



FIRST 5 ALAMEDA COUNTY COMMISSION MEETING AGENDA

Thursday, March 21, 2013

**First 5 Alameda County
1100 San Leandro Blvd., Suite 120
San Leandro, CA 94577
Conference Room A**

9:00 AM – 11:30 AM

Commissioners: *Chair:* Pamela Simms-Mackey M.D., *Vice Chair:* Helen Mendel, CMD, Alex Briscoe, Wilma Chan, Ricky Choi, M.D., Renee Herzfeld, Lori Cox, Deborah Roderick Stark, Albert Wang, M.D.

1. **Public Comment (Limited to 3 minutes per speaker)**
2. **Approval of Minutes from January 17, 2013**

CONSENT

3. **FY 2012-13 2nd Quarter Financial Report**
4. **FY 2012-13 2nd Quarter Investment Report**
5. **FY 2012-13 Contract Authorizations**

INFRASTRUCTURE

6. **FY 2013-14 Long Range Financial Plan**
7. **FY 2013-15 Budget - First Reading**

PROGRAM

8. **Strengthening Families Presentation**
9. **FY 2011-12 First 5 California Annual Report**
10. **Strategic Collaboration Proposal**
11. **State Commission & Association Updates**
12. **Legislation and Public Policy Updates**

MISCELLANEOUS

13. **Staff Announcements**

14. Communication from Commissioners

15. Adjournment



FIRST 5 ALAMEDA COUNTY COMMISSION MEETING MINUTES

Thursday, January 17, 2013

**First 5 Alameda County
1100 San Leandro Blvd., Suite 120
San Leandro, CA 94577
Conference Room A**

9:00 AM – 11:30 AM

Commissioners: *Chair:* Pamela Simms-Mackey M.D., *Vice Chair:* Helen Mendel, CMD, Alex Briscoe, Ricky Choi M.D., Lori Cox, Albert Wang M.D.

Meeting called to order at 9:08am.

1. Public Comment

There were no comments on issues that were not on the agenda.

PROGRAM

2. Quality Rating Improvement System (QRIS) Presentation

Malia Ramler, Senior Administrator presented to the Commission the Quality Rating Improvement System (QRIS) program. She stated that Alameda County is one of 16 counties in California that are participating in the California Department of Education, Race to the Top Early Learning Challenge Grant. She stated that the state received \$56.2 million through 2015 for a county driven quality rating system. She stated that this is the trend across the country for the childcare field. She stated that this is an opportunity to take the different funding streams, silo's and fragmentation that are how we currently fund, monitor and regulate childcare and organize it into a system around a common set of standards. She stated that this will be an opportunity for First 5 to be a catalyst and to get our providers ready should this become a state system.

Ms. Ramler presented the details of the QRIS program and introduced the First 5 QRIS team: Mary Anne Doan, Erin Freschi, and Sujata Bansal and we are in very close partnership with the Child Care Planning Council.

Commissioner Choi asked what is the incentive for providers to participate. Ms. Ramler stated that as providers get aligned with QRIS there will be help navigating the available resources to fund the quality improvement work. She stated that there is some thinking as a county to incentivize movement on the tiers. She stated that some states have this but we as a county have to identify if that is something that we can sustain. She stated that there is also a marketing system for providers to be able to state their participation and rating.

Commissioner Choi asked if there is a way to tie in to licensing. Ms. Ramler stated that other states have tied it to licensing but that is not the direction that California is going. Ms. Ramler stated that there is still a lot of work to be done.

Commissioner Wang stated that there are several sections that are pending. Ms. Ramler stated that some of the pathways were added late in the process and that there is still work to be done to finalize the pathways. Chair Simms Mackey stated that she thinks the cultural competency and family engagement pathway is essential and should actually be interwoven throughout the tiers.

Chair Simms Mackey asked if the ratings on ASQ in the program are about implementation or scoring. Ms. Ramler stated that this is to provide the screening.

Chair Simms Mackey asked about kids with special needs. Ms. Ramler stated that this is a weakness of the rating scale, that it does not explicitly address inclusion.

Mary Anne Doan stated that she is co-chairing a diversity committee. She stated that First 5 will certainly be advocating for inclusion and there is ability at tier 2 and at tier 5 to add things. She stated that Los Angeles Step to Excellence has a very strong piece in their rating system that they are using for children with special needs and she would be a strong advocate for looking at their model.

Vice Chair Mendel stated that the tobacco cessation isn't included in the program until stage 5, she stated that this should be included along the way. Ms. Ramler stated that for licensing, smoke free would still be in place. Vice Chair Mendel stated that education for staff, parents, and caregivers should be provided early on at the start of the program.

Chair Simms-Mackey asked how will you get this information out to the parents? Ms. Ramler stated that we have learned from the other states that it is essential to finalize the rating scale before publicizing to parents.

3. State Commission & Association Updates

Mark Friedman, CEO stated that he and Moira Kenney, Executive Director of the First 5 Association and Joel Cohen, Policy and Communication for the First 5 Association went to Sacramento to meet with Camille Maben, Executive Director of First 5 California. He stated that it is all very new staff, it was a good meeting in that their attitude was cooperative. He stated that they discussed common messaging. He stated that there is lots of work happening around messaging and First 5 California was very open to developing common messaging with 3-5 themes. He stated that their openness was encouraging and that they are willing to work closely with us. He stated that they are in the process of updating their strategic plan and we urged them to do that as simply as possible and to highlight the relationships with the local commissions.

4. Legislation and Public Policy Updates

Mr. Friedman stated that the Governor released a budget that is more or less balanced. He stated that there are some cuts to childcare the Cal works stage 1 and 2, but this is unused money for slots that haven't been used. He stated that other good news is that the Governor's plan to realign child care into Social Services programs on a local level is not in the current plan. He stated that mention of the \$40 million of First 5 California funds is not linked to local First 5 commissions.

MISCELLANEOUS

5. Staff Announcements

Janis Burger, Deputy Director announced that the Community Grants Initiative RFP was released. She stated that this first bidder's conference was held earlier this week.

Ms. Burger announced that as a result of our work with the Interactive Children's Policy Council there are some interesting things happening. She stated that one of the things being worked on is the common countywide outcomes for the 0-8 population. She stated that there is work being done with the Family Wellness Court for some of the families being served in the family court. She stated that there is a very strong program in Santa Clara County Family Wellness Court that will be looked to develop a similar approach in Alameda County.

She announced that ICPC has a policy agenda with a 0-8 section and a lot of the policy issues will be fed into that. She stated that Commissioners Briscoe and Cox are both on the ICPC and it would be great to present at a future Commission meeting on some of the 0-8 work that the council is doing.

Ms. Burger announced that California Help Me Grow hosted their first learning community and there are 15 other California counties that are interested in implementing Help Me Grow programs.

Mr. Friedman announced that the new building is going well. He stated that we've toured the facility and all of the walls are up and all the mechanicals are functioning well.

Mr. Friedman announced that the March Commission meeting will be the first reading of the budget and the second reading will be in May. He stated that it is very likely that we will not need to hold a June meeting.

Commissioner Choi stated that this is the first Commission meeting since the violence in Newtown, Connecticut and that there has also been a stream of violence in the Oakland area, he stated that the President has taken action against the violence as well as on the state level. He stated that he would like to implore the Commission to be mindful of the opportunities to participate. Ms. Burger, stated that we posted an article on dealing with violence on our Facebook page that was launched this week.

Carla Keener, First 5 Senior Administrator, added that the Project Launch 0-8 Provider Network group that meets in East Oakland at Youth Uprising on a monthly basis has a meeting scheduled for the 22nd where they have invited several community partners to discuss how we take care of the providers as well as the children and families that are dealing with violence in the community. She stated that we don't want this to be a onetime discussion but to be ongoing. Chair Simms-Mackey added that her department provided training for staff on Vicarious Trauma, which was very helpful. Beth Hoch, First 5 Training Coordinator added that training was offered to the provider community on secondary posttraumatic stress and another training will be offered in March on Secondary Trauma.

Commissioner Lori Cox arrived at the meeting at 10:02 am.

Commissioner Alex Briscoe arrived at the meeting at 10:06 am.

6. Approval of Minutes from December 13, 2012

Commission Action: The Commission approved the December 13, 2012 minutes upon motion by Commissioner Cox, seconded by Commissioner Choi and unanimously carried (6 in favor, 0 opposed).

CONSENT

7. FY 2012-13 Budget Modification

Chair Pamela Simms-Mackey stated that FY 2012-13 Budget Modification was thoroughly reviewed by the Executive Committee and therefore placed on consent and will not need to be discussed by the full Commission.

Commission Action: The Commission approved the FY 2012-13 Budget Modification upon motion by Vice Chair Mendel, seconded by Commissioner Cox and unanimously carried (6 in favor, 0 opposed).

INFRASTRUCTURE

8. FY 2012-13 Contract Authorizations

All Commissioners can vote on the following awards:

- CompView

Commission Action: The Commission approved the FY 2012-13 Contract Authorizations upon motion by Vice Chair Mendel, seconded by Commissioner Wang and unanimously carried (6 in favor, 0 opposed).

- Tiburcio Vasquez Health Center

Commission Action: The Commission approved the FY 2012-13 Contract Authorizations upon motion by Commissioner Cox, seconded by Commissioner Wang and unanimously carried (4 in favor, 0 opposed, 2 abstentions with Chair Simms-Mackey and Commissioner Briscoe abstaining from the vote.)

9. Election of Officers

Mr. Friedman stated that every year in January we have an election of officers. He stated that this item was not on the agenda however the Commission can vote in order to conduct the election of officers today as an item not listed on the agenda.

Commission Action: The Commission approved the vote on Election of Officers as an emergency item upon motion by Chair Simms-Mackey, seconded by Commissioner Briscoe and unanimously carried (6 in favor, 0 opposed).

Chair Simms-Mackey asked for nominations for the Chair and Vice Chair positions for Calendar Year 2013-14.

Commission Action: The Commission approved the nomination of Chair Simms-Mackey to continue as Commission Chair for CY 2013-14 upon motion by Commissioner Choi, seconded by Commissioner Cox and unanimously carried (6 in favor, 0 opposed).

Commission Action: The Commission approved the nomination of Vice Chair Mendel to continue as Vice Chair for CY 2013-14 upon motion by Commissioner Choi, seconded by Commissioner Cox and unanimously carried (6 in favor, 0 opposed).

10. Adjournment

Meeting adjourned at 10:10 am.



To: First 5 Alameda County Commission Meeting

From: Mark R Rasiah, Financial Controller

Date: March 21, 2013

Subject: Second Quarter Financial Report for July 1 – December 31, 2012

REQUESTED ACTION

To review the Financial Report for the first six months of FY2012-13.

BACKGROUND

This narrative and the attached statements report Revenues and Expenses for the period July 1 – December 31, 2012. With half the fiscal year complete, it is reasonable to expect both revenues and expenses to be at 50% of the budget projection, subject to timing lags. While this is the case with most of the budgeted items, material exceptions are noted below.

Revenue

As of December 31, revenues were \$6.8m, or 50.7% of the revenue projection for the year. Of this amount:

- Tobacco Tax receipts were in line with budget expectations for the first six months of the fiscal year.
- Inter-agency Income was budgeted at \$1.3m, representing
 - Behavioral Health Care Services (BHCS) grant for Early Connections - \$390,667.
 - Public Health Department grant for Project LAUNCH Substance Abuse Mental Health Administration (SAMSHA)- \$655, 070.
 - HMG Linkage Line - \$142,524.
 - First 5 Contra Costa - \$119,070
- The Federal Grants Budget represents the reimbursable amount from the second earmark for the HMG program and the Race To the Top grant.

- A Private Grant from the Long Foundation to expand some school readiness sites was budgeted along with a grant for Help Me Grow from the Kellogg Foundation.
- Revenues for Medi-Cal Administrative Activities (MAA) were budgeted at \$0.7m for FY 2012-13. This is subject to a timing lag, and the invoicing is expected to be completed in March 2013.
- Investment revenue of \$281,234 represents a little over half of the conservative budget projections for the fiscal year.
- Sustainability funds from the First 5 Alameda County Sustainability Fund reserve will be used to bridge the gap between actual revenues and expenses at year-end, to the extent authorized by the Commission.

Expenses

At \$6.7m, total Expenditure for the quarter was 33% of the budgeted amount of \$20.67m. This is about the same as for the corresponding period last year.

Most line item expenditures are tracking well within or close to 50% of budget, with the exception of Space Rental, which was budgeted for just ten months of the fiscal year, in anticipation of the move to our own building at the end of the current lease, in April 2013. General Expenses from the Infrastructure Budget will be allocated to all programs at year-end and will reflect a more complete picture of program costs at that point.

Summary

Revenues and Expenses are in line with the progression of the fiscal year.

Fiscal Impact

None.

REQUESTED ACTION

To review the Financial Report for the first six months of FY2012-13.

