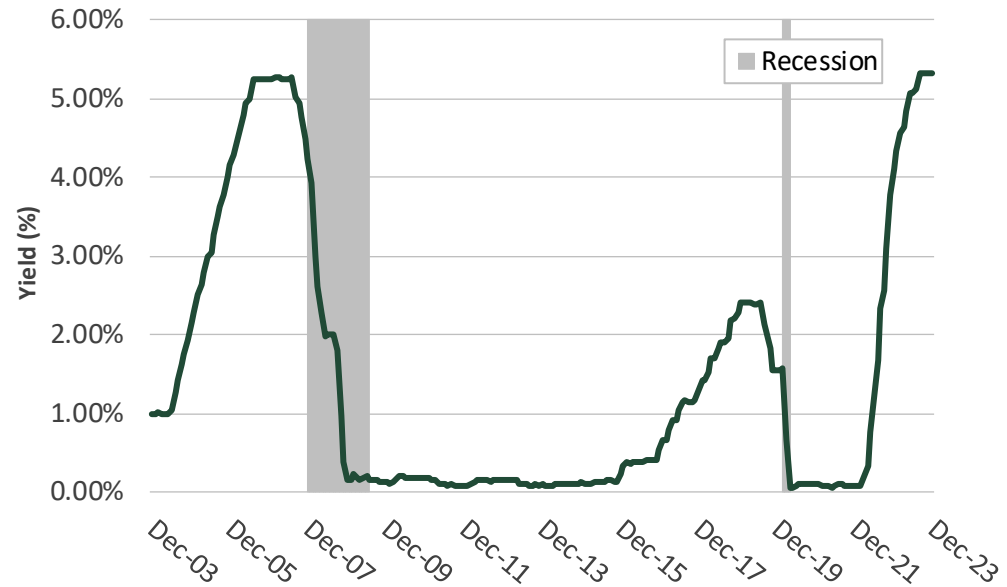
Federal Reserve

Federal Reserve Balance Sheet Assets



Source: Federal Reserve

Effective Federal Funds Rate

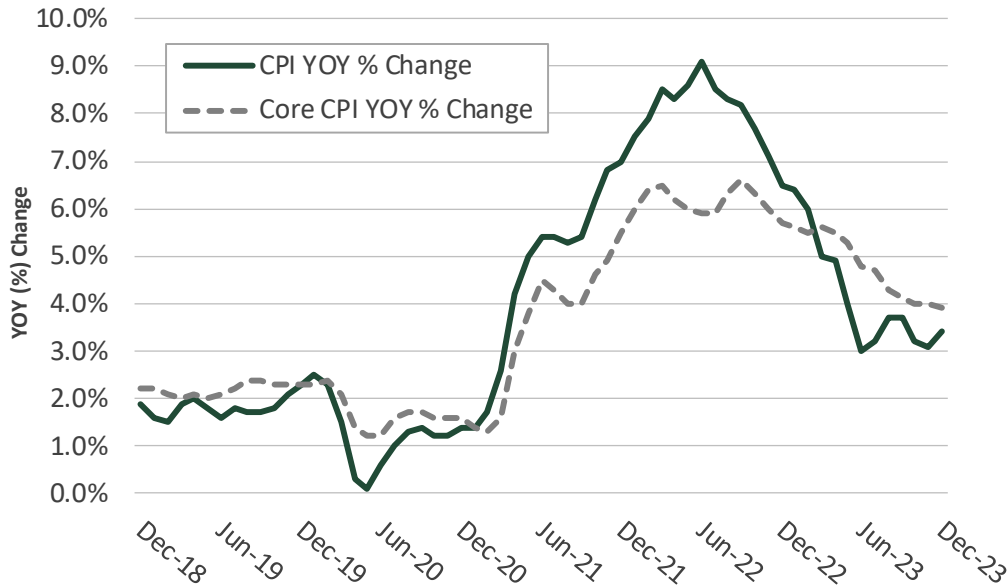


Source: Bloomberg

As expected at the December meeting, the Federal Open Market Committee voted unanimously to leave the federal funds rate unchanged at a target range of 5.25-5.50%. The Fed acknowledged inflation eased over the past year while remaining elevated. Fed Chair Powell signaled that the federal funds rate is likely at or near its peak. The Summary of Economic Projections reflected Core PCE inflation reaching the target 2% level in 2026 without a significant increase in unemployment. The median forecast for the federal funds rate declined to 4.6%, implying three quarter-point cuts next year, four in 2025 and three in 2026, placing the federal funds target rate around 2.9% at the end of the forecast horizon. The market interpreted the statement as dovish, with futures contracts pricing in rate cuts sooner and more aggressively than the Fed's forecasts next year. We believe the FOMC will loosen monetary policy in mid-2024 as inflation and economic growth continue to moderate. Since the Fed began its Quantitative Tightening campaign in June 2022, securities holdings have declined by over \$1.3T to approximately \$7.7T.

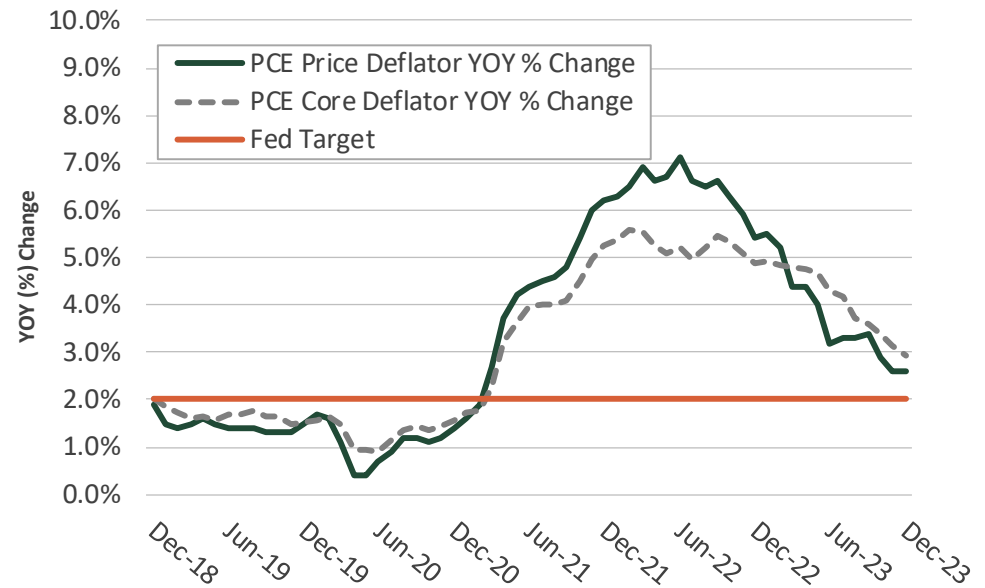
Inflation

Consumer Price Index (CPI)



Source: US Department of Labor

Personal Consumption Expenditures (PCE)

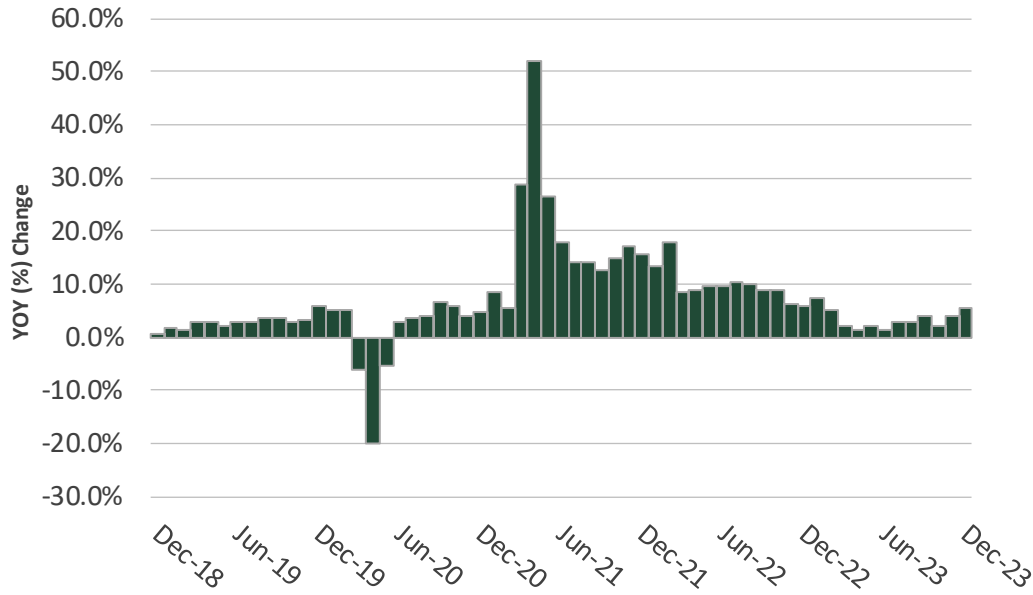


Source: US Department of Commerce

The Consumer Price Index (CPI) increased 0.3% month-over-month and 3.4% year-over-year in December, increasing from 3.1% year-over-year in November. The Core CPI, which excludes volatile food and energy components, was up 0.3% month-over-month and 3.9% year-over-year, down from November. Shelter costs remain elevated, contributing to more than half of the overall increase while motor-vehicle insurance costs jumped by over 20%, the most since 1976. The Personal Consumption Expenditures (PCE) Index headline inflation increased 0.2% month-over-month and rose 2.6% year-over-year in line with November. Core PCE, the Federal Reserve's preferred inflation gauge, increased 0.2% month-over-month and continued its deceleration to 2.9% year-over-year in December from a 3.2% year-over-year in November. The trend is moderating, but inflation remains above the Fed's 2% target.