Submitted by:

Reviewed by:

Mark R Rasiah ,
Financial Controller

Mark Friedman, Chief Executive Officer

First 5 Alameda County
Revenue and Available Funds
For the Period July 1 - December 31, 2012

Revenues	Budget	Actual	Variance	Percentage Received
Prop 10 Tobacco Tax	13,510,000	6,849,436	(6,660,564)	50.7% A
Interagency Income	1,306,000	477,141	(828,859)	36.5% B
Grants				
Federal - Earmark #2	400,000	42,000	(358,000)	10.5%
Federal - Race To The Top	538,000	294,000	(244,000)	54.6%
State - Cares Plus	300,000	22,354	(277,646)	7.5%
Private - Longs, Kellogg Fdn.	434,000	396,000	(38,000)	91.2%
	1,672,000	754,354	(917,646)	45.1%
Fiscal Leveraging				
Medi-Cal Administrative Activities (MAA)	700,000	0	(700,000)	0.0% C
Miscellaneous Revenue	0	36,100	36,100	
	700,000	36,100	(663,900)	5.2%
Investment Revenue	500,000	281,234	(218,766)	56.2%
Total Revenues	17,688,000	8,398,265	(9,289,735)	47.5%

Available Funds				
Sustainability Fund	2,982,000	0	(2,982,000)	0.0%
Total Available Funds	2,982,000	0	(2,982,000)	0.0%

TOTAL REVENUES & AVAILABLE FUNDS	20,670,000	8,398,265	(12,271,735)	40.6%
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Notes:

- A - Tobacco tax revenues received include allocations up to December 2012
- B - A major portion of the budget is for SAMSHA Project LAUNCH federal grant funds.
- C - MAA reimbursement for FY 2011-12, will be invoiced in March 2013.

First 5 Alameda County

Budget Vs Actual Expenditure

For the Period July 1 - December 31, 2012

	Continuum of Care		Prov. Capacity Building		Policy. Advocacy. Comm.		Eval. & Technology		Administration		Infrastructure		T o t a l		% Spent to date
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	
Personnel Costs															
Salaries & Benefits	2,985,936	1,103,383	1,867,141	593,320	241,451	120,726	684,953	247,859	951,636	376,111			6,731,117	2,441,399	36%
Program Contracts/Grants															
Contracts	5,900,862	1,535,244	2,942,444	725,750			255,000	44,500		4,525	544,100	285,358	9,642,406	2,595,377	27%
Grants			2,366,400	988,046									2,366,400	988,046	42%
Professional Services Contracts	128,000	62,237	92,250	2,060							74,000		294,250	64,297	22%
Total Contracts/Grants	6,028,862	1,597,481	5,401,094	1,715,856	0	0	255,000	44,500	0	4,525	618,100	285,358	12,303,056	3,647,720	30%
Program Operating Costs	380,058	76,983	234,800	13,900			7,100	1,580	98,350	30,379		365	720,308	123,207	17%
TOTAL DIRECT PROGRAM COSTS	9,394,856	2,777,847	7,503,035	2,323,076	241,451	120,726	947,053	293,939	1,049,986	411,015	618,100	285,723	19,754,481	6,212,326	31%

INDIRECT COSTS

Communications	30,000	12,414	30,000	12,414	41%
Copying/Printing	40,000	20,522	40,000	20,522	51%
Equipment Leases/Rentals/Maint.	3,000	0	3,000	0	0%
Equipment Purchase	10,000	417	10,000	417	4%
Insurance	85,000	21,970	85,000	21,970	26%
Membership and Dues	24,000	460	24,000	460	2%
Professional Services	128,000	40,078	128,000	40,078	31%
Space Rental	570,000	424,980	570,000	424,980	75%
Miscellaneous	3,000	0	3,000	0	0%
Depreciation	22,519	0	22,519	0	0%
Total Infrastructure	1,533,619	806,564	915,519	520,841	57%

TOTAL

20,670,000	6,733,167	33%
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To: First 5 Alameda County Commission Meeting

From: Mark R Rasiah, Financial Controller

Date: March 21, 2013

Subject: Second Quarter Investment Report, July 1 – December 31, 2012

REQUESTED ACTION

To review the Investment Report for the first six months of FY2012-13.

BACKGROUND OF ACTIVITIES

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.

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.

In 2005-06, First 5 Alameda County transferred \$34,000,000 from the Sustainability Fund held by the Alameda County Treasurer's investment pool to outside money managers. This report summarizes the activity and status of the investment portfolio as of December 31, 2012.

PORTFOLIO HIGHLIGHTS

The Investment Report shows the performance of funds that are invested in the Alameda County pool and with two money managers, Cutwater Asset Management and Chandler Asset Management. At the end of the last fiscal year, the total market value of the funds with Cutwater and Chandler was \$35,393,665. Of this amount, \$5 million was withdrawn during the second quarter to acquire and refurbish the office space located at 1115 Atlantic Avenue, Alameda. As a result, the market value of the portfolio at year end was \$30,634,627 at a cost of \$30,572,218.

Recent economic indicators show that the economic recovery is still slow and that the unemployment rate is likely to continue at current levels for the foreseeable future. Treasury rates remained stable over the July – December period, and the resultant yield curve steepened slightly, with long term rates declining more than short term rates. The yield curve is expected to remain relatively steep for the foreseeable future, since the rates on long term Treasuries continue to be higher than the short term ones. The Federal Reserve Bank continues to maintain its federal funds target rate between zero and 0.25% and has signaled its intentions to maintain this posture through the middle of 2014 aimed at reducing long term borrowing costs for consumers and businesses to support economic growth. Despite this challenging economic environment, the portfolio managed to yield a little over 1 % on an annualized basis.

INVESTMENT REPORT

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 money managers buy, sell and exchange securities consistent with the First 5 Alameda County Investment Policy in order to optimize overall yields.

Net investment earnings for the six months ended December 31, 2012 totaled \$281,234 representing \$279,248 from the money managers and \$1,986 from the Alameda County Treasurer's pool.

Investment Fees

Fees include those levied by the money managers (Cutwater and Chandler) and the fees levied by the account custodian (Union Bank of California). The total fees paid during the six month period was \$23,858.

Investment Activity

The Investment Activity shows all transactions affecting our portfolio. A purchase of securities increases the value of the portfolio whereas the sale of securities decreases the total portfolio value and may result in a gain or loss on the transaction.

Market Value and Unrealized Gains and Losses

There was an unrealized gain of \$62,409 at the end of December. This is determined by comparing the Cost and the Market Value of the portfolio on that date. It implies that a gain would have been realized, had the portfolio been liquidated on December 30th. Since the

portfolio was not liquidated, this section is for informational purposes only. Government entities are legally required (GASB 31) to report unrealized gains and losses on investments.

Yield Benchmarks

Investment yields are compared to the Local Agency Investment Fund (LAIF) yields in order to benchmark investment manager performance. Cutwater and Chandler’s yields (1.01% and 1.70%, respectively) have substantially surpassed the LAIF benchmark (.33%) for the same period.

The Alameda County Treasury Investment Pool is net of fees and has yielded 0.46%

FISCAL IMPACT

The total realized investment earnings at the end of the second quarter were \$281,234.

REQUESTED ACTION

To review the Investment report.

Submitted by:

Reviewed by:

Mark R Rasiah,
Financial Controller

Mark Friedman,
Chief Executive Officer

**First 5 Alameda County
Investment Report
For the Period July 1, 2012 - December 31, 2012**

	<u>Union Bank</u>	<u>Cutwater Asset Management</u>	<u>Chandler Asset Management</u>	<u>Total</u>
INVESTMENT INCOME:				
Interest Received		155,698	147,408	303,106
Income from Alameda County Treasurer				1,986
Total Investment Earnings				<u>305,091</u>
Investment Fees Paid	(3,240)	(10,346)	(10,271)	(23,858)
Net Investment Income (Net of Fees)				<u>281,234</u>
INVESTMENT ACTIVITY:				
Portfolios - Cost Basis at 7/01/12		17,376,400	17,963,785	35,340,185
Purchases		13,454,573	8,955,835	22,410,408
Sales		(5,458,982)	(4,958,800)	(10,417,781)
Maturities		(7,904,234)	(3,856,360)	(11,760,594)
Cash Disbursement		(2,000,000)	(3,000,000)	(5,000,000)
Net Cash Management		0	0	0
Portfolios - Cost Basis at 12/31/2012		<u>15,467,757</u>	<u>15,104,460</u>	<u>30,572,218</u>
COST VS. MARKET VALUE:				
Portfolios at Market 12/31/2012		15,459,587	15,175,040	30,634,627
Portfolios at Cost 12/31/2012		15,467,757	15,104,460	30,572,218
Unrealized Gain (Loss) at 12/31/2012		<u>(8,170)</u>	<u>70,580</u>	<u>62,409</u>
YIELD AND BENCHMARKS:				
Cutwater Asset Management (year to date returns)				1.01%
Chandler Asset Management (year to date returns)				1.70%
Local Agency Investment Fund (LAIF)				0.33%
Alameda County Treasurer's Pool				0.46%
1-5 Government Index (total rate of return)				0.98%

**First 5 Alameda County
Combined Holdings Report
As Of December 31, 2012**

<u>Holder</u>	<u>Asset Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Investment Type</u>	<u>Moody</u>	<u>S & P</u>
Chandler	FAMC	\$ 160,000	\$ 161,899	\$ 161,608	Other Fed Govt	Aaa	AAA
Chandler	FFCB BDS	\$ 130,000	\$ 131,538	\$ 136,180	Other Fed Govt	Aaa	AAA
Chandler	FFCB BDS	\$ 460,000	\$ 458,882	\$ 470,801	Other Fed Govt	Aaa	AAA
Chandler	FFCB BDS	\$ 315,000	\$ 318,424	\$ 317,038	Other Fed Govt	Aaa	AA+
Chandler	FFCB BDS	\$ 150,000	\$ 158,349	\$ 153,390	Other Fed Govt	Aaa	AAA
Chandler	FFCB BDS	\$ 60,000	\$ 59,966	\$ 60,008	Other Fed Govt	Aaa	AA+
Chandler	FFCB BDS	\$ 270,000	\$ 268,134	\$ 270,386	Other Fed Govt	Aaa	AAA
Chandler	FFCB BDS	\$ 110,000	\$ 119,717	\$ 113,101	Other Fed Govt	Aaa	AAA
Chandler	FFCB BDS	\$ 160,000	\$ 160,000	\$ 160,270	Other Fed Govt	Aaa	AAA
Chandler	FHLB Note	\$ 150,000	\$ 148,374	\$ 152,525	Other Fed Govt	Aaa	AAA
Chandler	FHLB Note	\$ 320,000	\$ 321,139	\$ 325,709	Other Fed Govt	Aaa	AA+
Chandler	FHLB Note	\$ 320,000	\$ 320,646	\$ 323,702	Other Fed Govt	Aaa	AA+
Chandler	FHLB Note	\$ 115,000	\$ 119,784	\$ 121,334	Other Fed Govt	Aaa	AA+
Chandler	FHLB Note	\$ 310,000	\$ 318,680	\$ 322,673	Other Fed Govt	Aaa	AA+
Chandler	FHLB Note	\$ 315,000	\$ 322,306	\$ 320,387	Other Fed Govt	Aaa	AA+
Chandler	FHLB Note	\$ 150,000	\$ 156,219	\$ 155,501	Other Fed Govt	Aaa	AA+
Chandler	FHLB Note	\$ 160,000	\$ 160,147	\$ 162,373	Other Fed Govt	Aaa	AA+
Chandler	FHLMC NTS	\$ 300,000	\$ 321,731	\$ 316,083	Other Fed Govt	Aaa	AA+
Chandler	FHLMC NTS	\$ 105,000	\$ 108,745	\$ 110,506	Other Fed Govt	Aaa	AA+
Chandler	FHLMC NTS	\$ 200,000	\$ 207,133	\$ 210,488	Other Fed Govt	Aaa	AA+
Chandler	FHLMC NTS	\$ 110,000	\$ 116,447	\$ 117,365	Other Fed Govt	Aaa	AA+
Chandler	FHLMC NTS	\$ 200,000	\$ 211,722	\$ 213,390	Other Fed Govt	Aaa	AA+
Chandler	FHLMC NTS	\$ 200,000	\$ 206,394	\$ 207,328	Other Fed Govt	Aaa	AA+
Chandler	FHLMC NTS	\$ 110,000	\$ 113,517	\$ 114,030	Other Fed Govt	Aaa	AA+
Chandler	FHLMC NTS	\$ 325,000	\$ 320,466	\$ 329,144	Other Fed Govt	Aaa	AA+
Chandler	FHLMC NTS	\$ 310,000	\$ 312,875	\$ 317,183	Other Fed Govt	Aaa	AA+
Chandler	FNMA	\$ 65,000	\$ 66,771	\$ 66,452	Other Fed Govt	Aaa	AAA
Chandler	FNMA NTS	\$ 315,000	\$ 316,599	\$ 323,171	Other Fed Govt	Aaa	AA+
Chandler	FNMA NTS	\$ 270,000	\$ 270,828	\$ 278,151	Other Fed Govt	Aaa	AA+
Chandler	FNMA NTS	\$ 50,000	\$ 50,153	\$ 51,510	Other Fed Govt	Aaa	AA+