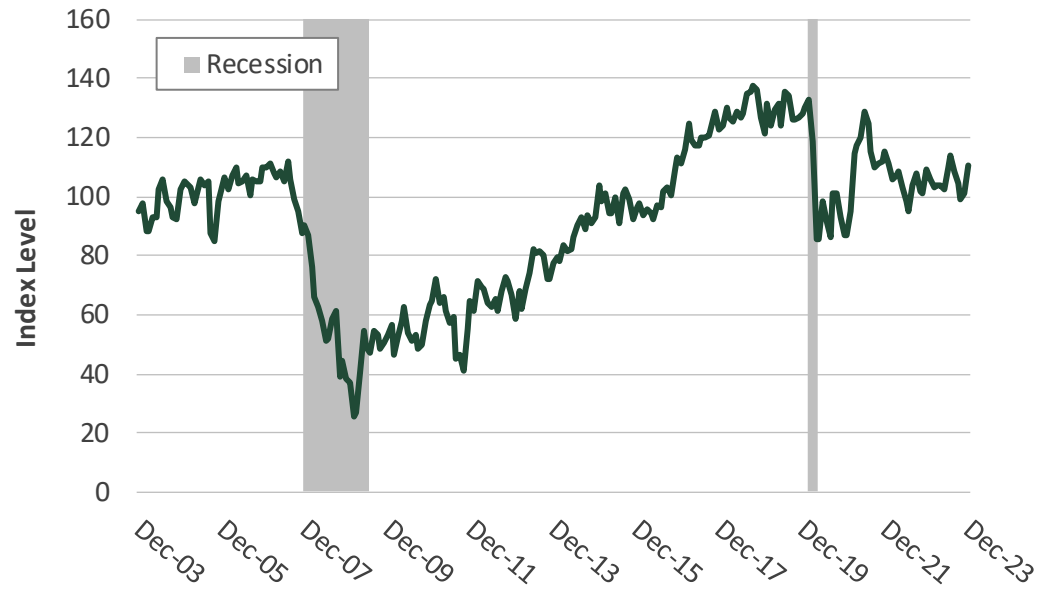
Consumer

Retail Sales YOY % Change



Source: US Department of Commerce

Consumer Confidence

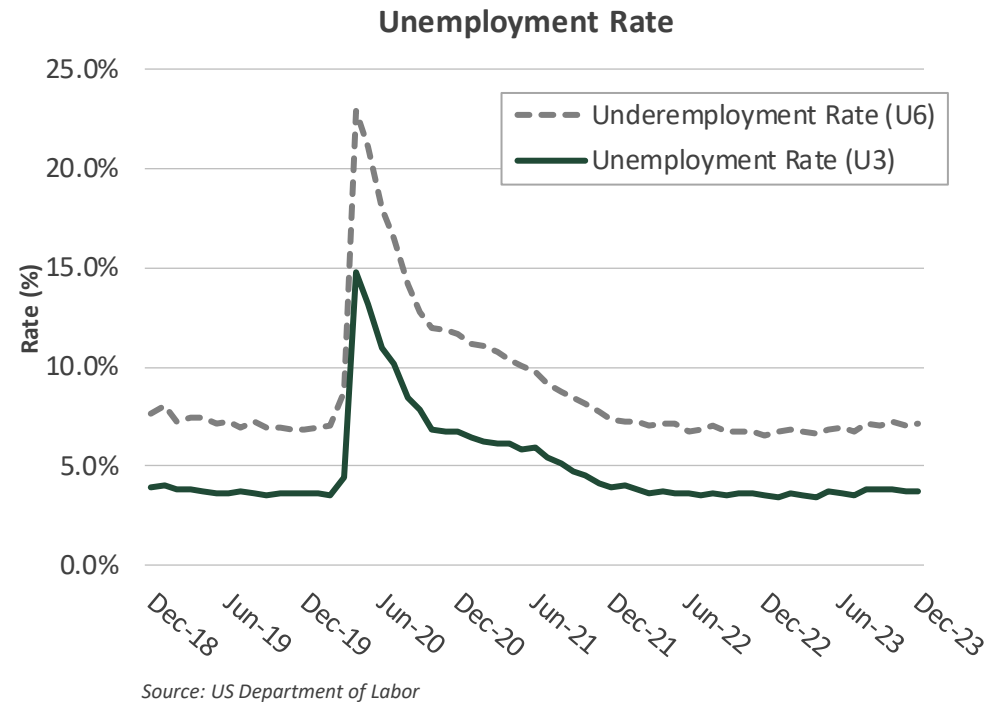
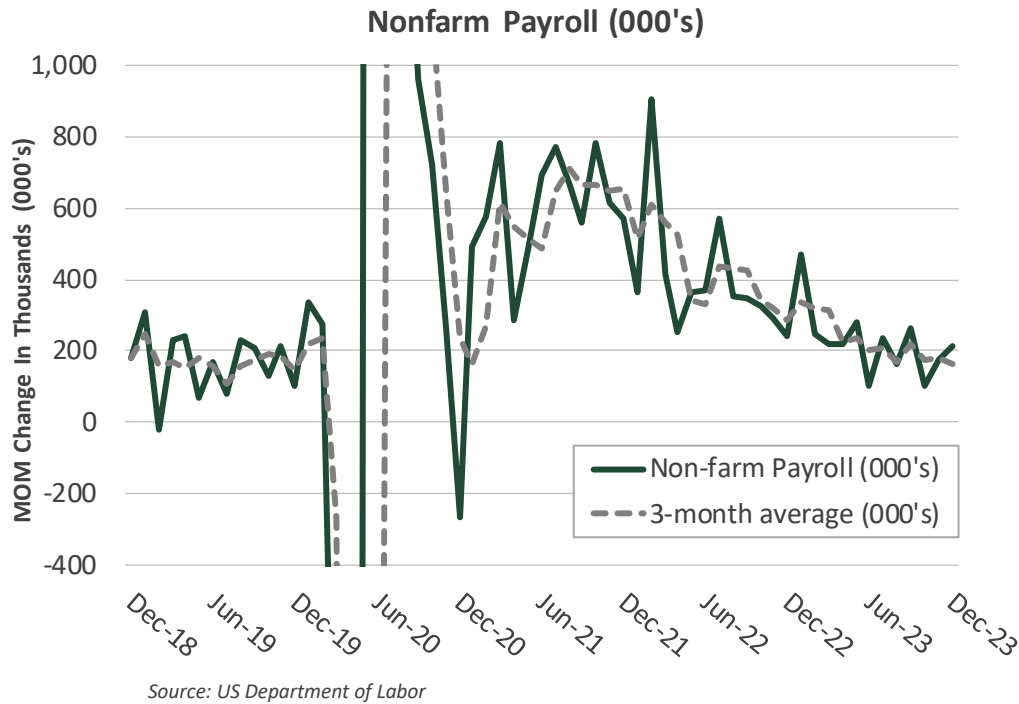


Source: The Conference Board
All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

Retail Sales accelerated to 0.6% in December after an unrevised +0.3% in November, exceeding the +0.4% consensus forecast. On a year-over-year basis, Retail Sales growth increased to 5.6% in December from 4.0% in November due to notable gains in categories like food and drinking places, clothing, general merchandise stores, and e-commerce. The Conference Board's Consumer Confidence Index surged to 110.7 in December from 101.0 in November, far surpassing consensus expectations. Positive ratings of job availability and increased confidence in personal income prospects contributed to the substantial increase. While the consumer has been resilient, dwindling excess savings, rising credit card balances, and the resumption of student loan payments pose potential headwinds to future economic growth.



Employment



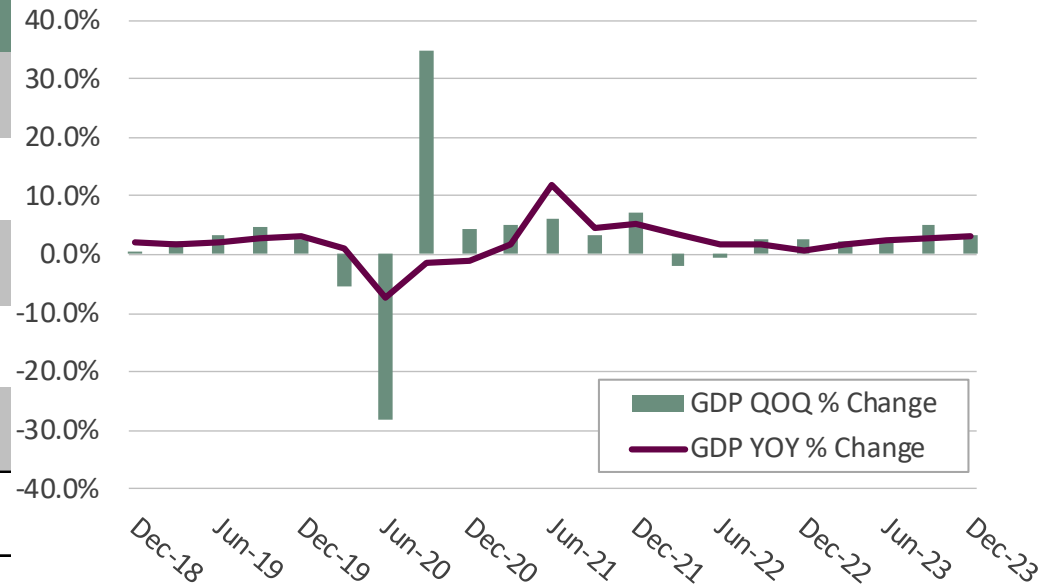
The U.S. economy added 216,000 jobs in December, exceeding consensus expectations of 175,000, and the last two months were revised down by 71,000 jobs. Leading sectors included government, leisure and hospitality, and healthcare. The trajectory of job creation is gradually moderating, with the three-month moving average payrolls at 165,000 and the six-month moving average at 193,000. The unemployment rate remained unchanged at 3.7%, and the labor participation rate decreased to 62.5% from 62.8%, falling well below the pre-pandemic level of 63.3%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons rose to 7.1% from 7.0% last month. Average hourly earnings rose 4.1% year-over-year in December, increasing from a 4.0% gain last month. Employment remains strong by historical standards, but data are trending toward a less robust labor market outlook.

Gross Domestic Product (GDP)

Components of GDP	3/23	6/23	9/23	12/23
Personal Consumption Expenditures	2.5%	0.6%	2.1%	1.9%
Gross Private Domestic Investment	-1.7%	0.9%	1.7%	0.4%
Net Exports and Imports	0.6%	0.0%	0.0%	0.4%
Federal Government Expenditures	0.3%	0.1%	0.5%	0.2%
State and Local (Consumption and Gross Investment)	0.5%	0.5%	0.5%	0.4%
Total	2.3%	2.1%	4.9%	3.3%

Source: US Department of Commerce

Gross Domestic Product (GDP)



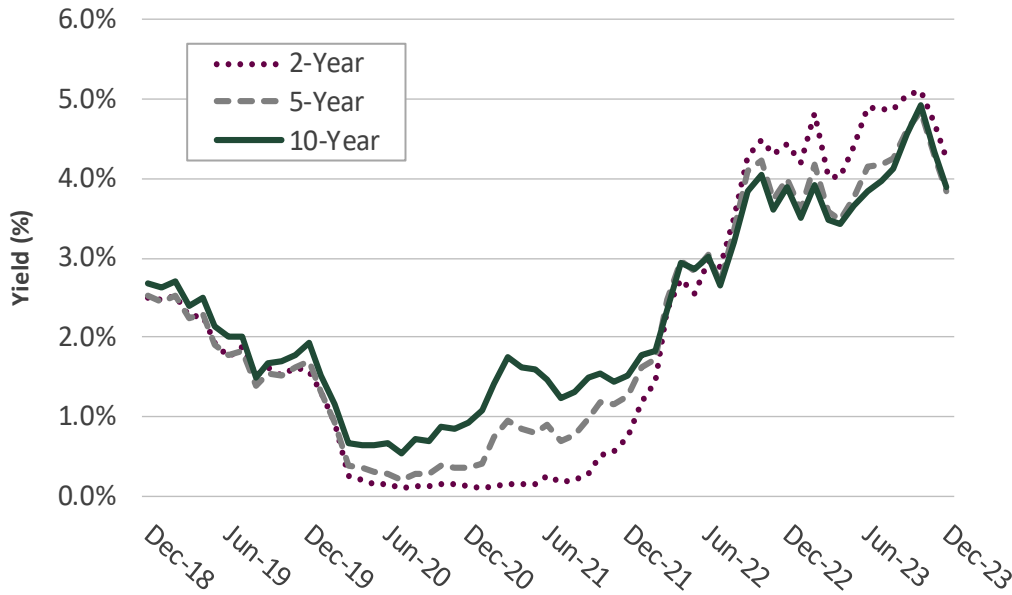
Source: US Department of Commerce

According to the advance estimate, fourth quarter GDP increased at an annualized rate of 3.3%, down from 4.9% in the third quarter. The headline growth was led by consumer and government spending. The consensus estimate calls for 2.3% growth in the first quarter and 1.5% growth for the full year 2024.



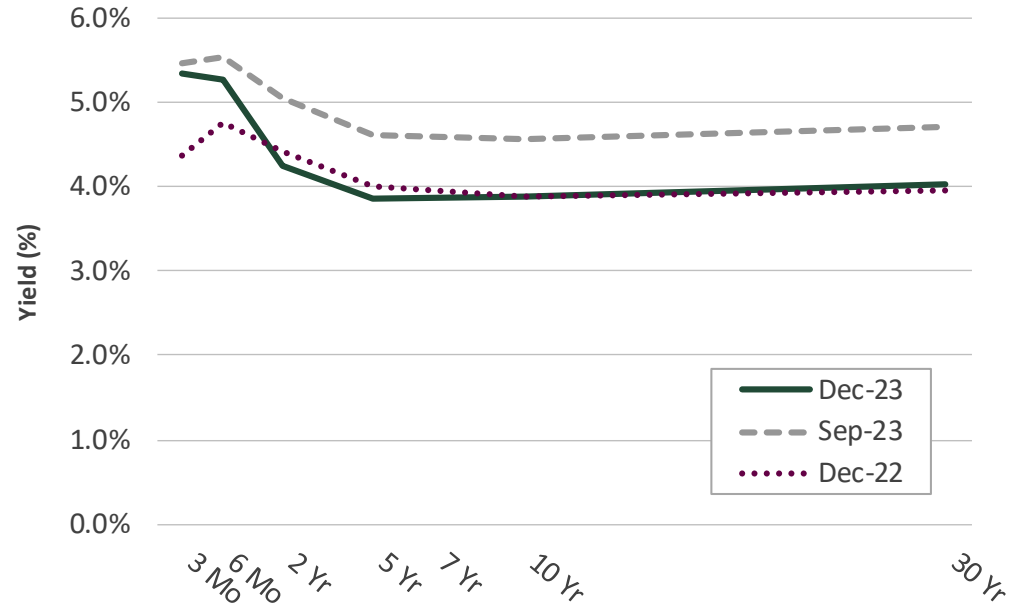
Bond Yields

US Treasury Note Yields



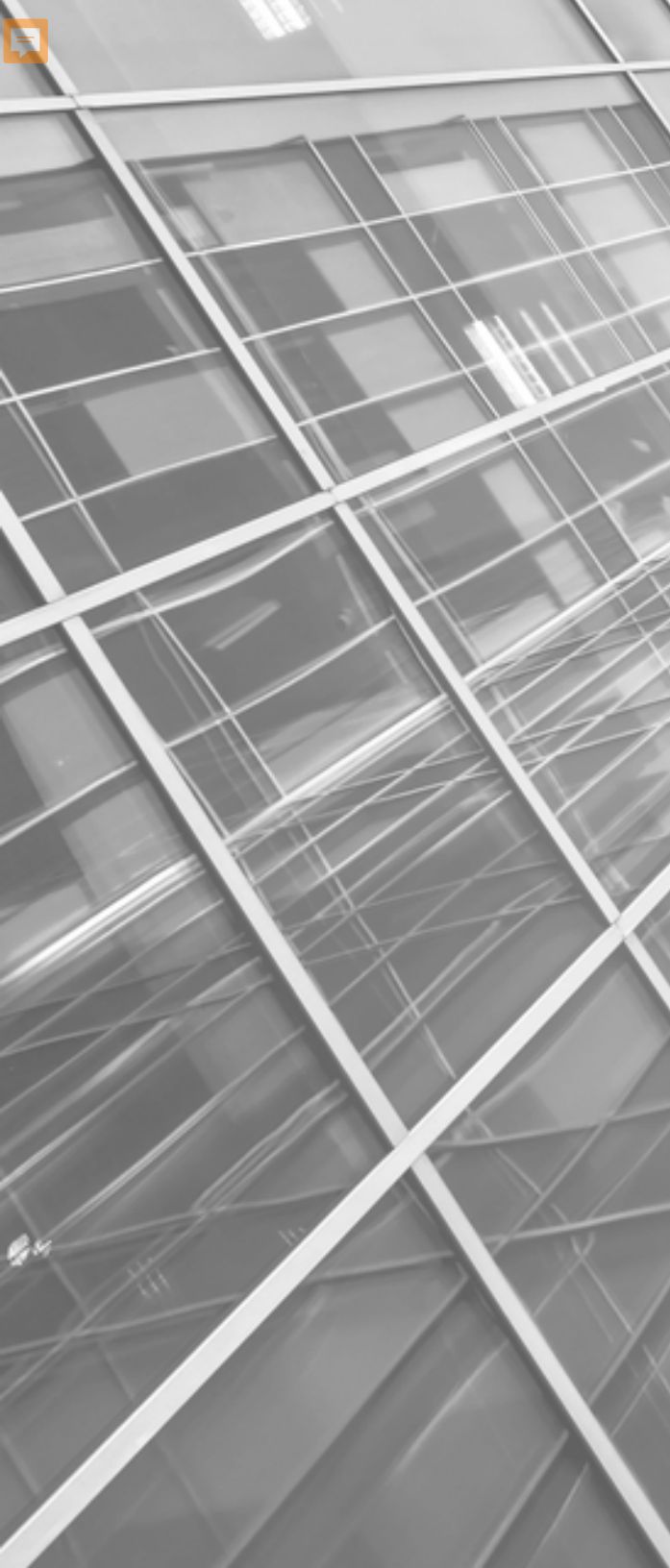
Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

At the end of December, the 2-year Treasury yield was 18 basis points lower, and the 10-Year Treasury yield was flat, year-over-year. The inversion between the 2-year Treasury yield and 10-year Treasury yield widened to -37 basis points at December month-end versus -35 basis points at November month-end. The average historical spread (since 2003) is about +130 basis points. The inversion between 3-month and 10-year Treasuries widened to -146 basis points in December from -107 basis points in November. The shape of the yield curve indicates that the probability of recession persists.



Section 2 | Account Profile



Investment Objectives

The investment objectives of the First 5 Alameda County Agency are first, to provide safety of principal to ensure the preservation of capital in the overall portfolio; second, to provide sufficient liquidity to meet all requirements that may be reasonably anticipated; and third, to earn a commensurate rate of return consistent with the constraints imposed by the safety and liquidity objectives.

Chandler Asset Management Performance Objective

The performance objective of the First 5 Alameda County Agency portfolio is to earn a total rate of return that exceeds the total rate of return on a market benchmark index of 1-5 Year Government securities.

Strategy

In order to achieve this objective, the portfolio invests in high-quality money market instruments, US Treasury securities, Agency securities, and high-grade corporate securities.

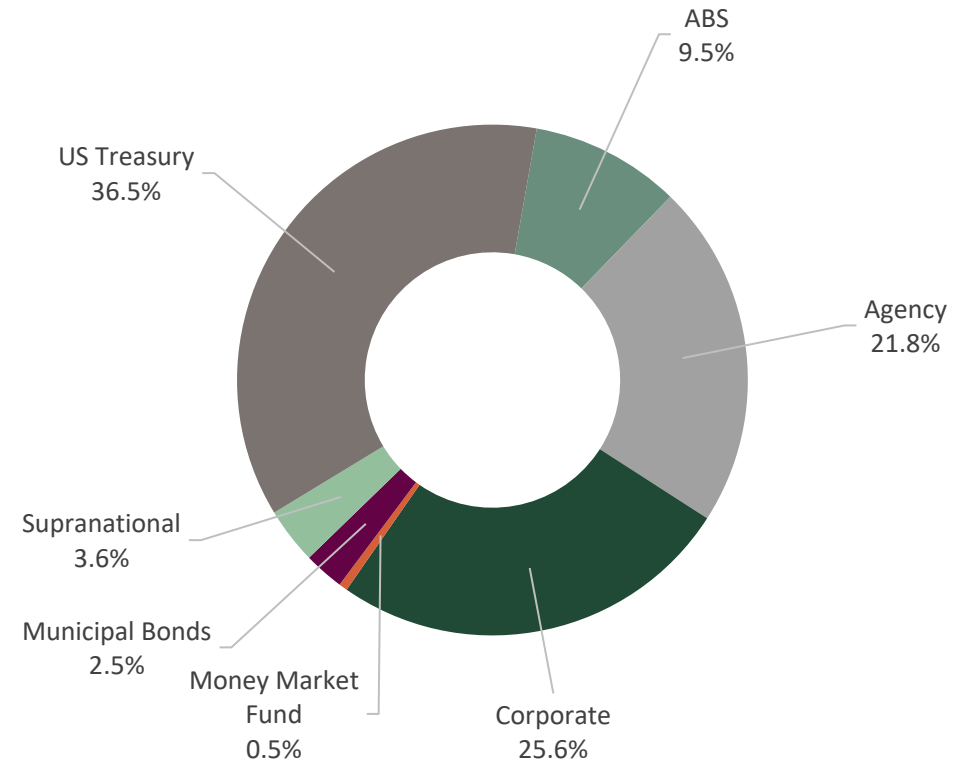
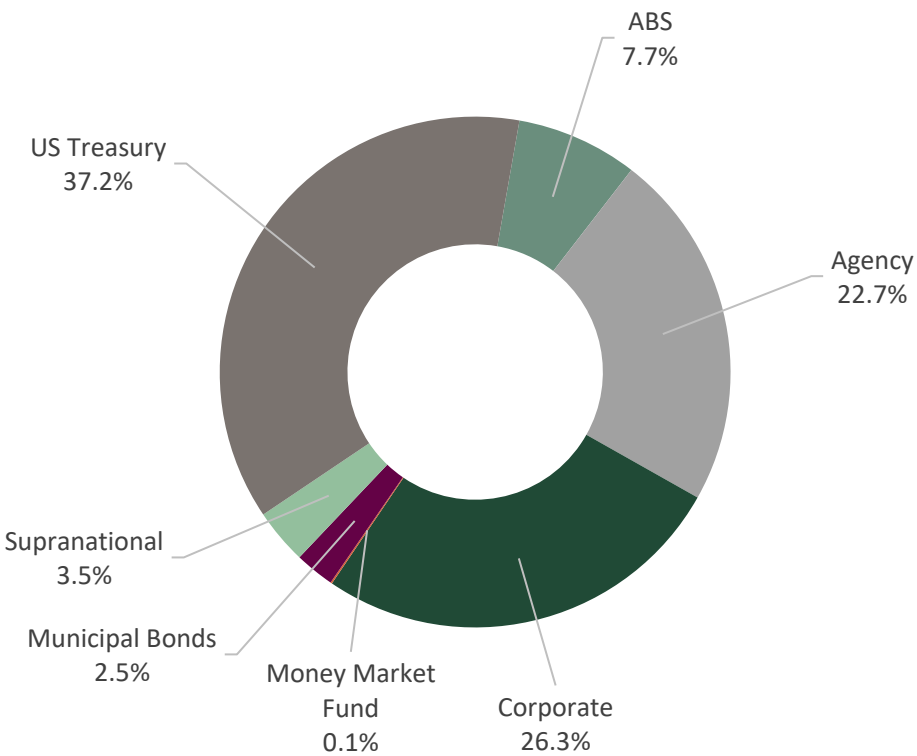
Sector Distribution

As of December 31, 2023

First 5 Alameda County

December 31, 2023

September 30, 2023





Portfolio Characteristics

As of December 31, 2023

First 5 Alameda County

	12/31/23		09/30/23
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	2.68	2.68	2.78
Average Modified Duration	2.52	2.33	2.40
Average Purchase Yield	n/a	2.23%	2.12%
Average Market Yield	4.20%	4.49%	5.25%
Average Quality**	AA+	AA/Aa1	AA/Aa1
Total Market Value		23,562,018	22,851,816