**First 5 Alameda County
Combined Holdings Report
As Of December 31, 2012**

<u>Holder</u>	<u>Asset Name</u>		<u>Shares</u>		<u>Cost</u>	<u>Market Value</u>	<u>Investment Type</u>	<u>Moody</u>	<u>S & P</u>
Chandler	FNMA NTS	\$	300,000	\$	317,318	\$ 318,843	Other Fed Govt	Aaa	AA+
Chandler	FNMA NTS	\$	300,000	\$	299,301	\$ 299,628	Other Fed Govt	Aaa	AA+
Chandler	FNMA NTS	\$	300,000	\$	315,824	\$ 316,908	Other Fed Govt	Aaa	AA+
Chandler	FNMA NTS	\$	320,000	\$	322,277	\$ 328,054	Other Fed Govt	Aaa	AA+
Chandler	Tenn Vy Auth Ser A	\$	300,000	\$	320,430	\$ 307,917	Other Fed Govt	Aaa	AAA
Chandler	Bank of New York Mellon	\$	110,000	\$	122,385	\$ 119,932	Corporate Bonds	Aa3	A+
Chandler	Bank of New York Mellon	\$	105,000	\$	116,822	\$ 114,480	Corporate Bonds	Aa3	A
Chandler	Bank of Nova Scotia	\$	325,000	\$	324,632	\$ 324,636	Non- Disc Comm Paper	P-1	A-1+
Chandler	Berkshire Hathaway Fin	\$	220,000	\$	220,663	\$ 231,612	Corporate Bonds	Aa2	AA+
Chandler	Berkshire Hathaway Fin	\$	40,000	\$	40,121	\$ 42,111	Corporate Bonds	Aa2	AA+
Chandler	Black Rocking NTS	\$	110,000	\$	114,897	\$ 116,172	Corporate Bonds	A1	A+
Chandler	Black Rocking NTS	\$	50,000	\$	52,226	\$ 52,806	Corporate Bonds	A1	A+
Chandler	Chevron Corp	\$	55,000	\$	55,000	\$ 55,384	Corporate Bonds	Aa1	AA
Chandler	COCA-Colants	\$	100,000	\$	99,840	\$ 100,762	Corporate Bonds	Aa3	A+
Chandler	COCA-Colants	\$	100,000	\$	99,840	\$ 100,762	Corporate Bonds	Aa3	A+
Chandler	Disney Walt Co	\$	150,000	\$	161,306	\$ 155,825	Corporate Bonds	A2	A
Chandler	Ebay Inc	\$	125,000	\$	124,781	\$ 128,353	Corporate Bonds	A2	A
Chandler	GECC NTS	\$	70,000	\$	76,848	\$ 75,020	Corporate Bonds	Aa2	AA+
Chandler	GECC NTS	\$	165,000	\$	181,141	\$ 176,832	Corporate Bonds	Aa2	AA+
Chandler	General Elec Cap Corp	\$	55,000	\$	60,380	\$ 58,944	Corporate Bonds	Aa2	AA+
Chandler	Google Inc	\$	130,000	\$	136,148	\$ 135,746	Corporate Bonds	Aa2	AA-
Chandler	Highmark Money Market	\$	271,573	\$	271,573	\$ 271,573	Money Market	Aaa	AAA
Chandler	IBM Corp	\$	110,000	\$	110,733	\$ 110,686	Corporate Bonds	Aa3	A+
Chandler	Intel Corp	\$	190,000	\$	190,566	\$ 189,945	Corporate Bonds	A1	A+
Chandler	JDOT (John Deere) Pas	\$	155,000	\$	154,995	\$ 155,113	Corporate Bonds	A2	A
Chandler	John Deere	\$	35,000	\$	34,978	\$ 35,154	Corporate Bonds	A2	A
Chandler	John Deere	\$	120,000	\$	124,813	\$ 124,166	Corporate Bonds	A2	A
Chandler	JP Morgan Chase & Co	\$	110,000	\$	112,698	\$ 115,817	Corporate Bonds	Aa3	A+
Chandler	JP Morgan Chase & Co	\$	120,000	\$	122,943	\$ 126,346	Corporate Bonds	Aa3	A
Chandler	PACCAR FIN	\$	300,000	\$	299,879	\$ 299,961	Non- Disc Comm Paper	P-1	A-1
Chandler	PNC Bank	\$	325,000	\$	323,921	\$ 324,604	Non- Disc Comm Paper	P-1	A-1
Chandler	Praxair	\$	85,000	\$	97,347	\$ 92,390	Corporate Bonds	A2	A

**First 5 Alameda County
Combined Holdings Report
As Of December 31, 2012**

<u>Holder</u>	<u>Asset Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Investment Type</u>	<u>Moody</u>	<u>S & P</u>
Chandler	TAOT (Toyota Pass Thru	\$ 155,000	\$ 154,985	\$ 154,929	Corporate Bonds	A2	A
Chandler	Toronto Dominion Bank	\$ 130,000	\$ 130,183	\$ 130,161	Negotiable CD's	P-1	A-1+
Chandler	Toyota Motor Cred Disco	\$ 300,000	\$ 299,653	\$ 299,271	Non- Disc Comm Paper	P-1	A-1+
Chandler	U.S. Treasury Notes	\$ 100,000	\$ 104,739	\$ 104,945	U.S. Treasury	Aaa	AA+
Chandler	U.S. Treasury Notes	\$ 100,000	\$ 104,240	\$ 104,461	U.S. Treasury	Aaa`	AA+
Chandler	U.S. Treasury Notes	\$ 205,000	\$ 213,691	\$ 214,145	U.S. Treasury	Aaa`	AA+
Chandler	U.S. Treasury Notes	\$ 110,000	\$ 117,293	\$ 116,557	U.S. Treasury	TSY	TSY
Chandler	U.S. Treasury Notes	\$ 190,000	\$ 202,597	\$ 201,326	U.S. Treasury	Aaa	AA+
Chandler	U.S. Treasury Notes	\$ 205,000	\$ 209,563	\$ 210,205	U.S. Treasury	Aaa	AA+
Chandler	U.S. Treasury Notes	\$ 105,000	\$ 107,337	\$ 107,666	U.S. Treasury	Aaa	AA+
Chandler	U.S. Treasury Notes	\$ 315,000	\$ 318,102	\$ 321,004	U.S. Treasury	Aaa	AA+
Chandler	U.S. Treasury Notes	\$ 320,000	\$ 321,014	\$ 324,525	U.S. Treasury	Aaa	AA+
Chandler	U.S. Treasury Notes	\$ 320,000	\$ 322,626	\$ 324,250	U.S. Treasury	Aaa	AA+
Chandler	U.S. Treasury Notes	\$ 250,000	\$ 248,975	\$ 249,688	U.S. Treasury	Aaa	AA+
Chandler	United Tech Corp	\$ 15,000	\$ 14,987	\$ 15,440	Corporate Bonds	Aa3	A+
Chandler	US Bancorp	\$ 110,000	\$ 110,165	\$ 110,642	Corporate Bonds	Aa3	A+
Chandler	US Bancorp	\$ 155,000	\$ 155,233	\$ 155,905	Corporate Bonds	Aaa	AAA
Chandler	Wells Fargo	\$ 175,000	\$ 182,674	\$ 187,954	Corporate Bonds	Aa3	AA-
Chandler	Wells Fargo	\$ 50,000	\$ 52,193	\$ 53,701	Corporate Bonds	A1	A+
Cutwater	FHLMC	\$ 1,000,000	\$ 1,031,000	\$ 1,022,700	Other Fed Govt	AA+	Aaa
Cutwater	FHLMC	\$ 3,500,000	\$ 3,471,563	\$ 3,519,915	Other Fed Govt	AA=	Aaa
Cutwater	FHLMC	\$ 1,000,000	\$ 1,000,000	\$ 1,008,150	Other Fed Govt	AA+	AAA
Cutwater	FNMA	\$ 500,000	\$ 500,000	\$ 500,195	Other Fed Govt	AA+	Aaa
Cutwater	FNMA	\$ 325,000	\$ 328,413	\$ 325,185	Other Fed Govt	AA+	Aaa
Cutwater	FNMA	\$ 1,000,000	\$ 1,002,910	\$ 1,000,310	Other Fed Govt	AA+	Aaa
Cutwater	FNMA	\$ 1,000,000	\$ 1,002,910	\$ 1,000,310	Other Fed Govt	AA+	Aaa
Cutwater	FNMA	\$ 500,000	\$ 501,455	\$ 500,155	Other Fed Govt	AA+	Aaa
Cutwater	Colgate Palmolive NT	\$ 910,000	\$ 930,511	\$ 929,720	Corporate Bonds	AA-	Aa3
Cutwater	IBM	\$ 250,000	\$ 260,835	\$ 259,818	Corporate Bonds	AAA	Aaa
Cutwater	Johnson & Johnson SR	\$ 791,000	\$ 833,168	\$ 826,508	Corporate Bonds	AAA	Aaa
Cutwater	Merck & Co Inc	\$ 720,000	\$ 797,918	\$ 781,438	Corporate Bonds	AAA	Aa1
Cutwater	Metro Life Global	\$ 500,000	\$ 535,100	\$ 515,570	Corporate Bonds	AA-	Aa3

**First 5 Alameda County
Combined Holdings Report
As Of December 31, 2012**

<u>Holder</u>	<u>Asset Name</u>		<u>Shares</u>		<u>Cost</u>	<u>Market Value</u>	<u>Investment Type</u>	<u>Moody</u>	<u>S & P</u>
Cutwater	NY Life Global Bonds	\$	250,000	\$	254,074	\$ 252,778	Corporate Bonds	AAA	Aaa
Cutwater	NY Life Global Bonds	\$	1,000,000	\$	1,016,296	\$ 1,011,110	Corporate Bonds	AA+	Aaa
Cutwater	U.S. Treasury Notes	\$	500,000	\$	498,125	\$ 501,270	U.S. Treasury	AAA	Aaa
Cutwater	U.S. Treasury Notes	\$	500,000	\$	499,219	\$ 500,195	U.S. Treasury	AAA	Aaa
Cutwater	Highmark Money Market	\$	1,004,262	\$	1,004,262	\$ 1,004,262	Money Market		
Grand Total					\$ 30,572,218	\$ 30,634,627			



To: First 5 Alameda County Commission Meeting
From: Janis Burger, Deputy Director
Date: March 21, 2013
Subject: Contract Authorizations

REQUESTED ACTION

To review and approve the following contract authorizations.

BACKGROUND

Per our Financial Policies, Section VII. Purchasing and Contracting, the Commission must approve contract/award amounts in excess of \$50,000. The following awards require specific authorization from the Commission.

Marti Roach - \$17,600

First 5 Alameda County is requesting approval of a \$17,600 contract amendment with Marti Roach to continue providing consultation services to the Alameda County Early Connections 0-5 early childhood system of care. For FY 2012-13 First 5 has \$47,684 in contracts with Marti Roach to provide meeting facilitation, program consultation and facilitate a strategic planning process for Early Connections to support an integrated system to serve children and families in coordinated screening, assessment, referral and treatment efforts (2009-13 Strategic Plan, page 10). The additional funding would allow the contractor to continue providing strategic planning facilitation services and facilitate additional management team workgroup meetings. The addition of this \$17,600 amendment brings the FY 2012-14 aggregate contract amount to \$65,284 for which Commission approval is needed.

Fiscal Impact: All funds will be received from the federal SAMHSA Early Connections grant.

Action requested: Approve an aggregate contract amount of \$65,284 for Marti Roach for FY 2012-14.

Social Interest Solutions - \$45,000

First 5 Alameda County is requesting approval of a \$45,000 FY 2012-13 amendment to the ECChange, ECCOnline and Pathways Referral data system development contract with Social Interest Solutions to support various enhancements to ECChange and Pathways data systems for Alameda County Public Health Department, Alameda County Health Care Services Agency CHDP and additional application users. Contract funding will be used to support updates to the automated processes within the community grants program and the development of additional client data exchange and transfer system enhancements to promote data sharing and data transfer across various applications.

First 5 currently has a second FY 2012-13 \$494,008 contract with SIS for maintenance and hosting of ECChange, ECCOnline and Pathways database systems and to provide email hosting services to First 5 (2009-13 Strategic Plan, page 26). The addition of \$45,000 to the existing FY 2012-13 \$216,466 development contract brings the aggregate FY 2012-13 development contract amount to \$261,466 and the aggregate SIS contract amount to \$755,474 for which Commission approval is needed.

Fiscal Impact: Updates to the community grants program database (\$20,000) are budgeted and will be funded by Prop 10. Additional ECChange database enhancements (\$25,000) will be funded by the Alameda County Public Health Department.

ACTION REQUESTED: Approve an aggregate contract amount of \$755,474 for Social Interest Solutions for FY 2012-13.

BANDTEC - \$53,020

First 5 Alameda County is requesting approval of a \$53,020 FY 2012-13 contract with BANDTEC to provide valid and reliable assessments for early care and education programs participating in the Alameda County Quality Rating and Improvement System (QRIS) pilot (2009-13 Strategic Plan, page 12). Qualified, independent assessors will observe and score 30-42 classrooms using two standardized assessment tools – The CLASS™ and the appropriate Environmental Rating Scale (ECERS, ITERS or FDCERS) to complete ratings for the sites using the California Department of Education Quality Continuum Framework. A Request for Qualifications process was conducted and an internal review process determined that of the agencies/individuals that responded, BANDTEC had the strongest qualifications.

Fiscal Impact: All funds will be received from the California Department of Education Child Development Division Race to the Top Early Learning Challenge grant.

ACTION REQUESTED: Approve a contract amount of \$53,020 for FY 2012-13.

Applied Survey Research - \$15,300

First 5 is requesting approval of a \$15,300 FY 2012-13 contract with Applied Survey Research (ASR) to develop the project design and begin recruitment for a countywide school readiness assessment to begin in Fall 2013 (2009-13 Strategic Plan, page 13). Activities include reviewing data collection tools, finalizing sampling strategy of schools to be included in the assessment and meeting with school and district administration to present the assessment plan and obtain support for participating.

ASR currently has two other contracts with First 5 for FY 2012-13 in the amount of \$72,975 to conduct a special study of community-based developmental supports for children ages 0-5 with developmental, behavioral, and/or social emotional concerns and their families and to conduct telephone interviews with families to inquire about their experiences navigating the family supports system through the Help Me Grow Linkage Line. The addition of this third contract brings the aggregate FY 2012-13 contract amount for ASR to \$88,275 for which Commission approval is needed.

Fiscal Impact: Funding is budgeted and paid for by Prop 10.

ACTION REQUESTED: Approve an aggregate contract amount of \$88,275 for FY 2012-13.

RECOMMENDATION

To review and approve the above contract authorizations.

Submitted by:

Reviewed by:

Janis Burger,
Deputy Director

Mark Friedman,
Chief Executive Officer



To: First 5 Alameda County Commission Meeting
From: Mark R Rasiah, Financial Controller
Date: March 21, 2013
Subject: Revised Long Range Financial Plan Recommendation

ACTION REQUESTED

To review and approve the attached 2013-21 Long Range Financial Plan.

BACKGROUND

First 5 Alameda County has adopted a Long Range Financial Plan annually since March 2004. Adoption of a Long Range Financial Plan has been a statutory requirement of all First 5 Commissions since 2006-07. Historical background information about the Long Range Financial Plan is provided in Appendix C.

The current Long Range Financial Plan (LRFP) was formally approved by the Commission in June 2012. An update to the LRFP is presented herewith (Appendix A) with underlying assumptions (Appendix B). The update largely reflects the Proposed Budget for FY 2013-2014 and the actual revenue and expenses of FY 2012-13.

MINIMUM FUND BALANCE REQUIREMENTS

The Sustainability Fund cannot be spent down to zero; some funds must be maintained as an operating reserve to cover ongoing cash flow requirements to act as a buffer since there are delays in receiving state tobacco tax revenues or other revenues. The recommendation is to maintain an amount in the Fund Balance, at a minimum, equal to six months of operating expenses plus an amount to cover fiscal obligations under the Reduction in Workforce Policy (currently about \$500,000).

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

To review and approve the Long Range Financial Plan presented in Appendix A.

Submitted by:

Reviewed by:

Mark R Rasiah ,
Financial Controller

Mark Friedman,
Chief Executive Officer



APPENDIX B – ASSUMPTIONS FOR THE REVISED LONG RANGE FINANCIAL PLAN

Presented below are the assumptions used to develop the Long Range Financial Plan Scenario A contained in Appendix A.

REVENUES

2012-13 figures are from the budget approved in June 2012. For 2013-14 and subsequent years, the following revenue assumptions were used:

- **Tobacco Tax** – The California Department of Finance (DoF) prepared revised projections of First 5 tobacco tax revenues in May 2012. These take into account the effects of the federal tobacco tax, other declines in state tobacco tax revenues (such as those due to general economic conditions), Prop 99 backfill amounts and other factors. The projections cover the 2012-2016 period.

The DoF projections for Alameda County show expected annual drops of 5% for the 2012-2016 period. However, actual tax revenues for the period 2010-12 have exceeded the estimates by as much as 2%. They are as follows:

<u>Fiscal Year</u>	<u>DoF Projection</u>	<u>Actual Revenue</u>
2010-2011:	\$14.0m	\$14.3m
2011-2012:	\$13.8m	\$14.5m
2012-2013:	\$13.3m	\$13.7m(est.)

Which appears to support a slightly lower rate of decline at an average of about 3.5%. Thus, for the purposes of this Long Range Financial Plan, the rate of decline has been maintained at 3.5% over the 2012-2016 time frame and at 2.5% thereafter. It is anticipated that tobacco tax collections will not continue to decline at a much steeper rate, but instead, “flatten out” over the following four years.

- **Fiscal Leveraging** – From FY 2009-10, fiscal leveraging revenues consist entirely of federal reimbursements under the Medi-Cal Administrative Activities (MAA) program. It is assumed that programs eligible for MAA claiming will be sustained throughout the 2013-17 strategic plan period and that these will be maintained at 2011-12 rates.
- **Other**– Private Grant Revenues from the Long foundation are expected to continue through the FY 2014-15 period. Other grant revenues in 2013-16 consist of the California Department of Education, Early Learning Challenge Grant for Race to the Top.

Interagency income represents SAMHSA federal grants for Project LAUNCH and Early Connections; Reimbursement from First 5 Contra Costa for hospital outreach coordinator services. The State grant is for CARES PLUS. When new grants are awarded, the Long Range Financial Plan will be revised accordingly.

- **Investment Revenue** – The 2012-13 budget estimates investment income to be earned at a rate of approximately 1.6% of the beginning fund balance. To be conservative and to reflect the sustained low interest rates of recent years, investment income is estimated to be 3.0% of the average fund balance for the period thereafter.

EXPENSES

2012-13 figures are from the budget approved in June 2012. For fiscal years 2016-21, total expenses have been reduced so as to leave a minimum fund balance as recommended below. The plan does not provide for any cost of living allowances. It is assumed that inflationary increases will be well within the range of annual budgetary savings, as in previous years.

MINIMUM FUND BALANCE REQUIREMENTS

The Sustainability Fund cannot be spent down to zero; some funds must be maintained as an operating reserve to cover ongoing cash flow requirements to act as a buffer if there are delays in receiving state tobacco tax revenues or other revenues. The recommendation is to maintain an amount in the Fund Balance, at a minimum, equal to six months of operating expenses plus an amount to cover fiscal obligations under the Reduction in Workforce Policy (currently about \$500,000).

APPENDIX C – HISTORICAL BACKGROUND

The Long Range Financial Plan tool was designed to strategically guide the use of First 5 Alameda County’s Sustainability Fund. The Sustainability Fund was established by the First 5 Alameda County Commission as a strategy to ensure a long term commitment to funding services for children age 0-5, even as the tobacco tax revenue declined.

The Sustainability Fund is projected to be approximately \$30 million at the end of the current fiscal year (2012-13) and was accumulated in a number of ways over the past ten years. First, the Fund developed through the initial reserve that occurred when tax dollars were accumulated but funds could not be spent until a Strategic Plan was passed (Jan. 1999-Jan. 2000). In addition, contributions to the Sustainability Fund were budgeted over a number of years (2001-2004). Finally, budgeted funds that remained unspent were directed by the Commission to the Sustainability Fund rather than rolling to the subsequent year’s budget (2001-present).

It is important to note that Sustainability Funds have been budgeted for program use since 2005-06, which means that expenses have been projected higher than revenues in each of those years, but budget savings in those years made it unnecessary to draw from the Fund. However, changes to budgeting procedures were instituted for the 2009-10 budget to reduce over-budgeting of expense line items. These changes have resulted in draws from the Sustainability Fund since FY2009-10. The plan assumes that Sustainability Funds will continue to be used to maintain a balanced budget.

The following is the use of sustainability funds as indicated in the Long Range Financial Plan:

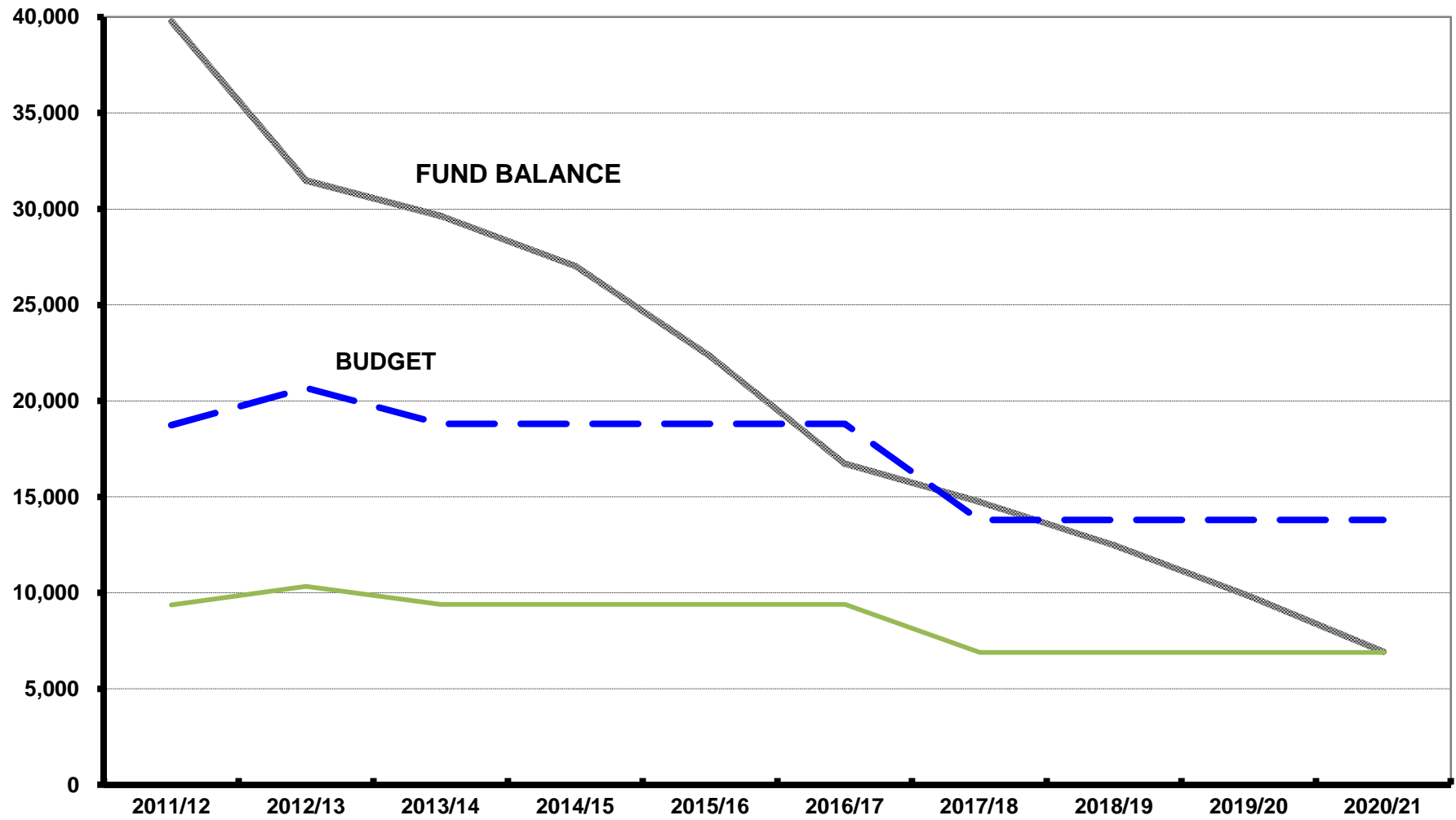
<u>Fiscal Year</u>	<u>Draw Down From Sustainability(\$ms)</u>	
	<u>Planned draw down</u>	<u>Actual amount drawn</u>
2009-10	\$6.9m	\$3.3m
2010-11	\$9.3m	\$6.7m
2011-12	\$4.1m	\$0.8m
2012-13	\$3.0m	\$2.5m (est.)
2013-14	\$1.8m	-
2014-15	\$2.6m	-
2015-16	\$4.7m	-
2016-17	\$5.6m	-
2017-18	\$1.9m	-
2018-19	\$2.3m	-
2019-20	\$2.6m	-
2020-21	\$2.9m	-