*ICE BofA 1-5 Yr US Treasury & Agency Index

**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

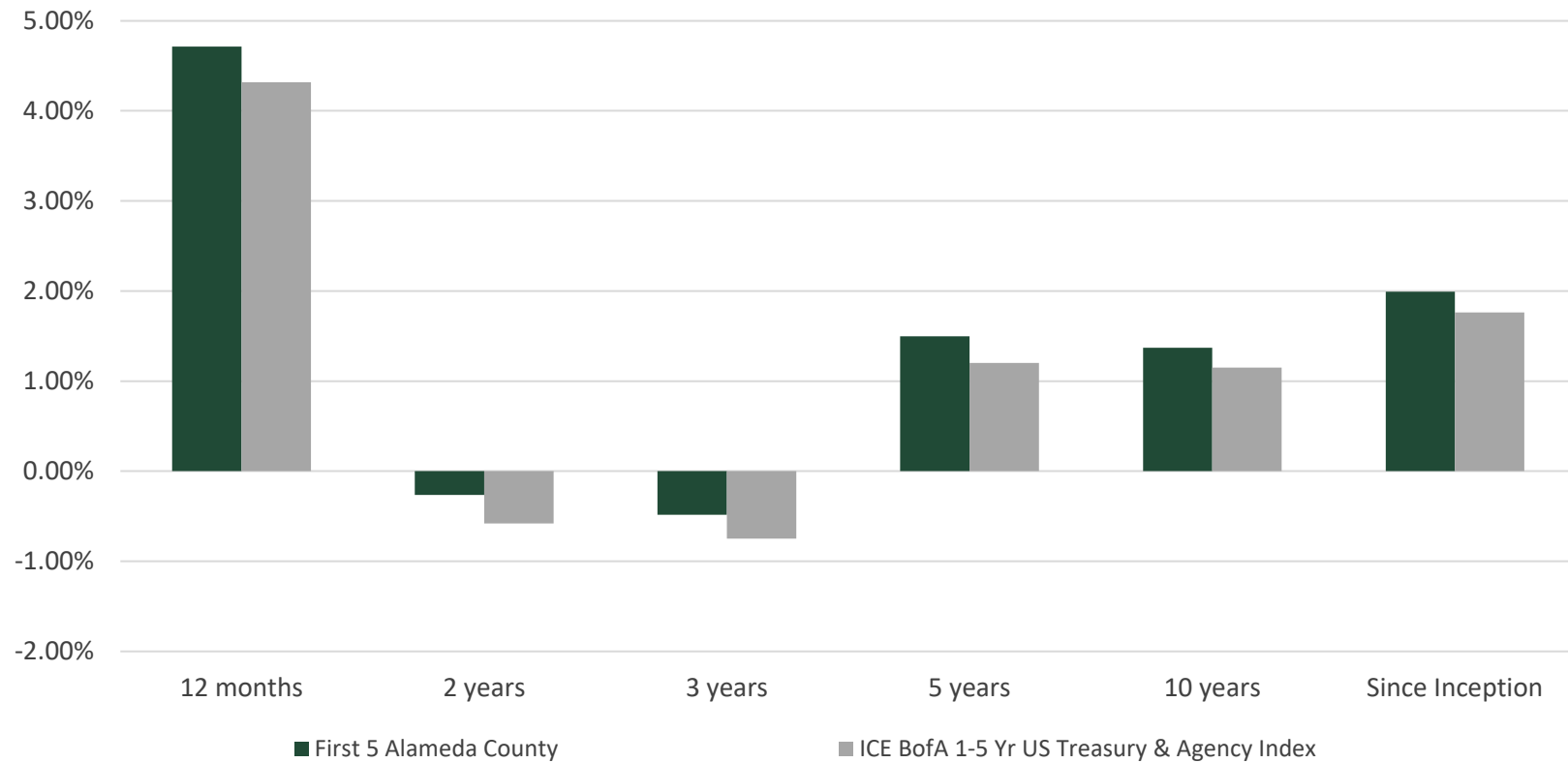




Investment Performance

As of December 31, 2023

First 5 Alameda County Total Rate of Return Annualized Since Inception November 30, 2007



TOTAL RATE OF RETURN	Annualized						
	3 months	12 months	2 years	3 years	5 years	10 years	Since Inception
First 5 Alameda County	3.14%	4.71%	-0.26%	-0.48%	1.50%	1.37%	1.99%
ICE BofA 1-5 Yr US Treasury & Agency Index	3.09%	4.32%	-0.58%	-0.75%	1.20%	1.15%	1.76%

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.





Important Disclosures

As of December 31, 2023

2023 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc ("IDS"), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.





Benchmark Disclosures

As of December 31, 2023

ICE BofA 3-Month US Treasury Bill Index

The ICE BofA US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date.

ICE BofA 1-5 Yr US Treasury & Agency Index

The ICE BofA 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.

ICE BofA US Issuers 1-5 Yr AAA-A US Corp/Govt Idx

The ICE BofA US 1-5 Year AAA-A US Corporate & Government Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasury, US agency, foreign government, supranational, and corporate securities. Qualifying securities must be issued from US issuers and be rated AAA through A3 (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to final maturity at point of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for US Treasuries and \$250 million for all other securities.





Issuers

As of December 31, 2023

First 5 Alameda County – Account #10022

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	37.23%
Federal National Mortgage Association	Agency	11.66%
Federal Home Loan Bank	Agency	4.32%
Federal Home Loan Mortgage Corp	Agency	3.92%
Federal Farm Credit Bank	Agency	2.82%
Inter-American Dev Bank	Supranational	2.42%
Bank of America Corp	Corporate	2.03%
Amazon.com Inc	Corporate	1.85%
Toyota Motor Corp	Corporate	1.73%
Bank of Montreal Chicago	Corporate	1.67%
United Health Group Inc	Corporate	1.48%
State of California	Municipal Bonds	1.44%
Prologis Trust	Corporate	1.25%
Duke Energy Field Services	Corporate	1.25%
Deere & Company	Corporate	1.20%
Northern Trust Corp	Corporate	1.18%
John Deere ABS	ABS	1.17%
Toronto Dominion Holdings	Corporate	1.14%
Hyundai Auto Receivables	ABS	1.14%
Royal Bank of Canada	Corporate	1.13%
Berkshire Hathaway	Corporate	1.11%
Intl Bank Recon and Development	Supranational	1.11%
National Rural Utilities	Corporate	1.10%
American Express ABS	ABS	1.10%
JP Morgan ABS	ABS	1.08%
Florida Power and Light	Corporate	1.07%
State of New York	Municipal Bonds	1.07%
Charles Schwab Corp/The	Corporate	1.05%
Truist Financial Corporation	Corporate	1.00%
Honda ABS	ABS	1.00%
Public Service El & Gas	Corporate	0.95%
Paccar Financial	Corporate	0.89%
Toyota ABS	ABS	0.81%
MasterCard Inc	Corporate	0.73%
Apple Inc	Corporate	0.72%
Target Corp	Corporate	0.68%
Realty Income Corp	Corporate	0.65%
GM Financial Securitized Term Auto Trust	ABS	0.45%





Issuers

As of December 31, 2023

First 5 Alameda County – Account #10022

Issue Name	Investment Type	% Portfolio
GM Financial Automobile Leasing Trust	ABS	0.42%
JP Morgan Chase & Co	Corporate	0.41%
BMW ABS	ABS	0.41%
BMW Vehicle Lease Trust	ABS	0.10%
Federated GOVT Obligation MMF	Money Market Fund	0.07%
TOTAL		100.00%



First 5 Alameda County

Assets managed by Chandler Asset Management are in full compliance with state law and with the investment policy.

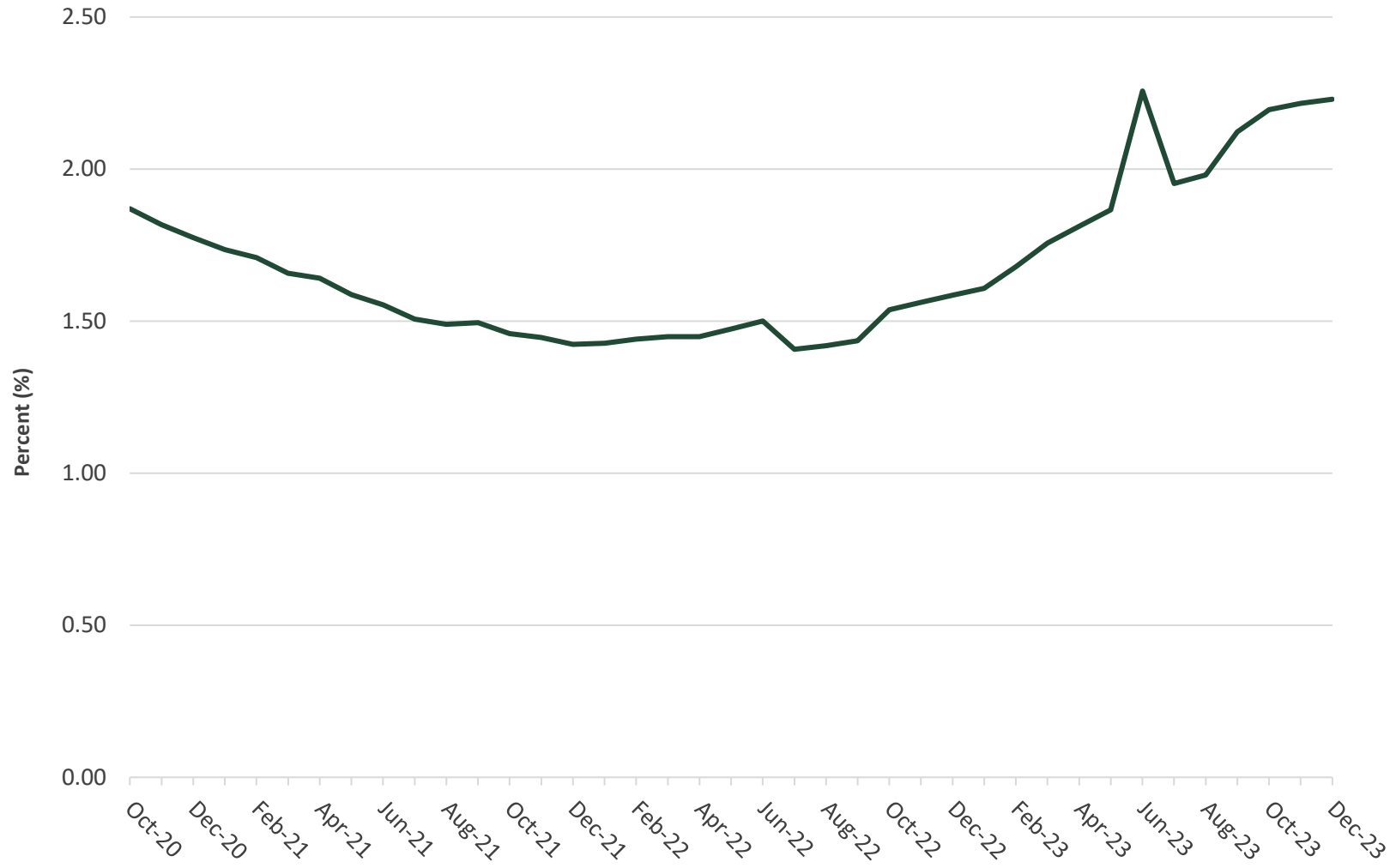
Category	Standard	Comment
U.S. Treasuries	6 years max maturity	Complies
Federal Agencies	AAA rated or equivalent by a NRSRO; 20% max agency callable securities; 5 years max maturity	Complies
Supranational Obligations	"AA" rated or higher by a NRSRO; 30% max; 10% max per issuer; 5 years max maturity; USD denominated senior unsecured unsubordinated obligations; Issued or unconditionally guaranteed by IBRD, IFC, or IADB	Complies
Municipal Securities	A long-term rating or equivalent by a NRSRO; 30% max; 5% max issuer; 5 years max maturity	Complies
Corporate Medium Term Notes	A rated or equivalent by a NRSRO; 30% max; 5% max issuer; 5 years max maturity; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S.	Complies
Mortgage Pass-through and Asset Backed Securities	"AA" rated or equivalent by a NRSRO; 20% max; 5% max issuer; 5 years max maturity; Mortgage Pass-through Securities and Asset-backed Securities from issuers not defined in sections 1 (U.S. Treasuries) and 2 (Federal Instrumentality Securities) of the Authorized Investments section of the policy	Complies
Negotiable Certificates of Deposit	A or equivalent long-term debt rating by a NRSRO; and/or A1 or equivalent short term rating a by a NRSRO; 30% max; 5 years max maturity	Complies
Commercial Paper	Prime Commercial Paper with highest rating by a NRSRO; 25% max; 5% max per issuer; 10% max of the outstanding commercial paper of any single issuer; 270 days max maturity; Issued by an entity that meets all of the following conditions in either (a) or (b): a. (1) organized and operating in the U.S. as a general corporation, (2) total assets > \$500 million; (3) "A" rating or better by a NRSRO, if issuer has debt obligations; b. (1) organized within the U.S. as a special purpose corporation, trust, or limited liability company; (2) must have program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond; (3) rated "A-1" or better by a NRSRO	Complies
Money Market Mutual Funds	Highest rating by two NRSROs; 20% max; "no load"; have constant NAV of \$1.00; Invest only in securities and obligations authorized in California statutes	Complies
Local Agency Investment Fund - LAIF	In accordance with California Government Code; LAIF investments are limited to statutory limits; Not used by investment adviser	Complies
Repurchase Agreements	1 year max maturity; Collateralized by US Treasuries or Federal Instrumentality Securities; Not used by investment adviser	Complies
Prohibited Investments	State law notwithstanding, any investments not specifically described in the policy including, but not limited to, Mutual Funds (other than government money market funds), unregulated/unrated investment pools or trust, Collateralized Mortgage Obligations; Futures & options; Inverse floaters; ranges notes; interest-only strips; zero interest accrual securities if held to maturity; Trading securities for the sole purpose of speculating on future direction of interest; Purchasing or selling securities on margin; Reverse Repurchase Agreements; Securities lending; Purchasing securities issued by company in the tobacco business, including parent companies and their controlled subsidiaries; Foreign currency denominated securities	Complies
Social & Environmental Concerns	Investments are discouraged in entities that receive a significant portion of their revenues from the manufacturer of firearms, or weapons not used in our national defense; Investments that receive revenues from the manufacturer of tobacco products is prohibited	Complies
Maximum Per Issuer	5% max per issuer, other than the U.S. Government, its Agencies and instrumentalities	Complies
Weighted Average Maturity	3 years	Complies
Maximum maturity	6 years max final maturity of investments in Treasury and Agency securities; All other investments shall have maturity as stated in Section VI, Eligible Investments	Complies

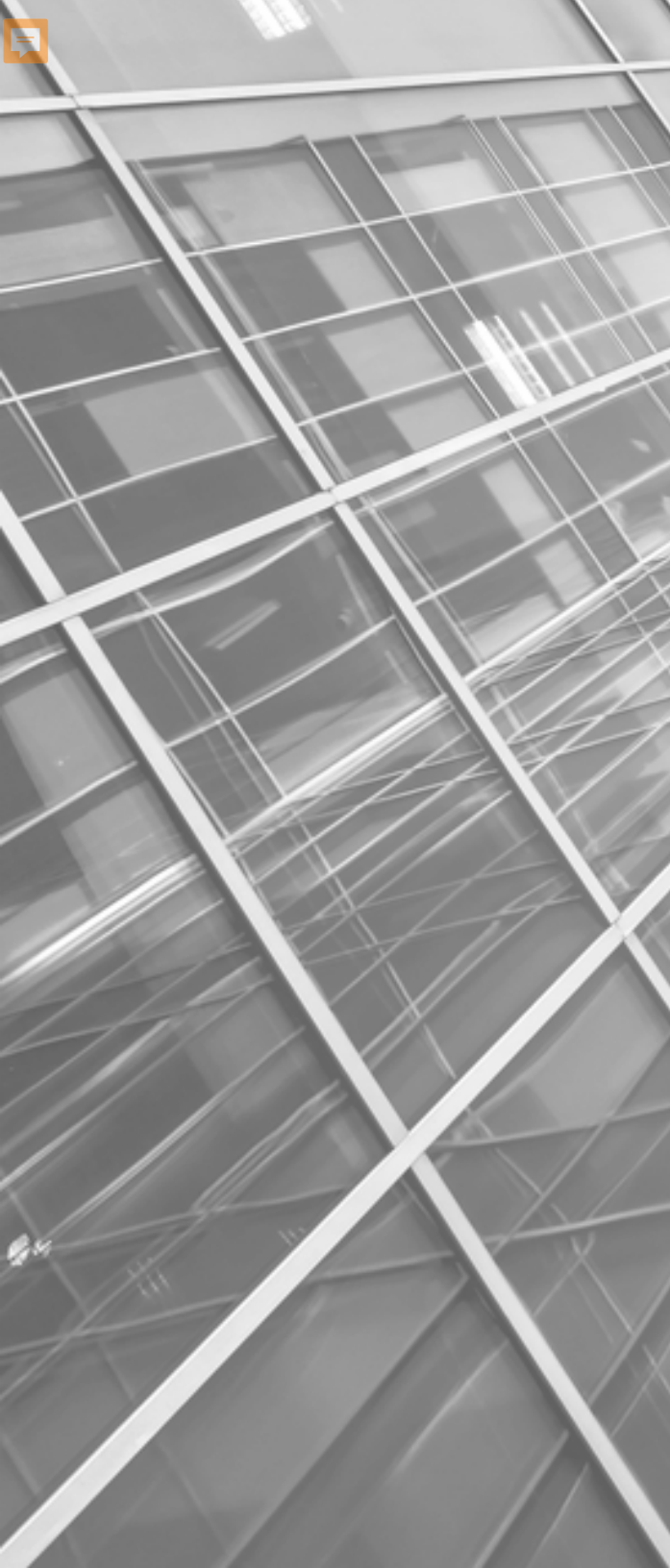


Historical Average Purchase Yield

As of December 31, 2023

First 5 Alameda County
Purchase Yield as of 12/31/23 = 2.23%





Section 4 | Transactions



Transaction Ledger

As of December 31, 2023

First 5 Alameda County - Account #10022

September 30, 2023 through December 31, 2023

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/10/2023	63743HFJ6	250,000.00	National Rural Utilities Callable Note Cont 8/15/2028 5.05% Due: 09/15/2028	98.004	5.52%	245,010.00	876.74	245,886.74	0.00
Purchase	10/10/2023	69371RS64	200,000.00	Paccar Financial Corp Note 4.95% Due: 08/10/2028	98.718	5.25%	197,436.00	1,650.00	199,086.00	0.00
Purchase	11/28/2023	3133EPA47	250,000.00	FFCB Note 4.875% Due: 11/01/2028	101.690	4.49%	254,225.00	914.06	255,139.06	0.00
Purchase	12/29/2023	91282CJN2	200,000.00	US Treasury Note 4.375% Due: 11/30/2028	102.438	3.83%	204,875.00	693.31	205,568.31	0.00
Subtotal			900,000.00				901,546.00	4,134.11	905,680.11	0.00
TOTAL ACQUISITIONS			900,000.00				901,546.00	4,134.11	905,680.11	0.00
DISPOSITIONS										
Sale	10/06/2023	912828D56	5,000.00	US Treasury Note 2.375% Due: 08/15/2024	97.449	5.45%	4,872.46	16.78	4,889.24	-349.22
Sale	10/10/2023	14913Q3B3	325,000.00	Caterpillar Finl Service Note 2.15% Due: 11/08/2024	96.323	5.71%	313,049.75	2,950.28	316,000.03	-16,578.25
Subtotal			330,000.00				317,922.21	2,967.06	320,889.27	-16,927.47
TOTAL DISPOSITIONS			330,000.00				317,922.21	2,967.06	320,889.27	-16,927.47





Highlights
&
2024 Preview

February 15, 2024



My Roots



What Orients Our Work?

- Strategic Plan Mission Statement (adopted by Commission in 2019):

Convene, partner in, support and help lead the movement to create and implement a comprehensive, integrated, and coordinated system for California's children prenatal through 5 and their families. Promote, support, and optimize early childhood development.

- North Star Statement (adopted by the Commission in October 2021):

Trauma -informed, healing -centered, and culturally responsive systems promote the safe, stable, nurturing relationships and environments necessary to eliminate inequities and ensure healthy development for all children.

- Audacious Goal (adopted by the Commission in July 2021):

In a generation, all children 0 -5 will have the safe, stable, nurturing relationships and environments necessary to achieve healthy development.



Strategic Plan Theory of Change – Adopted July 2021

- Theory of change describes levers, actions, and outcomes of our work



- Through F5CA System Levers:
 - Advocate
 - Convener/Connector
 - Catalyst
 - Broadcaster



First 5 California Strategic Plan Theory of Change

	IF FIRST 5 CALIFORNIA	THEN POLICY MAKERS	THEN AGENCY LEADS	THEN PROGRAMS	THEN PROVIDERS WORKING WITH CHILDREN AND FAMILIES	THEN PARENTS AND CAREGIVERS AT HOME	THEN CHILDREN
Advocate	<p>Advocates to federal and state policy makers to create and fund:</p> <ul style="list-style-type: none"> -A cohesive, responsive system that promotes safe, stable, nurturing relationships and environments necessary for children's healthy development -A system that is easy for families and children to access following adverse experiences -Basic needs supports for the health and safety of children and their families 	<p>When creating and implementing federal and state policy changes, create and fund:</p> <ul style="list-style-type: none"> -A cohesive, responsive system that promotes safe, stable, nurturing relationships and environments necessary for children's healthy development - A system that is easy for families and children to access following adverse experiences -Basic needs supports for the health and safety of children and their families 	<p>Create and fund state and local programs that are:</p> <ul style="list-style-type: none"> -Cohesive, responsive systems that create safe, stable, and nurturing programs and services - A system that is easy for families and children to access following adverse experiences -Basic needs supports for the health and safety of children and their families 	<p>Include trauma-informed considerations when developing their programs (communication, scheduling, consistent teachers/ therapists...)</p> <p>Provide training to staff working directly with children and families (such as providers, teachers, and therapists) on:</p> <ul style="list-style-type: none"> -How to create safe, stable, nurturing relationships and environments in their programs -How to respond to a child who requires additional help to deal with their adverse experiences 	<p>Use trauma-informed practices when working with children to help create safe, stable, nurturing relationships and environments (e.g., Know what language to use, communicate regularly with family, create options for additional sensory needs, predictable routines...) and create supports to stop a child's adverse experience from harming their life-long health and development</p>	<p>Families are responsive, protective, and nurturing towards their child.</p>	<p>Children have safe, stable, nurturing relationships and environments.</p>
Convenor/Connector	<p>Brings together state agencies that support young children and their families towards creating:</p> <ul style="list-style-type: none"> -A cohesive, responsive system that promotes safe, stable, nurturing relationships and environments necessary for children's healthy development -A system that is easy for families and children to access following adverse experiences 		<p>Create and fund state and local programs that are:</p> <ul style="list-style-type: none"> -A cohesive, responsive system that promotes safe, stable, nurturing relationships and environments necessary for children's healthy development. -A system that is easy for families and children to access following adverse experiences. 	<p>Create services that</p> <ul style="list-style-type: none"> -are safe, stable, nurture relationships and environments necessary for children's healthy development -have protocols and resources for how to respond to a child who requires additional help to deal with their bad experiences 	<p>Support children and families in a safe, protective, and nurturing way. Know the signs for children needing additional support to deal with their adverse experiences and have the resources and supports to get the child and family additional support.</p>	<p>Families are responsive, protective, and nurturing towards their child.</p>	
Catalyst	<p>Provides funding for research and evaluation, innovative practices, and collaboration between different systems towards creating:</p> <ul style="list-style-type: none"> -A cohesive, responsive system that promotes safe, stable, nurturing relationships and environments necessary for children's healthy development - A system that is easy for families and children to access following adverse experiences 			<p>Create innovative ways to support providers, families, and children so they are -safe, protective, and nurturing -responsive to children requiring additional supports.</p>	<p>Support children and families in a safe, protective, and nurturing way. Know the signs for children needing additional support to deal with their adverse experiences and have the resources and supports to get the child and family additional support.</p>	<p>Families are responsive, protective, and nurturing towards their child.</p>	
Broadcaster	<p>Broadcasts:</p> <ul style="list-style-type: none"> -safe, stable, nurturing relationships and environments necessary for children's healthy development -protective relationships can buffer adverse experiences from harming a child's life-long health and development 					<p>Then parents will be aware and can help their child's development and health even if exposed to an adverse experience.</p>	

Note: Each lever and related activities are informed by an equity lens, and research/evaluation.