First 5 Alameda County: LONG RANGE FINANCIAL PLAN 2013-2021

VERSION DATE - 3/15/2013

Dollars in Thousands	2009-13 Strategic Plan		2013 - 2017 Strategic Plan				2017 - 2021 Strategic Plan			
	Actual	BUDGET	Projections							
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Beginning Fund Balance	40,517	39,768	31,486	29,642	27,028	22,332	16,727	14,750	12,487	9,846
REVENUES										
Prop 10 Tobacco Tax	14,572	13,510	13,037	12,581	12,141	11,716	11,423	11,137	10,859	10,587
Interagency Income										
- ACBHCS Early Connections(SAMHSA)	455	391	278	278	70	0				
- ACPHD Project LAUNCH (SAMHSA)	860	579	608	152	0	0				
- ACPHD ECCHANGE Hosting & Mtce	75	75	87	87	91	91				
HMG Linkage Line	143	143	250	250	250	250				
- First 5 Contra Costa	119	119	139	139	139	139				
Fiscal Leveraging										
- MAA	737	700	700	700	500	500				
Grants										
Federal - HMG Earmark #2	66	400	0							
- Race To The Top		538	607	724	413	0				
State - CARES PLUS	295	300	300	300	0	0				
Private - Long Foundation	327	400	450	475	0	0				
- Kellogg Foundation		33								
Investment Income	304	500	500	500	500	500	400	400	300	300
Miscellaneous Income	39									
TOTAL REVENUES	17,992	17,688	16,956	16,186	14,104	13,196	11,823	11,537	11,159	10,887
EXPENSES										
9 Strategies & Contracts Admin.	15,552	18,086	16,497	16,497	16,497	16,497	12,200	12,200	12,200	12,200
Finance/HR/Administration	978	1,050	1,114	1,114	1,114	1,114	900	900	900	900
Infrastructure(SIS/Overheads/Prof.Svc)	2,211	1,534	1,189	1,189	1,189	1,189	700	700	700	700
TOTAL BUDGETED EXPENSES	18,741	20,670	18,800	18,800	18,800	18,800	13,800	13,800	13,800	13,800
CASHFLOW										
Building costs		5,300								
Total Disbursements	18,741	25,970	18,800	18,800	18,800	18,800	13,800	13,800	13,800	13,800
Excess of Disbursements over Receipts	(749)	(8,282)	(1,844)	(2,614)	(4,696)	(5,604)	(1,977)	(2,263)	(2,641)	(2,913)
Ending Fund Balance	39,768	31,486	29,642	27,028	22,332	16,727	14,750	12,487	9,846	6,933
MINIMUM FUND BALANCE REQUIRED (50% OR 6 Months of annual disbursement)	9,371	10,335	9,400	9,400	9,400	9,400	6,900	6,900	6,900	6,900
Ending Fund Balance:										
Committed for Stabilization	\$ 39,768	\$ 31,386	\$ 19,642	\$ 27,028	\$ 22,332	\$ 16,227	\$ 14,750	\$ 12,487	\$ 9,846	\$ 6,933
Transferred to Foundations		\$ 10,000								
Provision for Reduction in Workforce Policy	\$ -	\$ 100	\$ -	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ending Fund Balance	\$ 39,768	\$ 31,486	\$ 29,642	\$ 27,028	\$ 22,332	\$ 16,727	\$ 14,750	\$ 12,487	\$ 9,846	\$ 6,933

LONG RANGE FINANCIAL PLAN - FORECASTED BUDGET, FUND BALANCE & MINIMUM FUND BALANCE RESERVE (\$000s)





To: First 5 Alameda County Commission Meeting

From: Mark Friedman, CEO
Mark R Rasiah, Financial Controller

Date: March 21, 2013

Subject: 2013-14 Budget Proposal – First Reading

ACTION REQUESTED

To review and adopt the First Reading of the following 2013-14 Budget Proposal.

BACKGROUND

Each First 5 agency is required by statute to pass a Strategic Plan that outlines the use of the tobacco tax funds to serve children age 0-5 and their families. The First 5 Alameda County Commission has approved a four-year Strategic Plan for FY 2013-17. The Strategic Plan was prepared after extensive program and needs assessment and community and stakeholder input. This budget proposal covers the first year of that period, 2013-14, and includes the strategies and programs outlined in the Strategic Plan. This proposed budget covers the first year of a two-year budget for the 2013-2015 budget cycle. The budget proposal for the second year is similar to the first year. Any revisions to the current budget proposal will be brought before the Commission in May 2013.

This presentation is the first reading of the 2013-14 budget proposal. Staff will prepare the second and final reading for the May Executive and Commission meetings, and will incorporate in the interim any changes directed by the Commission as well as new information, if any, related to the Tobacco tax and other revenue streams. In addition, the presentation in May will include the list of contracts that exceed \$50,000 which require Commission authorization.

As is the practice of First 5 Alameda County, changes that occur during the course of the fiscal year will be formally incorporated into the budget during the mid-year Budget Modification in January 2014.

CURRENT BUDGET PROPOSAL

This document provides a fiscal summary of revenue projections and budgeted expenditures as follows:

- First 5 staff salaries and benefits
- Grants, contracts, and stipends
- Professional Service costs
- Operating Costs
- Infrastructure costs

The following Revenue and Expense by strategy projections reflect the priorities of the 2013-2017 Strategic Plan that was approved by the Commission in December 2012. All Program areas are presented before the distribution of allocable administrative costs. Infrastructure costs (which include major items such as building maintenance costs, database hosting and computer network support) are presented in full, rather than as allocations. This was done in order to provide a comprehensive picture of the total indirect cost of supporting all programs.

REVENUE AND AVAILABLE FUNDS 2013-14

Prop 10 Tobacco Tax allocation and other Revenue for FY 2013-2014 is projected to be nearly \$17 million and consistent with the Long Range Financial Plan, funds from the Sustainability Fund amounting to \$1.8 million are budgeted to close the gap between decreasing Tobacco Tax revenue and projected expenses. Prop 10 Tobacco taxes are expected to decline by an average of 3.5% or nearly half a million dollars each year.

LINE ITEM	2013-14 PROPOSED	RATIONALE
Prop 10 Tobacco Tax	\$13,037,150	Tobacco tax revenue projection is based on assessment of current year trend through February 2012 and First 5 California projections for county commissions.
Interagency Income	\$1,362,444	<p>The SAMHSA (Substance Abuse Mental Health Services Administration) Project LAUNCH federal grant for a place-based strategy designed to promote the healthy development of young children within the targeted East Oakland community from Alameda County Public Health Department (PHD) was committed for \$608,237.</p> <p>The SAMHSA Early Connections federal grant for a six-year project that creates an infrastructure for a system of care for children ages 0-5 and their families from Alameda County Behavioral Health Care Services (BHCS) was committed in the amount of \$278,000. The remainder is for the Help Me Grow (HMG) Pathways Linkage Line (\$250,461), reimbursement from First 5 Contra Costa for a full-time staff person for hospital outreach in Contra Costa County (\$139,072) and reimbursement from ACPHD for database hosting and maintenance costs (\$86, 674).</p>
Grants	\$1,357,000	<p>The Federal Grant amount consists of the California Department of Education Race to the Top Early Learning Challenge grant (\$607,000).</p> <p>The State Grant consists of a Comprehensive Approach to Raising Educational Standards (CARES) Phase II grant (\$300,000), which is under consideration and is not guaranteed at this point. As more information comes in this figure will be revised, prior to adoption.</p> <p>A grant from The Long Foundation (\$450,000) was committed to expand the School Readiness program.</p>
Fiscal Leveraging	\$700,000	Medi-Cal Administrative Activities (MAA), based on conservative estimates of actual invoices submitted for MAA in 2011-12.

LINE ITEM	2013-14 PROPOSED	RATIONALE
Investment Revenue	\$ 500,000	To be conservative and to reflect the sustained low interest rates climate of recent years, investment revenue yield is estimated to be under 2%, and also assumes a decreased fund balance due to the transfer of \$10 million to the San Francisco Foundation.
Sustainability Fund	\$1,843,406	This amount is consistent with the Long Range Financial Plan approved in June 2012. That Plan allows for up to \$2.135 million in Sustainability Funds to maintain programs in 2013-2014.
Grand Total	\$18,800,000	

EXPENDITURES 2013-14

Under the 2013-2017 Strategic Plan program groups were categorized under nine major strategies. The following Expense proposal provides the cost of each of the nine strategies as envisaged in the Strategic Plan. Also provided are the cost of Contracts and Grants Administration and Agency wide Consolidated Operating Expenses. The Strategy expenditures presented below consist of Salaries and Benefits, Program related Contracts, Grants and Professional Services Costs and Direct Program Costs. They exclude shared or indirect Infrastructure costs which are shown separately. The budget will be approved at the Strategy level as shown below. The budget narrative provides some detail on each Strategy and is to be read in conjunction with the Strategic Plan.

Strategies are supported by facilities, infrastructure and data systems. These costs are shown separately as Infrastructure Costs in the proposed budget. The goals of this format of presentation are two-fold. Firstly, to disclose the full cost of each infrastructure component or fixed overhead cost in total rather than as an allocated cost. Secondly, in a declining funding environment keeping track of operating and overhead costs in one place can lead to better tracking, financial control and reporting.

Consistent with legislative requirements brought about by AB 109, expense costs continue to be separated into three cost categories: Program, Evaluation and Administration. The expenses in each category are consistent with First 5 California guidelines, and those set forth in the Government Finance Officers Association's First 5 Financial Management Guide.

Salaries and Benefits

For FY 2013-2014, total salaries and benefits are projected to be \$6.7 million. Salaries are budgeted based on actual amounts. Benefits are budgeted at 50% of salaries. Consistent with direction from the Commission, the approved benefit package has remained mostly consistent with the Alameda County benefit package, including membership in the Alameda County Employee's Retirement Association (ACERA), health and dental benefits, life insurance and a flexible benefit of \$1,500 to offset health, life insurance or flexible spending account costs. The 50% allocation is based on actual cost estimates that are revised periodically as needed.

Continuum of Care and Linkages for Children and Families (COCL)

The total COCL budget proposal for 2013-14 is \$7,790,199 and consists of:

STRATEGY	2013-14 PROPOSAL	FUNDING SOURCES	COMMENTS
Home Visiting.	\$3,510,991	Tobacco Tax, Medi-Cal Administrative Activities (MAA), Other Sources	Home-Based Family Support
Help Me Grow	\$2,279,716	Tobacco Tax, Medi-Cal Administrative Activities (MAA), Behavioral Health Care Services funding for Pathways data system, Federal Grant, Kellogg Foundation.	Coordinated and streamlined system of early identification and referral
Early Connections	\$386,170	Behavioral Health Care Services (SAMHSA Federal Grant)	Approach to connect and strengthen the services, support, environments, and policies that impact young children and their families
School Readiness Includes Literacy, Kindergarten Readiness and Transition	\$843,697	Tobacco Tax, Long Foundation Private Grant	Community-Based School Readiness Services
Place Based -Project LAUNCH	\$769,625	Public Health Department (SAMHSA Federal Grant)	Integrates all strategies at the community level
Total Continuum of Care And Linkages	\$7,790,199		

Community and Provider Capacity Building (PCB) & Program Operations

The Provider Capacity Building (PCB) & Program Operations budget proposal for 2013-14 is \$6,167,428 and consists of:

STRATEGY		2013-14 PROPOSAL	FUNDING SOURCES	COMMENTS
Grants for Community Support		\$2,058,686	Tobacco tax	Programs funded in various strategy areas, dependent on funding priorities selected by the Commission
Quality ECE		\$3,643,758	Tobacco Tax, California Department of Education Race to the Top Early Learning Challenge grant	Integrated Child Care Quality Support System Includes: Quality Counts and Child Care Capital Grants, College and University Education, Child Development Mental Health Strategies and Early Learning.
Training & Capacity Building		\$464,984	Tobacco Tax	Provider Capacity Building
Total Provider Capacity Building		\$6,167,428		

Early Childhood Policy Advocacy and Communication (PAC)

The Policy Advocacy and Communications budget proposal for 2013-14 is \$757,035 and consists of:

PROGRAM	2013-14 PROPOSAL	FUNDING SOURCES	COMMENTS
Policy agenda, Systems Change & Sustainability and linking with health reform.	\$757,035	Tobacco Tax	Workgroup consists of leadership team staff from each of the strategy areas. Includes a provision of \$350,000 for collateral design and general policy initiatives.
Total Policy Advocacy	\$757,035		

Evaluation and Technology

The Evaluation and Technology (E&T) budget proposal for 2013-14 is \$1,231,063 and consists of:

PROGRAM	2013-14 PROPOSAL	FUNDING SOURCES	COMMENTS
Evaluation, Database, Technical Assistance.	\$1,231,063	Tobacco Tax, Behavioral Health Care Services (SAMHSA Federal Grant), Long Foundation Private Grant. Medi-Cal Administrative Activities (MAA). Race To The Top (RTT) Early Learning Challenge grant	Includes: internal and external evaluation activities, including LAUNCH and Long Foundation Special Studies, HMG, RTT, CARES PLUS and School Readiness evaluations; ECC Online and ECChange databases, only portions used for internal evaluation; provision of evaluation technical assistance to providers.
Total Evaluation and Technology	\$1,231,063		

Awards Administration & Consolidated Operating Expenses

The Awards Administration & Consolidated Operating Expenses Budget proposal for 2013-14 is \$550,937 and consists of:

FUNCTION	2013-14 PROPOSAL	FUNDING SOURCES	COMMENTS
Contracts & Grants Administration. Consolidated Operating Costs	\$550, 937	Tobacco Tax, Medi-Cal Administrative Activities (MAA)	Common program Operating Expenses have been consolidated within this program
Total Awards and Operating Expenses	\$550, 937		

Administration

The Administration budget proposal for 2013-14 is \$1,114,404.

FUNCTION	2013-14 PROPOSAL	FUNDING SOURCES	COMMENTS
Administration, Commission, Finance, Human Resources and Facilities Management	\$1,114,404	Tobacco Tax, Medi-Cal Administrative Activities (MAA)	Includes centralized agency wide staff development costs under HR.
Total Administration	\$1,114,404		

Infrastructure

The Infrastructure budget proposal for 2013-14 is \$1,188,935. This budget group consists of all fixed and overhead costs incurred by First 5 Alameda County, in providing services.

FUNCTION	2013-14 PROPOSAL	FUNDING SOURCES	COMMENTS
Copying, Database Management, Network Support, Building maintenance, Equipment leases, Communications, Insurance, postage, Professional Services etc.	\$1,188,935	Tobacco Tax, Medi-Cal Administrative Activities (MAA), Grants.	See note above
Total Infrastructure	\$1,188,935		
Grand Total	\$18,800,000		

Administrative Cap

As part of the agency Finance Policy and consistent with AB 109 and SB 35, First 5 Alameda County has set an administrative cost cap of 10%. Costs are segregated through the year into the Program, Evaluation and Administrative divisions according to guidelines and definitions set forth by First 5 California and in the Government Finance Officers Association (GFOA) First 5 Financial Management Guide.

The proposed budgets’ administrative costs do not exceed the cap. They are:

2013-14 ADMINISTRATIVE CAP	
Program	86.9%
Evaluation	6.9%
Administration	6.2%
TOTAL	100.00%

Fiscal Impact

The fiscal impact is \$18,800,000 in budgeted expenses, a major portion of which will be funded by a combination of Prop 10 and other revenue sources amounting to \$16,956,594. The balance is expected to be funded by the use of Sustainability funds in the amount of \$1,843,406 in FY 2013-14.

This amount is within the range set forth in the Long Range Financial Plan figures approved in June 2012. That plan projected up to \$2.1 million in Sustainability Funds to be used to maintain programs in 2013-14.

RECOMMENDATION

To review and approve the First Reading of the FY 2013-14 Budget Proposal.

Submitted by:

Reviewed by:

Mark R Rasiah
Financial Controller

Mark Friedman
Chief Executive Officer

**First 5 Alameda County
Proposed Revenue and Available Funds Budget
For the Period July 1, 2013 - June 30, 2014**

Revenues	Actual* Revenue FY 2011-12	Adopted Budget FY 2012-13	Proposed Budget FY 2013-14	Variance %
Prop 10 Tobacco Tax	14,572,161	13,510,000	13,037,150	-4%
Interagency Income				
- ACBHCS Early Connections(SAMHSA)	454,871	390,667	278,000	-29%
- ACPHD Project LAUNCH (SAMHSA)	859,630	579,039	608,237	5%
- ACPHD ECCHANGE Hosting & Mtce	74,700	74,700	86,674	16%
- HMG Linkage Line	142,524	142,524	250,461	76%
- First 5 Contra Costa	119,070	119,070	139,072	17%
Total Income from Alameda Co. Agencies	1,650,795	1,306,000	1,362,444	4%
Grants				
Federal- HMG Earmark #2	66,767	400,000	0	-100%
- Race To The Top		538,000	607,000	13%
State - CARES PLUS	295,426	300,000	300,000	0%
Private - Long Foundation	326,900	400,000	450,000	13%
- Kellogg Foundation		34,000	0	-100%
Total Grants	689,093	1,672,000	1,357,000	-19%
Fiscal Leveraging				
MAA	737,148	700,000	700,000	0%
Total Fiscal Leveraging	737,148	700,000	700,000	0%
Investment Revenue	303,972	500,000	500,000	0%
Misc.Income	39,527			
TOTAL REVENUE	17,992,696	17,688,000	16,956,594	-18%
Available Funds				
Sustainability Funds	748,960	2,982,000	1,843,406	-38%
TOTAL REVENUES & AVAILABLE FUNDS	18,741,656	20,670,000	18,800,000	-9%

* Source: Audited Financial Statements

**First 5 Alameda County
Proposed Expenditure Budget
For the Period July 1, 2013 - June 30, 2014**

Expenditures	Actual* Expenses FY 2011-12	Adopted Budget FY 2012-13	Proposed Budget FY 2013-14	Variance %
Personnel Costs	6,430,860	6,749,461	6,699,190	-1%
Contracts	8,670,665	9,624,065	8,357,981	-13%
Grants	2,008,784	2,366,400	2,065,000	-13%
Professional Services Contracts	86,242	294,250	179,250	-39%
Program Operating Costs	434,940	720,308	972,449	35%
Infrastructure Costs	1,136,926	915,517	526,130	-43%
TOTAL EXPENDITURES	18,768,417	20,670,000	18,800,000	-9%

* Source: Audited Financial Statements

**First 5 Alameda County
Proposed Expenditure Budget
For the Period July 1, 2013 - June 30, 2014**

	COCL	PCB	PAC	E & T	AWARDS	ADMIN	INFRA	TOTAL
	Proposed FY 2013-14	Proposed FY 2013-14	Proposed FY 2013-14	Proposed FY 2013-14	Proposed FY 2013-14	Proposed FY 2013-14	Proposed FY 2013-14	Proposed FY 2013-14
<u>Personnel Costs</u>								
Salaries & Benefits	2,511,100	1,659,502	390,035	827,063	301,937	1,009,554		6,699,191
<u>Program Contracts/Grants</u>								
Contracts	4,952,000	2,101,176	362,000	374,000			568,805	8,357,981
Grants & Stipends		2,065,000						2,065,000
Professional Services Contracts	60,000	25,250					94,000	179,250
Total Contracts/Grants	5,012,000	4,191,426	362,000	374,000	0	0	662,805	10,602,231
<u>Program Operating Costs</u>	267,099	316,500	5,000	30,000	249,000	104,850		972,449
TOTAL DIRECT PROGRAM COSTS	7,790,199	6,167,428	757,035	1,231,063	550,937	1,114,404	662,805	18,273,871

INDIRECT COSTS

Communications	30,000	30,000
Copying/Printing/Postage	40,000	40,000
Equipment Leases/Supplies	6,000	6,000
Equipment Purchase	20,000	20,000
Insurance	85,000	85,000
Membership and Dues	24,000	24,000
Professional Services	118,000	118,000
Building Maintenance	65,000	65,000
Depreciation	138,130	138,130
Total Infrastructure	1,188,935	526,130

TOTAL

18,800,000

2013-2014 PROPOSED PERSONNEL ALLOCATION

Positions Expressed in Full Time Equivalent Units (FTE)

BUDGETED FTE's

	<u>2010 - 2011</u>	<u>2011 - 2012</u>	<u>2012 - 2013</u>	<u>PROPOSED BUDGET 2013 - 2014</u>	
	PERMANENT FTE	PERMANENT FTE	PERMANENT FTE	PERMANENT FTE	CHANGE FTE
ALL PROGRAMS	53.31	40.85	43.05	41.25	(1.80)
EVALUATION & TECHNOLOGY	7.50	5.50	5.50	6.63	1.13
FINANCE/HR/ADMIN	10.50	7.88	7.88	8.38	0.50
TOTAL BUDGETED PERSONNEL	71.31	54.23	56.43	56.26	(0.17)



To: First 5 Alameda County Commission Meeting

From: Mark Friedman, CEO

Date: March 21, 2013

Subject: Strategic Collaboration Proposal

REQUESTED ACTION

To discuss and approve the proposal for transferring funds to the San Francisco Foundation and Philanthropic Ventures Foundation in order to form strategic collaborations to work towards First 5 program sustainability.

BACKGROUND

Since February of 2012 we have been discussing strategic collaborations with a variety of community foundations. Last year we developed a request for proposal and received proposals from the San Francisco Foundation, Philanthropic Ventures Foundation, and the East Bay Community Foundation. Subsequently the East Bay Community Foundation withdrew their proposal. After working with F5AC legal counsel Remcho, Johansen, and Purcell to ensure that this action was not in contravention of any laws governing the use of public funds, we entered into negotiations with the San Francisco Foundation and the Philanthropic Ventures Foundation.

The San Francisco Foundation would charge us 50 basis points for managing this fund. They will also pass along any fees from their money managers, which can be 50 to 80 basis points. On an initial investment of \$5 million the fees to the San Francisco Foundation would be \$25,000. The San Francisco Foundation's money managers have been receiving a 5% to 10% return on their investments over the last three years. By contrast our money managers are receiving about a 1% return. However, the San Francisco Foundation does invest in equities, and we do not. The San Francisco Foundation will assign a program officer to work closely with us to develop donors to leverage the funds we place with them.

The Philanthropic Ventures Foundation will also charge 50 basis points and no money manager fees as they place their funds in a money market which yields a low return but

has little risk. Their CEO Bill Somerville and the Executive Director James Higa will work directly with our staff to develop leveraged funding opportunities.

Among the most attractive opportunities presented by these strategic collaborations will be the potential to attract additional funding to be used to assist young children in Alameda County. Donors will be able to make tax deductible contributions easily and existing foundation donors will be offered the opportunity to contribute.

Originally we were looking at these collaborations as a way to shelter our funds from a future state of California redirection of First 5 funds. With the dramatically improved state budget outlook and projections, this aspect of the collaborations seems much less necessary. It is also unlikely that we will need to draw down the principal invested within the first two or three years of transferring the funds. However, the principal will be drawn down thereafter to pay our partners in the community. First 5 staff will determine which contracts will be paid out of the proceeds of this investment and work with the two foundations to develop processes for payment with the understanding that First 5 retains all programmatic oversight.

Fiscal Impact

The fiscal impact of this decision will be an initial transfer of \$10 million (\$5 million to each foundation) to the two partnering foundations. The 50 basis points fees charged by each foundation will be an increase of 38 basis points or \$38,000 from the fees we are paying our current money managers. Some of this increase may be offset by higher returns on the money invested by the San Francisco Foundation because they would not be using the same investment policy that First 5 Alameda County uses. This action will reduce our fund balance (currently \$30 million) by the amount transferred and will result in this amount being taken off our books permanently.

RECOMMENDATION

That the Commission authorize staff to execute contracts for strategic collaborations for \$5 million each with the San Francisco Foundation and the Philanthropic Ventures Foundation and transfer the money to them during FY 2013-14.

Submitted by:

Reviewed by:

Mark Friedman, CEO

Mark R Rasiah, Financial Controller and
Christine Hom, Contracts Administrator



To: First 5 Alameda County Commission
From: Mark Friedman, CEO
Date: March 21, 2013
Subject: 2011-12 First 5 California State Annual Report

REQUESTED ACTION

To review and approve the 2011-12 First 5 California State Annual Report

BACKGROUND

Proposition 10 legislation requires each county Commission to conduct one public hearing on the First 5 California State Annual Report. The report is a compilation of data collected from counties that participate in statewide initiatives including Power of Preschool, Health Access and School Readiness. The report also summarizes the county results on the state identified focus areas: Family Functioning, Child Development, Child Health and Systems of Care. The report can be downloaded at:

http://www.cafc.ca.gov/pdf/annual_report_pdfs/Annual_Report_11-12.pdf

FISCAL IMPACT

There is no fiscal impact for this approval.

RECOMMENDATION

To review and approve the 2011-12 First 5 California State Annual Report

Submitted by:

Reviewed by:

Mark Friedman,
Chief Executive Officer

Janis Burger,
Deputy Director

Building a Strong
Foundation for
Our Future



2011-2012



FIRST 5 CALIFORNIA ANNUAL REPORT





FIRST 5 CALIFORNIA 2011–2012 ANNUAL REPORT
health ■ education ● services ▲ support



Building a Strong Foundation for Our Future

MESSAGE FROM THE EXECUTIVE DIRECTOR

First 5 California envisions our state as a place where all children show up to kindergarten ready to learn at their highest potential.

Fourteen years ago, the voters of California made the sound decision to dedicate a steady stream of resources to invest in our youngest children. We are fortunate to live in a state that believes that as a matter of public policy we should invest in programs, systems and other solutions to provide every child a similar opportunity to arrive at the school house door intellectually, socially and developmentally equipped to learn.