Highlights & 2024 Preview

- **Program Evaluation and Innovation**

- *Catalyst for Systems Change*

- **Governmental Affairs**

- *Strengthening Relationships : New Legislature, Partners*

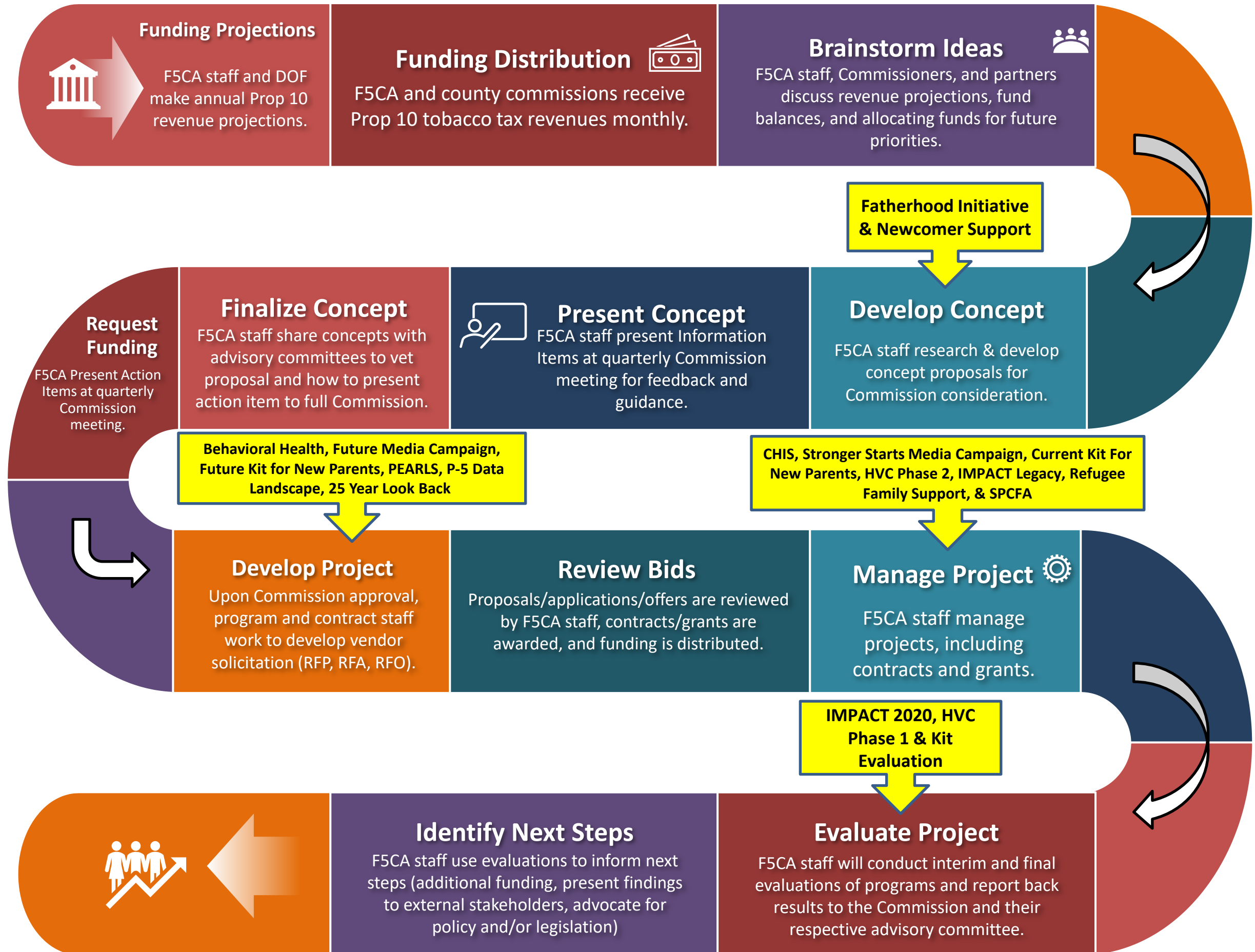
- **Communications**

- *Building Public Will for Systems Change*

Program Innovation and Evaluation

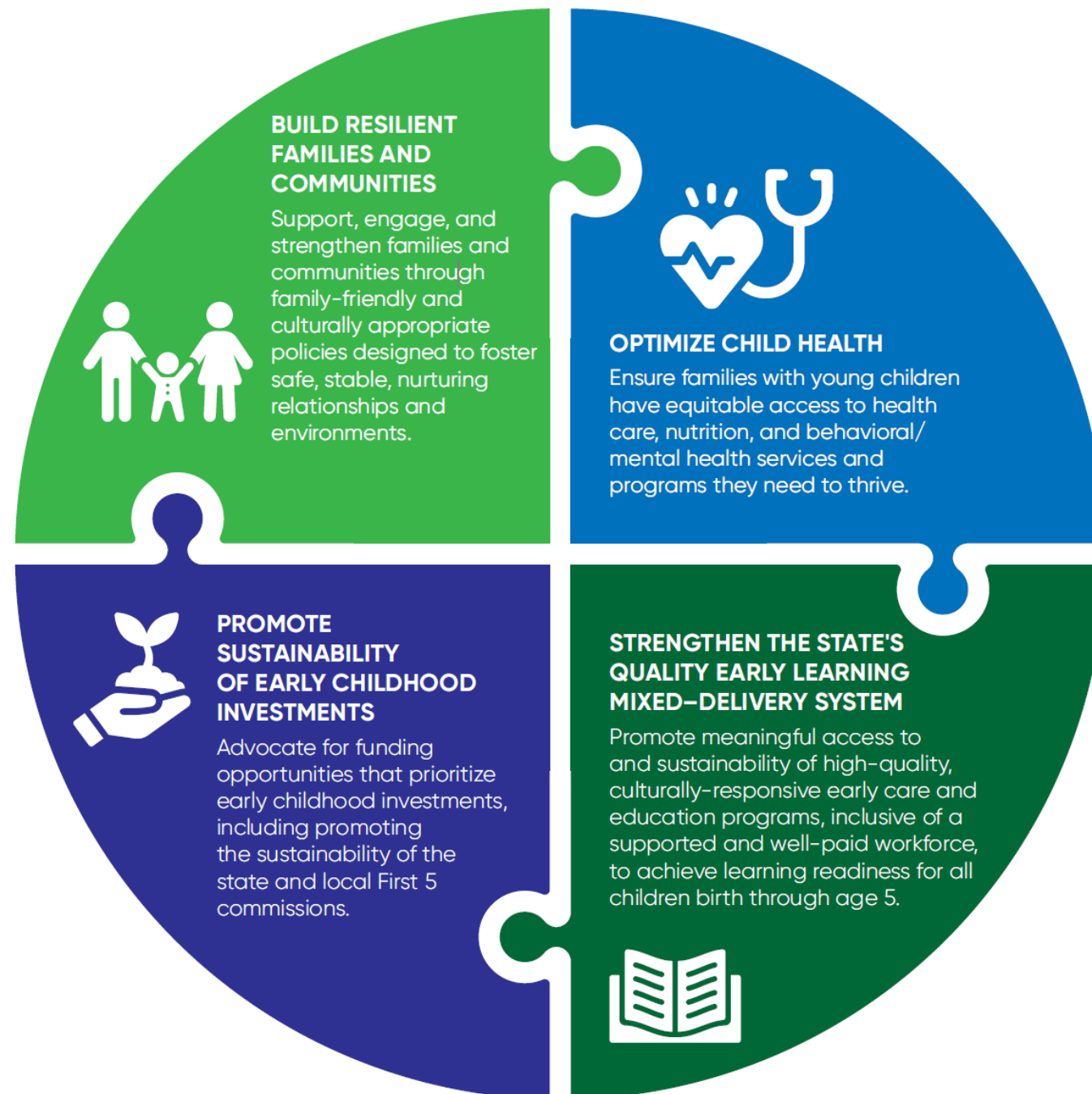
- **Major Grant Dissemination: Impact Legacy, SPCFA, Home Visiting**
- **Systems Change Work: QCC Equity Project, CDN (Children's Data Network)**
- **Fatherhood Initiative: Foundational Research**
- **Grant Data Visualization (Candyland Map)**

Status of Investments Flowchart, aka **CANDY LAND**®



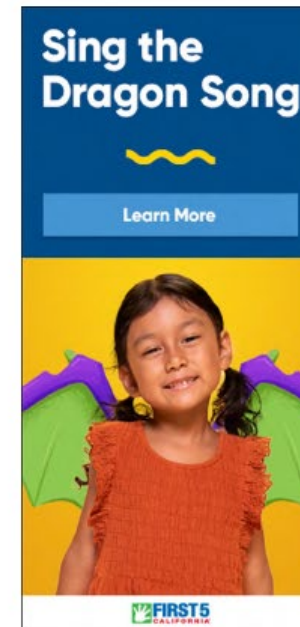
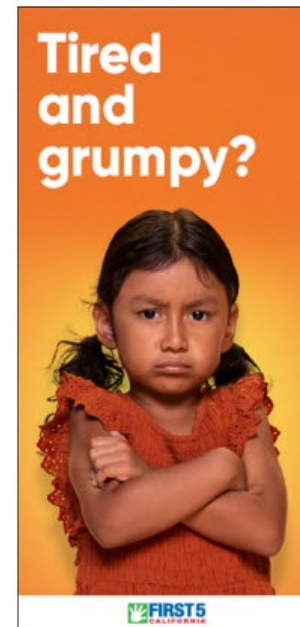
Governmental Affairs

2024 Young Children's Policy Agenda



STRONGER STARTS

Dragon Song



Stronger Starts

The Toxic Stress Takedown Tour



Fun educational materials are distributed to families such as coloring books, crayons, cookbooks, stickers, 'Talk, Read, Sing' puppets, stress reducing pop-it toys, and much more.

Children and parents can stop by the coloring or reading stations and play our Toxic Stress Takedown game.

Toxic Stress Takedown Game

Children can experience our interactive Toxic Stress Takedown game inside the truck or on the tablets.

As kids play, brand ambassadors inform parents and caregivers about Toxic Stress.



Brand Ambassador Engagements with Parents and Children



Our brand ambassadors are trained on key talking points to engage with children and parents while they are at the exhibit.

Parents and caregivers have high genuine interest for deeper conversation with brand ambassadors after going through our activation.



Guest Feedback

- “This is so important for our community (Hmong). Culturally we are proud, and talking about stress or seeking resources is traditionally kept quiet or looked down upon. Thank you for bringing this issue to the forefront and educating us.”
- “This is really good information. I have three kids at home, they are a handful, and I can only do so much with help from my mom.”
- “Please educate me about Toxic Stress. I’m interested in learning more about the resources available to me.”
- “This is such a great idea! Sometimes we as parents forget how much stress our kids have!”
- “In our country of India, there is no such outreach that exists to help parents cope with child rearing. This is a good service for new parents.”
- “You guys are one of my favorite booths here today! All of my kids were able to play games, win prizes and you gave me really good information on how to help them deal with toxic stress.”
- “Going to send information about this to my daughter, she could definitely use it as she’s definitely having issues as a first-time parent.”



Photo Gallery



Communications

- Micro-learning component called Stronger Starts for Parent & Caregivers powered by Cell-Ed, the program will launch in winter of 2023.
- F5CA has developed research to aid in the development of future fatherhood-focused campaign efforts.



2024 Preview

- **Change Management Work**
- **New Strategic Plan**
 - **2024 Development for 2025 implementation**



Sample SMART Goal within the RBA Framework

Audience = Policy Makers



Trauma-informed, healing centered, and culturally responsive systems promote the safe, stable, nurturing relationships and environment necessary to eliminate inequities and ensure healthy development for all children.

In a generation, all children 0 – 5 will have the SSNREs necessary to achieve healthy development



Percent of children birth through five who have experienced two or more ACEs



By 2024, every member of the CA legislature will understand the impact of ACEs on child health and development



Advocate

State Advocacy

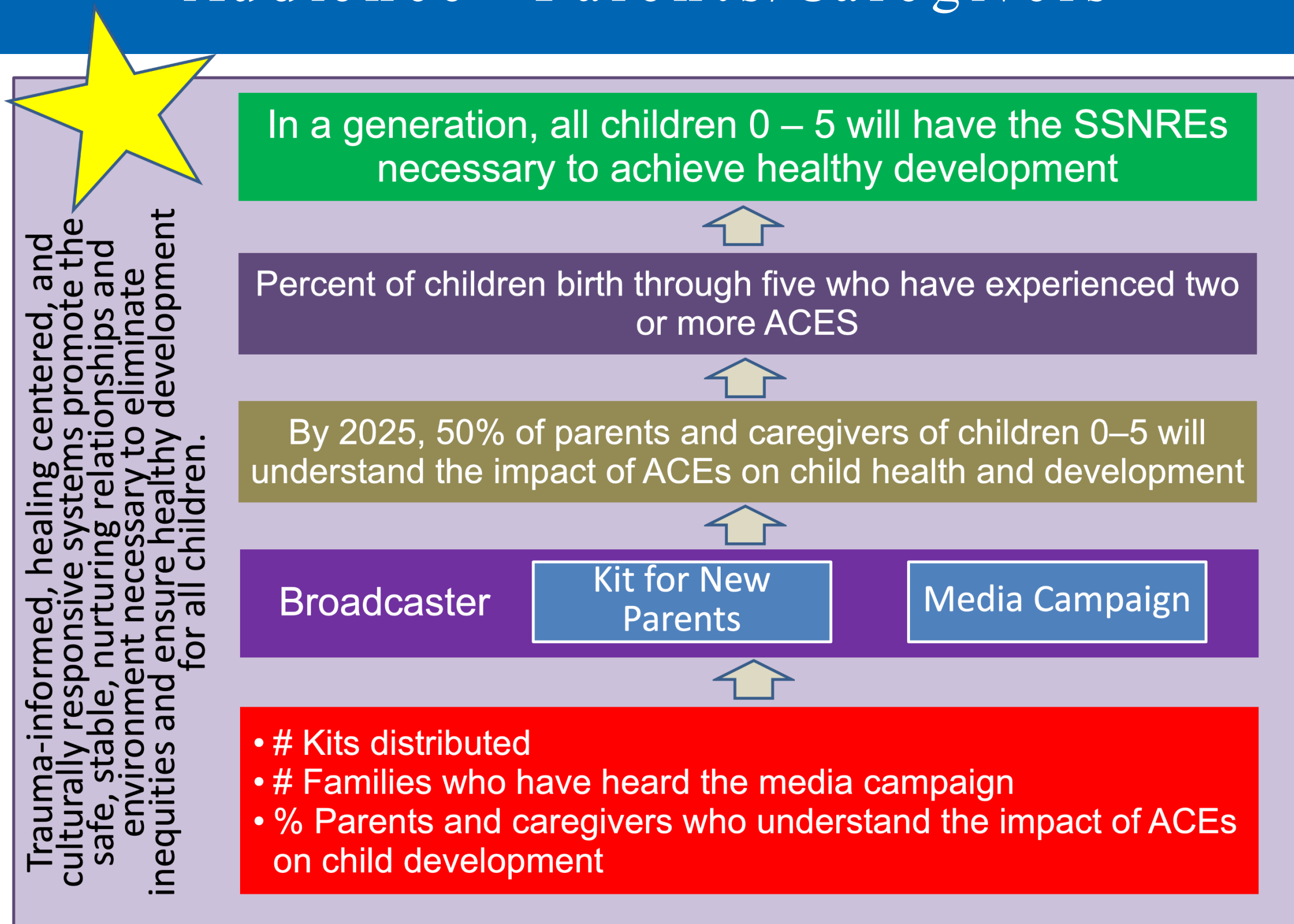
Children's Policy Agenda



- # Discussions with legislators about ACEs and the impact on child health and development
- # CA legislators who understand the impact of ACEs on child health and development
- # Policies/funding that identify and support reduction of ACEs

Sample SMART Goal within the RBA Framework:

Audience = Parents/Caregivers



Program Innovation and Evaluation

- A strategy will be developed for programmatic and research efforts to support F5CA pillars and respective indicators.
 - Begin transformative Early Learning and Care equitable systems strategies for Quality Counts California.
- Finalization of First 5 California Indicators with supporting prototype Early Childhood Data Dashboard.
- Behavioral Health Strategy will be finalized and implemented.
- Updates and a full report on the Fatherhood Initiative are schedule for the 2024 Commission meetings.
- Release PEARLS RFA – Transformative equity early literacy systems change efforts and education, leveraging the California State Librarian’s Dolly Parton Imagination Library investment.

Communications

- Whole Child Campaign: F5CA is developing a ground-up public relations campaign to increase awareness and mobilize community support around a key topic affecting parents and children 0–5 in California.
- Child care is a current focus of F5CA as it increases accessibility to SSNREs for children and provides critical supports for families. Access to affordable, reliable childcare is a pressing issue facing California families, impacting not just children but parents and caregivers, small businesses, and the local economy where they live.

Communications

Continued Development:

- Father-Focused Initiative
- Stronger Starts Wave 2 Media Campaign



Strategic Plan Theory of Change – Adopted July 2021

- F5CA will go through a process to concretely apply the Theory of Change, which will include identifying strategic indicators to measure progress



- F5CA System Levers:

- Advocate
- Convener/Connector
- Catalyst
- Broadcaster

Questions?

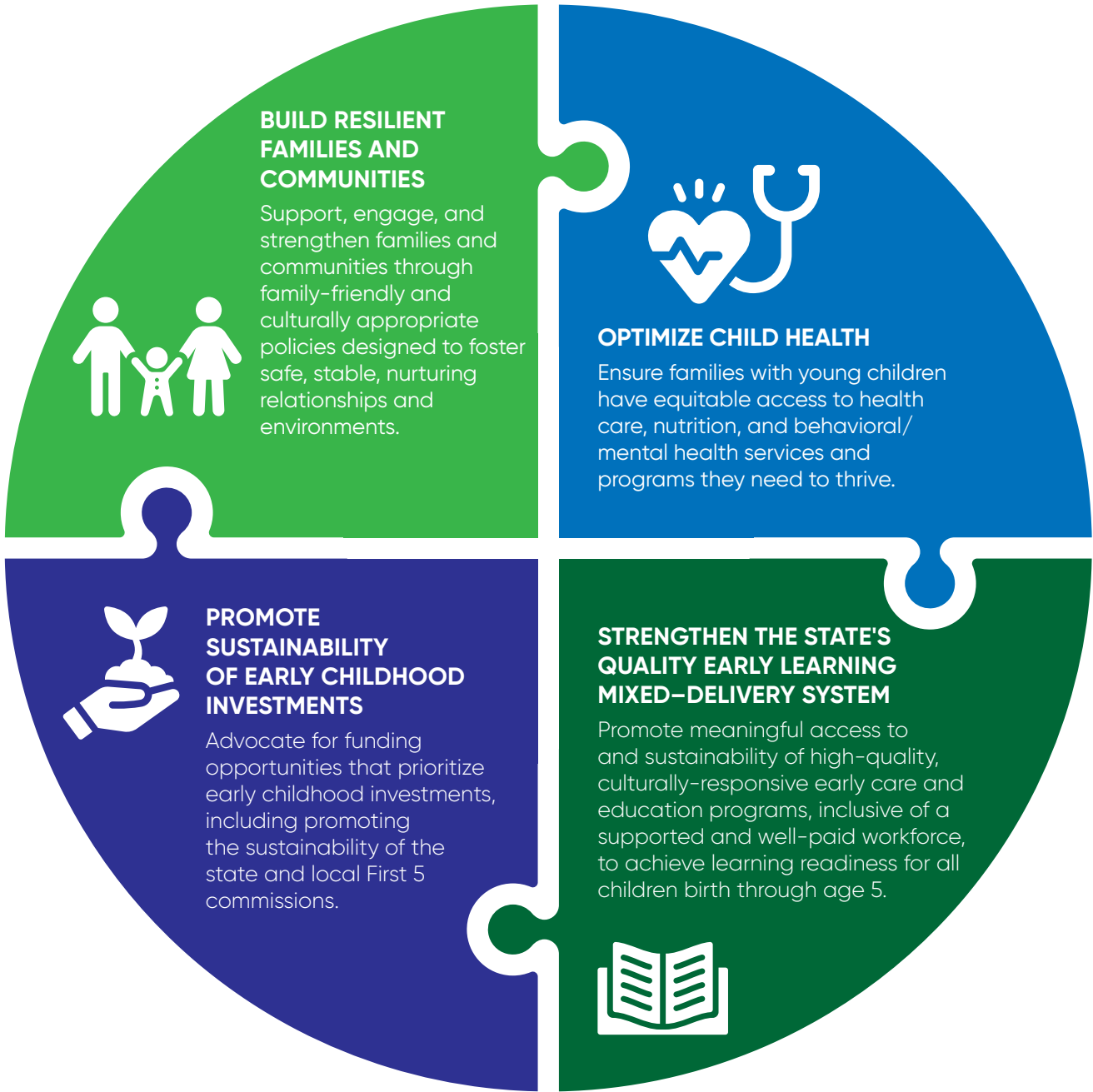




2023-24 YOUNG CHILDREN'S POLICY AGENDA

First 5 California's Young Children's Policy Agenda guides and prioritizes the state and federal public policy and regulatory advocacy, aligned to our Mission Statement and Strategic Plan. The four policy pillars ensure that First 5 California can meet its Audacious Goal that "in a generation, all children 0–5 will have the **safe, stable, nurturing relationships and environments** necessary to achieve healthy development."

First 5 California's North Star articulates our commitment to trauma-informed, healing-centered, and culturally responsive systems that promote the safe, stable, nurturing relationships and environments necessary to eliminate inequities and ensure healthy development for all children.



BUILD RESILIENT FAMILIES AND COMMUNITIES



Support, engage, and strengthen families and communities through family-friendly and culturally appropriate policies designed to foster safe, stable, nurturing relationships and environments.



OPTIMIZE CHILD HEALTH

Ensure families with young children have equitable access to health care, nutrition, and behavioral/mental health services and programs they need to thrive.



PROMOTE SUSTAINABILITY OF EARLY CHILDHOOD INVESTMENTS

Advocate for funding opportunities that prioritize early childhood investments, including promoting the sustainability of the state and local First 5 commissions.

STRENGTHEN THE STATE'S QUALITY EARLY LEARNING MIXED-DELIVERY SYSTEM

Promote meaningful access to and sustainability of high-quality, culturally-responsive early care and education programs, inclusive of a supported and well-paid workforce, to achieve learning readiness for all children birth through age 5.