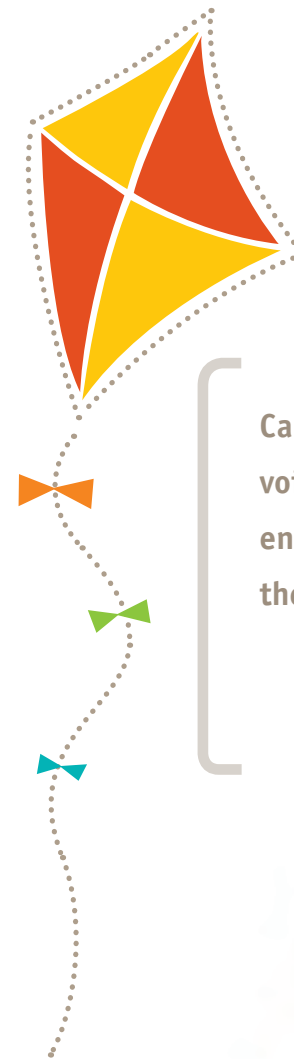
Since the voters passed Proposition 10 in 1998, the State and county commissions have built a network of critical services to meet the needs of children ages 0 to 5 and their families—especially those most at risk. That network has mattered more than ever during the economic recession. Not only have the unemployment trends left more families without a wage-earning adult, but the seemingly irreparable state budget deficit has left many traditional safety net services unfunded. In these dire times, the strength, capacity and resourcefulness of the First 5 movement has become more relevant than ever in identifying and supporting children and families that might otherwise fall through the cracks.

Today, First 5 California's momentum is fueled by its Child, Parent and Teacher Signature Programs. Collectively, these programs are an investment in improving the home and early learning environments to improve each child's chances of success in school. Recognizing the inextricable connection between healthy young minds and bodies, the State and local commissions invest heavily in developmental screenings and services, as well as nutrition and child developmental education. Collectively, these efforts are strategically designed to increase family resiliency, especially in our most at-risk communities.

As these Signature Programs reach full implementation over the next year or so, the State Commission will be refreshing its strategic plan based on data designed to tell us what works, and with an honest assessment of the greatest challenges facing our young children today.

First 5 California is honored to be the steward of the resources dedicated under Proposition 10 and is dedicated to its mission to become the unequivocal voice for children ages 0 to 5. We look forward to our deepening partnership with the 58 county commissions as we press for quality early childhood education and family resources—to make sure that the youngest Californians among us thrive.

Reneé Webster-Hawkins
Interim Executive Director, First 5 California



California's unequivocal
voice for children 0 to 5 to
ensure greater equity in
their readiness for school.

— *First 5 California*
Mission Statement





Our Vision

All children in
California enter
school ready to
achieve their
greatest potential.

— *First 5 California
Vision Statement*

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A close-up photograph of a woman with long dark hair, wearing a white t-shirt, leaning over a young child with dark hair, also wearing a white t-shirt. They are outdoors, with a bright green background suggesting grass. The woman is holding an open book, and the child is looking intently at the pages. The lighting is warm and natural, highlighting their faces and the texture of their clothing.

.....

First 5 California supports parents as a child's first teacher. Parents who read to their toddler every day can help their child develop a lifelong love of learning.

Getting California's Young Children Ready for School

LEADERSHIP: FIRST 5 CALIFORNIA

In 1998, California voters passed Proposition 10—the California Children and Families Act (the Act)—and declared the importance of investing in a better future for California's youngest children. For the past 14 years, the First 5 California Children and Families Commission (First 5 California) has established quality standards and invested in the development of programs and services emphasizing improvement in early education, child care, social services, health care, research and community awareness.

The vision of First 5 California is for all children in our state to enter school ready to achieve their greatest potential, and the mission of First 5 California is to be recognized as California's unequivocal voice for children 0 to 5 to ensure greater equity in their readiness for school.

STRUCTURE: STATE AND COUNTY

The Act established an independent seven-member state-level Commission appointed by the California Legislature and Governor, with the Secretary of

the California Health and Human Services Agency serving as an ex-officio member. The Commission appoints the First 5 California Executive Director. As this annual report went to press, René Webster-Hawkins was serving as Interim Executive Director. The Commission's new Executive Director, Camille Maben started in mid December.

The Act also authorized the establishment of 58 First 5 county commissions and required that each develop and update a local strategic plan based on the assessed needs of children and families in the county. The members of each First 5 county commission are appointed by the county board of supervisors. Each county commission includes two members selected from county health and local health-related service agencies, as well as one member of the appointing county board of supervisors. Members can also be selected from other child development organizations within the county.

First 5 California prepares guidelines to assist the county commissions in the update and execution of their strategic plans. First 5 California also collects and reviews each county commission's annual report, and includes county-level data in this state-level annual report.

EXHIBIT 1: First 5 California Commission Members FY 2011/12

COMMISSION MEMBERS:

Jennifer Kent, Chair
Appointed by Governor

Patrick Duterte, Vice Chair
Appointed by Governor

Molly Munger, Vice Chair
*Appointed by Speaker of the Assembly
(Term expired fall 2011)*

Magdalena Carrasco
Appointed by Governor

Maria Minon, M.D.
*Appointed by Governor
(Term expired fall 2011)*

Conway Collis
Appointed by Speaker of the Assembly

Kathryn Icenhower
Appointed by Speaker of the Assembly

Joyce Iseri
Appointed by Senate Rules Committee

Casey McKeever
Appointed by Senate Rules Committee

EX-OFFICIO MEMBER:

Diana Dooley
Secretary of the California Health and Human Services Agency



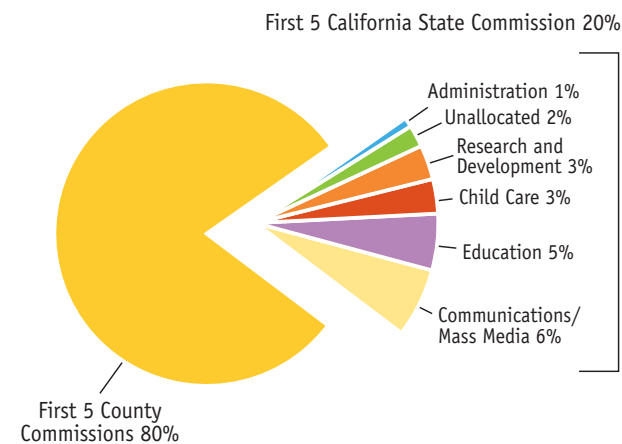


PARTNERSHIPS: WORKING TOGETHER

First 5 California works with First 5 county commissions to further the goals of the Act. Partnerships focus on implementation of Signature Programs for Child, Parent and Teacher; data collection and evaluation for Signature Programs; research design; and, continuous policy and program improvement for children and families. First 5 California provides technical assistance to First 5 county commissions in the areas of data collection, outreach and Signature Program implementation.

In sum, while the Act directs the State and county commissions to achieve common goals and outcomes for children aged 0 to 5, it empowers each individual commission to develop its own strategic plan and programs to accomplish those goals according to the needs of local children and families. At the same time, as this report illustrates, First 5 California and the county commissions work as partners to implement the statewide Signature Programs and push for common policy goals.

EXHIBIT 2: First 5 California Children and Families Commission Funds—Allocation of State Portion



Source: Health and Safety Code Section 130105

ACCOUNTABILITY: FUNDING AND AUDIT RESULTS

Under the Act, the State Board of Equalization collects an excise tax levied on all tobacco products and deposits the revenue into the California Children and Families Trust Fund, allocating 20 percent to First 5 California and 80 percent to county commissions. In FY 2011/12, First 5 California received \$93.4 million.

The amount of funding allocated annually to each county commission is based on the annual number of births in the county relative to the total number

in the state. Each county must prepare an annual independent audit subject to guidelines prepared by the State Controller's Office. The counties invest their dollars in locally designed programs, as well as in First 5 California's statewide Signature Programs as match funding. First 5 county commissions use their funds to support local programs in four result areas:

- Child Development
- Child Health
- Family Functioning
- Systems of Care

First 5 California's Administrative Services Division, Contract and Procurement Division, and the Information Technology Office provide staff support for the following operations and systems:

- Fiscal management of the California Children and Families Trust Fund
- Tax revenue disbursements to county commissions
- Local agreement and program disbursement management
- Procurement and contract management
- Workforce recruitment and development
- Information technology
- Audits and annual fiscal reports
- Business services

The administration of these and other programs is consistent with all applicable state and federal laws, rules and regulations.

The California Department of Finance, Office of State Audits and Evaluations, conducted an audit of the First 5 California financial records for FY 2011/12. Submitted in November 2012, this report on the California Children and Families Trust Fund was free of any negative findings.

The State Controller's Office conducts an annual review of the 58 county commissions' independent audits. In November 2012, the Controller published its review of the counties' audits for FY 2010/11, and that review summarized several findings contained in the local audits, but did not deem any of the findings significant enough to withhold funding. See the full audit on attached disk.

PARTNERSHIPS AND LEVERAGING:
Promote collaboration with public and private partners, building on existing systems.

— *First 5 California Guiding Principle*



.....

Professionally trained
early care providers
create high-quality
learning environments to
stimulate children and
support their readiness
for kindergarten.



Serving California's Young Children, Parents and Teachers

First 5 California tracks progress in four key result areas to support evidence-based funding decisions, program planning and policies:

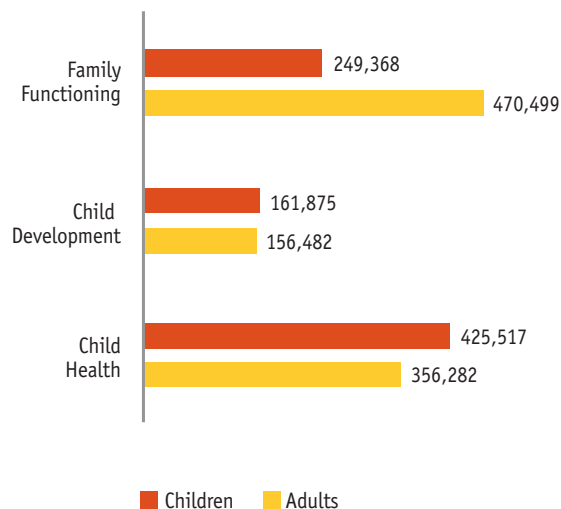
- Child Development
- Child Health
- Family Functioning
- Systems of Care

These result areas comprise a framework for reporting and assessing early childhood outcome data. Appendix A includes a complete description of the result areas and services for First 5 California and the 58 county commissions. This data reporting framework provides a statewide overview of number, type and costs of services provided to children and adults for a particular fiscal year.

Stakeholders can use this information as one source to determine impact and resource allocation from First 5 statewide.* Exhibit 3 contains the total number of services provided

to children ages 0 to 5 and adults in FY 2011/12 for the three result areas of Child Development, Child Health and Family Functioning.

EXHIBIT 3: Total Number of Services Provided to Children Ages 0 to 5 and Adults in FY 2011/12 Across Result Areas



Source: County Demographic Worksheet, November 2012
Photo courtesy of First 5 LA and Hope Street Family Resource Center. ▶

* Data reported in the text and all exhibits does not include data from First 5 Shasta County.





The total expenditures (\$460,410,265) for children ages 0 to 5 and adults receiving services in FY 2011/12 by result areas and providers are presented in Exhibits 4 and 5, respectively.

One result area, Systems of Care, differs from the others. It consists of programs and initiatives that support program providers in the other three result areas. In FY 2011/12, 33 percent of expenditures went toward community strengthening efforts; 38 percent toward service, outreach, planning, support and management; and, 30 percent toward provider capacity building, training and support.

PUBLIC SUPPORT: Build a foundation of support for a comprehensive, integrated and holistic early childhood development system.

— *First 5 California Guiding Principle*

EXHIBIT 4: Total Expenditures for Children Ages 0 to 5 and Adults Receiving Services in FY 2011/12 by Result Area

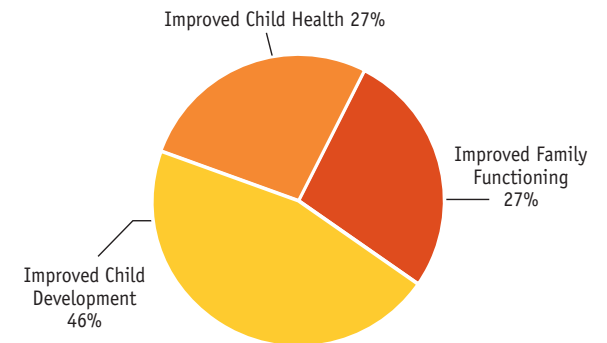
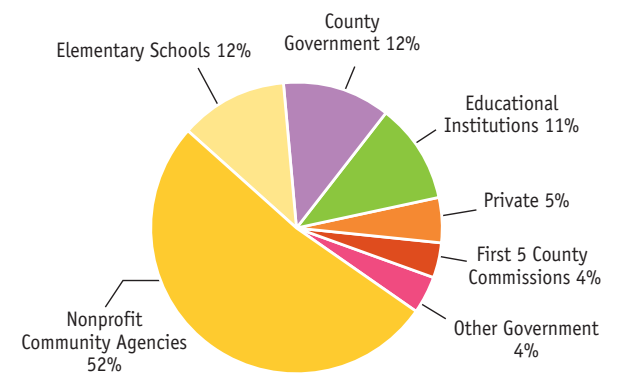


EXHIBIT 5: Total Expenditures for Children Ages 0 to 5 and Adults Receiving Services in FY 2011/12 by Provider



Source: County Revenue and Expenditure Summary, November 2012

Child Signature Program

CHILD DEVELOPMENT FOCUS

The cornerstone of First 5 California's strategy is to invest in quality preschool programs. National research indicates that high-quality preschools have a significant and positive impact on early childhood outcomes for disadvantaged and at-risk children with regard to cognitive, language and social development.¹ Approximately 50 percent of California's disadvantaged and at-risk 3- and 4-year-old children do not attend preschool, and even fewer attend high-quality preschool.² High-quality preschools go beyond the basics to provide opportunities for evidence-based learning activities, along with the development of nurturing and supportive relationships with teachers and caregivers.