BUILD RESILIENT FAMILIES AND COMMUNITIES

- Support efforts to ensure economic security and financial stability for families and children through:
 - Expansion of paid family leave programs
 - Creation and continuation of tax credits and incentives
 - Investments in stable food and housing security

OPTIMIZE CHILD HEALTH

- Ensure that families and children have access to equitable and just health care coverage and services, that also include:
 - Adverse childhood experience screening
 - Behavioral and mental health
 - Developmental screenings, referrals, and access to appropriate early intervention services
 - Prenatal and postpartum care, such as doula services and home visitation programs
 - Intervention and preventive care
 - Nutritional programs and services

STRENGTHEN THE STATE'S QUALITY EARLY LEARNING MIXED-DELIVERY SYSTEM

- Promote access to safe, high-quality early care and education programs for infants, toddlers, and children through age 5 via statewide rate reform efforts based on equitable and professional compensation, foster diversity in the field, and provide continuous professional development.
- Address workforce capacity needs of child care, preschool, transitional kindergarten, and kindergarten educators and support staff through recruitment and retention initiatives, such as the development of micro-credentialing and apprenticeship programs, in partnership with community-based organizations, higher education institutions, and credentialing preparation programs.

PROMOTE SUSTAINABILITY OF EARLY CHILDHOOD INVESTMENTS

- Advocate for funding prioritization and inclusion of children, prenatal to age 5 and their families, in existing and new revenue policy proposals and tax funding structures.
- Support braiding and leveraging opportunities that provide fiscal resiliency to the First 5 Network, which includes the First 5 California State Commission, the First 5 Association, and the 58 local First 5 county commissions to ensure in each of California's 58 counties every family and child has access to critical prenatal through age 5 services and programs.

HOW WILL WE DO THIS?

- Leverage and strengthen relationships with state agencies, community-based organizations, and private sector to co-design and support family resiliency policies via a whole-child, whole-family, whole-community framework.
- Improve accessibility and eligibility policies, as well as streamline protocols for family and children support services through local, state, and federal agency coordination.
- Support the implementation and expansion of a high-quality early learning mixed-delivery system through collaborative efforts with federal, local, and state agencies and partners to meet families' needs and ensure every child is school ready.



First 5 Association of California and First 5 CA Updates

February 2024

[First 5 Network and First 5 Los Angeles: Response to Governor's Budget Proposal](#)

On January 11th the First 5 Network and First 5 Los Angeles released a [joint press statement](#) responding to the Governor's January Budget Proposal. The statement appreciates the Governor and the Administration for their efforts to maintain their commitment to early childhood education, infant and early childhood mental health, and protecting early childhood systems of care as part of the proposed 2024-25 state budget. The statement also highlights First 5's declining tobacco tax revenue and the need to protect critical investments for services impacting California's youngest children and calls on the state to safeguard essential services to children. Highlights from the proposed budget as they relate to First 5 Alameda County policy priorities are available [here](#).

[First 5 California: Child Health, Education, and Care Summit: Stronger Starts – 25 Years of First 5](#)

First 5 California will be holding their biennial Child Health, Education, and Care Summit at the Oakland Marriott City Center on March 25-27, 2024. This year's theme is *Stronger Starts: 25 Years of First 5*, representing the shared commitment that all children ages 0 to 5 and their families enjoy the opportunity to thrive in safe, stable, and nurturing relationships and environments necessary to achieve healthy development. Early-bird registration ends February 29th. More Summit information is available [here](#).

[First 5 California: Public Policy](#)

First 5 California's Governmental Affairs Office has been meeting with legislative staff as part of their education engagement work to uplift First 5 California as a trusted messenger and partner on issues pertaining to families with young children. First 5 California staff are consulting legislative staff on their various legislative proposals and attending policy workgroup meeting to prepare for the 2024 legislative session.

[First 5 California: Media Campaign Update](#)

In December, First 5 California completed the second wave of the toxic stress-focused spots for television. These ads will start airing in Spring 2024 along with new radio, web, and social media. First 5 California has also launched its experiential tour. Over the next several months, the tour will stop at public events throughout the state to engage with families directly and provide resources and information on toxic stress.

[First 5 Network Alignment and Role Clarification](#)

In 2023 First 5 California funded an outside consultant to support with planning and facilitation of meetings between First 5 California and the First 5 Association of California to uplift and better clarify the role of the First 5 Network and how the two entities will work together to support a state and local early childhood systems change structure. The final meeting was held in December. First 5 California and the First 5 Association discussed the outcomes of this work and solicited county feedback on draft recommendations at the First 5 Association's annual meeting in February. First 5 Alameda continues to provide strategic thought partnership to both entities on how they can support early childhood system building efforts statewide as well as local First 5s through research, fiscal analysis, and policy advocacy.



[First 5 Association Annual Meeting and Advocacy Day](#)

The First 5 Association's Annual Meeting took place on Monday, February 5th and Tuesday, February 6th at the Sheraton Grand Sacramento Hotel in Sacramento. The meeting celebrated policy wins, covered the Association's plans, and shared emerging systems change practices. Advocacy Day followed on Wednesday, February 7th with a kick-off at The California Endowment. A key focus of Advocacy Day was the Association's one-time \$100 million general fund budget ask to ensure Prop. 10 funded local programs that serve California's babies, toddlers, and preschoolers stay intact. The First 5 Alameda County Government Affairs & Policy team met with Assemblymember Bonta and with staff from Assemblymember Ortega, Bauer-Kahan, Wicks, Lee and Senator Wahab's offices. A press release statement from the Association is available [here](#).

[First 5 Association: Board Member Announcement](#)

The First 5 Association announced a new group of [board members](#) joining the First 5 Association Board for 2024. The Association's Board includes: the President, Vice President, and Secretary/Treasurer; the Chair for each of the subcommittees; and the representative of each of the Association's six regions. The Bay Area Region will be represented by Jennifer Cloyd, Chief Executive Officer of First 5 Santa Clara County who volunteered and whose participation is supported by the region. First 5 Alameda County served on the Policy Committee for the past 4 years and is continuing to provide staffing support. I have been meeting with state First 5 leadership and Association leadership to provide strategic input and thinking about how to leverage First 5 Alameda's success in benefit of the Network and sustainability discussions.

[First 5 Center for Children's Policy: Medi-Cal Learning Community](#)

The First 5 Center for Children's Policy has continued to convene local First 5 staff for the Medi-Cal Learning Community (MCLC) series. In January the MCLC's webinar topic was: *A Local Lens on Managed Care: County Structure and Data*. The group was joined by Christina Altmayer and Margaret Tatar of Health Management Associates (HMA), and Mike Odeh and Fatima Clark of Children Now. First 5 Alameda Pediatric Care Coordination and Policy staff are participating in the series to share our local learnings and to gain insights into how other First 5s are contracting with their managed care plans.



Legislation and Public Policy Updates

February 2024

State Policy

State Legislative Session

On January 3, California legislators returned to the State Capitol to begin the second year of a two-year session. Top items of focus for the Legislature this session will be the budget deficit and an upcoming election where all 80 Assembly seats and half of the 40 Senate seats are on the ballot. First 5 Alameda County will be reviewing new bills introduced into the legislative session by February 16th and watching the following two-year bills:

- **AB 51 (Bonta) Early childcare and education.** This bill would require the California Department of Education to contract with child care resource and referral programs to expand resource and referral services to include navigation and referral services for preschool program services. It would also require the State to consider adopting regulations to support child care providers impacted by the expansion of transitional kindergarten (TK); produce an impact report on TK; and establish rules and regulations for the comingling of funds.
- **AB 310 (Arambula) CalWORKs.** This bill proposes to reimagine the CalWORKs (California Work, Opportunity and Responsibility to Kids) program by providing all parents with the critical support they need to ensure economic security for their children and themselves. It will reimagine CalWORKs to ensure that the program puts families first and undoes the harm from racist and sexist federal and state law.
- **AB 596 (Reyes) / SB 380 (Limon) Early learning and care: rate reform.** These companion bills would require the state to develop and implement an alternative methodology for calculating subsidy payment rates for child care services and state preschool program services; require the California Department of Social Services, in consultation with California Department of Education, to develop an equitable sliding scale for the payment of family fees and prohibit family fees from being collected until the new equitable sliding scale is implemented; and increase reimbursements to state preschool and child care providers, as specified.
- **AB 1038 (Rendon) Family childcare home education networks.** Family childcare home education networks. This bill imposes requirements on family childcare home education network (FCCHEN) programs, contractors, and affiliated providers to ensure assessments are appropriate to family child care home (FCCH) settings, curricula are age- and developmentally-appropriate, and quality standards are met.



State Budget Outlook

On January 10, Governor Newsom released his [budget proposal for FY 2024-25](#). The balanced budget includes a \$291.5 billion spending plan which includes a \$37.9 billion deficit. To address the budget deficit the Governor is proposing to withdraw \$13.1 billion from budget stabilization and safety net reserve accounts; cut \$8.5 billion from existing programs in climate, housing, and education; delay \$5.1 billion in spending; defer \$2.1 billion to 2025-26; and borrow \$5.7 billion from special funds. Although there are cuts across programs, the Governor has remained committed to protecting funds for health care, mental health reform, homelessness, and public safety.

In alignment with First 5 Alameda County's [2024 Policy Agenda](#), the budget proposal maintains investments critical for building an early care and education system of care, including funding for existing child care slots, the state agreement with Child Care Providers United, and Medi-Cal expansion for all Californians regardless of their immigration status. Highlights from the proposed budget as they relate to First 5 Alameda County policy priorities is available [here](#).

The Governor's January budget proposal marks the beginning of the budget process. The Legislature will hold hearings on the Governor's proposed budget and release their own proposals in the coming weeks. In May, the Governor releases the May Revise which is based on updates to the State's revenue forecast. The final budget requires Legislative approval by June 15th and Governor's signature by June 30th.

State Advocacy

On January 25th, First 5 Alameda submitted a [public comment](#) to the California Department of Health Care Services in strong support of the State's amendment to the California Advancing and Innovating Medi-Cal (CalAIM) Section 1115 demonstration waiver to provide for continuous coverage in the Medi-Cal program and the Children's Health Insurance Program (CHIP) for eligible children until their fifth birthday. The State's proposed amendment to allow continuous coverage for children through their fifth birthday will help reduce churn and gaps in Medi-Cal and CHIP coverage for young children. Before implementation can begin on January 2025, the California Department of Finance must also greenlight funding in the 2024-2025 state budget.

Federal Policy

2024 Appropriations

In early January, Congressional leaders reached a new agreement for topline funding levels for 2024. The agreement sets funding levels for non-defense programs at \$773 billion and at \$886 billion for defense spending. The topline number for nondefense programs is approximately the same level agreed upon in May 2023 which means that domestic programs will likely face a funding freeze at a time when additional funding is needed to address rising costs. While negotiations on long-term government funding continue, President Biden signed into law another short-term spending bill that expires in early March to avoid a partial government shutdown.



The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is likely to face a funding shortfall due to rising participation and increase in food costs. Without additional funding states may be forced to place eligible participants on waiting lists. First 5 Alameda County [submitted a letter](#) to Congress in November urging additional funding to protect access to WIC.

Expanded Child Tax Credit

On January 31, the House passed a bipartisan tax bill that would expand the Child Tax Credit to benefit 80% of low-income families who do not currently receive the full credit. The proposed legislation would offer much needed income to about [16 million children](#) in families struggling to meet basic needs and would lift 400,000 children out of poverty immediately, rising to 500,000 above the poverty line in 2025. In support, First 5 Alameda submitted a [letter](#) to our congressional delegation urging them to support the proposed tax bill.

Head Start

On November 15, the U.S. Department of Health and Human Services (HHS), Administration for Children and Families (ACF) posted a [NPRM](#) to strengthen the Head Start program. The proposal aims to make significant changes to the Head Start Program Performance Standards (HSPPS) to ensure fair compensation is a key component of high-quality early care and education. The proposed changes are designed to stabilize the Head Start workforce and improve the quality of the comprehensive services that Head Start families count on.

In response, First 5 Alameda submitted a comment supporting these proposed changes. The comment letter is available to [read here](#).