Scientific studies conclude that high-quality preschool programs improve school readiness and lead to better academic achievement in elementary school.³ Cost-benefit and return on investment analyses demonstrate that investments in high-quality preschool generate substantial social and economic payoffs by reducing persistent social costs, such as unemployment, drug or alcohol abuse, and crime.⁴

LAUNCHING THE CHILD SIGNATURE PROGRAM

In October 2011, First 5 California launched the Child Signature Program as a consolidation of the State Commission's previous early learning programs. The purpose of this three-year strategic investment is to increase the quality of early child education and learning centers across the state. FY 2011/2012 served as a time for program development to design a research-based early learning program focused on:

- Instructional strategies and teacher-child interactions
- Social-emotional development
- Parent involvement and support

In Spring 2012, First 5 California issued the first two of three requests for applications for counties to participate in this statewide program. Program implementation will begin and be reported on in FY 2012/2013.





POWER OF PRESCHOOL

Begun in 2003, First 5 California's Power of Preschool (PoP) program is a high-quality, free, voluntary, part-day preschool for 0 to 5 year olds, across eight California counties. These counties are Los Angeles, Merced, San Diego, San Francisco, San Joaquin, Santa Clara, Ventura and Yolo. PoP actively reduces the achievement gap and improves school readiness among disadvantaged and underserved communities.

Between 2005 and 2011, First 5 California invested \$128 million in PoP demonstration programs. Data from all PoP sites in FY 2011/12 indicate that:

- Preschools are high quality: classroom environmental assessments rate an average of 5.8 out of a possible score of 7. Seven of the eight PoP counties reported average scores above 5 using the Early Childhood Environment Rating Scale instrument.
- Teachers are well qualified: 62 percent of Master Teachers have earned a bachelor's degree or higher.

PoP requires participating counties to use the Desired Results Developmental Profile 2010 (DRDP 2010)—a comprehensive assessment tool, to evaluate the progress of students. Ideally, the tool demonstrates that children progress through five

Power of Preschool actively reduces the achievement gap and improves school readiness among disadvantaged and underserved communities.

DRDP developmental levels, from lowest (Not Yet at First Level) to highest (Integrating). In FY 2011/12, PoP counties performed DRDP assessments during fall and spring for 22,252 of 26,381 children.

PoP in Yolo County included continued and increased participation in CSEFEL (Center on the Social Emotional Foundations for Early Learning). The implementation of CARES Plus—First 5 California's Teacher Signature Program—provided additional resources for teachers in Yolo County and increased opportunities for parent involvement. The teaching method promoted by PoP and CSEFEL plans for fewer and smoother transitions, and uses positive behavior support to replace disruptive behavior thus reducing classroom distractions. This led to happier, more content children and teachers who felt that they were making a real difference. Teachers utilizing this method had more efficient classrooms, more time to plan

their lessons, and more interaction and learning opportunities with students. Children with special needs were integrated into this method effortlessly. Rather than focusing on the individual child and what they may lack to function in the classroom, the CSEFEL model includes tools to integrate all children and helps identify where additional supports can be provided. This year, Yolo County was able to offer two separate CSEFEL Parent Training sessions which were well attended and appreciated by parents. As the year progressed, staff prepared the application and the plan to roll out the enhanced PoP Program, now known as the Child Signature Program. They collaborated with members of the community to reflect over the past seven years, and created a vision for the future of the program.

First 5 San Francisco's PoP program has used the Classroom Assessment Scoring System (CLASS™) to rate the quality of adult-child interactions in its preschool classrooms for several years now. It has been adopted as a cornerstone of the county's quality rating and improvement system because scientific research has shown that children attending classrooms that rate highly on the CLASS™ tool have higher academic achievement in school. In addition to helping fund assessments, PoP has funded professional development and coaching for teachers, including training specifically aimed

at improving adult-child interactions. In FY 2011/12, as part of the county's local evaluation, classrooms were randomly assessed on the CLASS™, and the gains since 2008 were impressive. San Francisco's PoP programs improved on 9 out of the 10 CLASS™ dimensions—significantly outpacing state and national averages. Emotional support scores improved to 6.1 on a 7-point scale (5 percent increase) and classroom organization scores improved to 5.5 (4 percent increase). Most importantly, instructional support scores, which are typically quite low statewide and nationally but most correlated with student achievement, improved to 3.4 (28 percent increase). With continued focus on adult-child interactions in the county, as well as State support through the Child and Teacher Signature Programs, the county anticipates that CLASS™ scores will continue to improve in the coming years.

The success of PoP is widely recognized. In December 2011, the California Department of Education received \$52 million as one of nine states awarded with a federal grant under the Race to the Top Early Learning Challenge. California's successful application highlighted programs such as First 5 California's Power of Preschool program and Teacher Signature Program to demonstrate that the state is already capable of implementing quality early learning programs.





SCHOOL READINESS

School readiness encompasses the cognitive, social, physical, emotional and supportive elements internal and external to a child that facilitate that child's ability to enter kindergarten ready to learn. Equally important are the child's basic literacy and math skills, as it has been demonstrated that children who enter school with basic knowledge of math and language skills are more likely to experience academic success, attain higher levels of education and obtain employment.

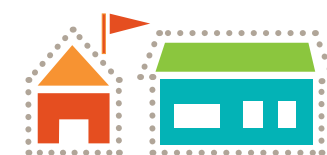
Kindergarteners who enter school without these skills are likely to remain behind as they move through the education system, making it imperative that school readiness and achievement gaps be addressed as early as possible.

First 5 California's School Readiness program ended in FY 2011/12, with the sunset of its funding authorization. After a decade of supporting local programs statewide in preparing children to be successful students, School Readiness phased out gradually during its last 2 to 3 years. The number of counties with funding allocations for School Readiness decreased from 38 in FY 2010/11 to 11 in FY 2011/12. This reduction in School Readiness programs accounts for the sizable decrease in number of services provided to children and adults reported in FY 2011/12.

It has been demonstrated that children who enter school with basic knowledge of math and language skills are more likely to experience academic success, attain higher levels of education and obtain employment.

With a focus on low-performing schools, First 5 California's School Readiness program has improved the ability of families, schools and communities to prepare children for kindergarten since 2001. School Readiness programs targeted early learning and kindergarten transition; parent education and family strengthening; health screenings and treatment; and communication between early care settings and elementary schools. Parents were expected to be highly involved in School Readiness programs, since parents are regarded as a child's first and most important teacher.

With the end of the School Readiness program, the best practices from that program are being drawn into and enhanced in the Child Signature Program.



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Preschool attendance is correlated with improved kindergarten readiness, and kindergarten readiness is associated with long-term achievement.



EDUCARE

Children in low-income families typically enter kindergarten 12 to 14 months behind the national average in pre-reading and language skills. In 2011, California was ranked 33rd in the nation for the percentage of children in poverty.⁵ According to the Annie E. Casey Foundation, 48 percent of children live in households with incomes below 200 percent of the federal poverty level. Economically disadvantaged children often grow up in environments lacking in cognitive, social and emotional stimulation, and support.

The Educare model was first established in 2000 to reverse these trends. Educare promotes school readiness by implementing programs that reduce the achievement gap in children ages 0 to 5. Educare targets disadvantaged children and their families, including children from low socioeconomic backgrounds who are less likely to attend high-quality preschool programs, if they attend preschool at all. The Educare model aims to strengthen the abilities of parents to support their child's learning when they enter school. Currently, there are 17 Educare centers in 11 states and the District of Columbia.

CHILD CENTERED: Focus all programs and activities on the needs of California's children.

— First 5 California Guiding Principle

The Educare approach for early education is comprehensive and research-based. Evidence shows that children who experience Educare for a full five years arrive at school performing on par with average kindergarteners, regardless of their socioeconomic standing. Educare children have more extensive vocabularies and are better able to recognize letters, numbers and colors than their peers.⁶

First 5 California is part of a public-private partnership that is committed to establishing California's first Educare school in Santa Clara County, followed by a second site being developed in Los Angeles County.

Educare of California at Silicon Valley (ECSV) is a broad partnership of national and local philanthropists, First 5 Santa Clara, the Silicon Valley Leadership Group, the Santa Clara County Office of Education, the Franklin-McKinley School District, community-based organizations, public entities and public policy makers. First 5 California Commissioner Magdalena Carrasco is a member of the ECSV Governing Board. Scheduled to be fully operational in September 2014, ECSV will serve approximately 200 children ages 0 through 5. The school will also include a Family Resource Center with comprehensive services including housing, immigration, counseling, employment assistance, health services and other supports.

DEVELOPMENTAL SCREENINGS AND SERVICES

Large developmental disparities exist among children ages 0 to 5 across California. Such an early readiness gap threatens later learning, development and health. The Act was intended to create programs that support disadvantaged children in California and to overcome the

socioeconomic barriers that limit children's opportunities for success.

Since 1998, First 5 California and county commissions have actively promoted screenings and assessments that help identify critical issues in children with special needs. When identified and addressed early, these issues are less likely to hinder children's chances for success in school and beyond.

During FY 2011/12, First 5 California contributed \$50 million to the California Department of Developmental Services to fund new developmental screening and intervention services for 17,016 infants and toddlers ages 0 to 2 entering the Early Start Program. This funding supported early assessments and intervention services provided by each child's Individualized Family Service Plan (IFSP) team. For example, assistive technology; audiology; family training, counseling and home visits; occupational and physical therapy; speech and language services; and case management. These services are provided through 21 regional centers throughout California, many of which coordinate locally with First 5 county commissions.





Teachers and care providers with higher education levels and specialized training have higher quality interactions with children resulting in positive effects on learning.

Teacher Signature Program

CHILD DEVELOPMENT FOCUS

Teacher quality is a powerful contributor to children's learning and success. Children are supported and developed through rich teacher-child interactions from educators with the knowledge and skills to identify and support the needs of specific groups of children, including English learners. Research shows that early care providers with higher education levels and specialized training have higher quality interactions with children resulting in positive effects on learning.⁷ Teacher quality is so critical that a growing number of states and the federal Head Start program have mandated that early childhood educators attain more professional development and training in the field.

High-quality programs that train and retain qualified early care providers create learning environments that stimulate and support the child through formative developmental stages. One study indicates that only 13 percent of California's low-income children are in high-quality early learning programs that teach advanced thinking skills and language development.⁸

High-quality programs that train and retain qualified early care providers create learning environments that stimulate and support the child through formative developmental stages.

CARES Plus

The Comprehensive Approaches to Raising Educational Standards (CARES) Plus program is First 5 California's Teacher Signature Program. Launched in 2010, it is designed to increase the quality of early learning programs for children ages 0 to 5 by supporting the professional development of the early learning workforce. CARES Plus is an enhancement of the original CARES Program (2000–2008) that gained national recognition from Head Start, Zero to Three, and the Center for Law and Social Policy during its tenure.





CARES Plus offers professional development opportunities in both English and Spanish for early learning educators. These opportunities include community college courses, access to online best practice learning sessions, a video library and one-on-one coaching. The primary goals of CARES Plus are to:

- Improve the effectiveness of early educators.
- Positively impact the learning and developmental outcomes of young children.
- Reduce turnover among early educators.

Through CARES Plus, First 5 California has incorporated the **CLASS™ (Classroom Assessment and Scoring System)**, a menu of validated professional development tools for early educators developed by the University of Virginia:

- **The CLASS™ Observation tool**—an assessment that focuses on the effectiveness of classroom interactions among teachers and children, using a common language and lens to evaluate the quality and improvement of those interactions
- **Introduction to the CLASS™**—an online, two-hour interactive course to gain an understanding of the CLASS™ framework

- **Looking at CLASSrooms™**—a self-paced directed study focusing on identifying and analyzing effective teacher/child interactions
- **MyTeachingPartner™ (MTP)**—an evidence-based professional development tool focused on improving classroom interactions through intensive one-on-one coaching, classroom observation and analysis of teaching practice.

In addition to the professional development tools listed above, all CARES Plus participants are required to complete a one-hour online tobacco training module titled ***Kids and Smoke Don't Mix: A Tobacco Training for Child Care Providers and Preschool Teachers.***

One of the strengths of the Comprehensive Approaches to Raising Educational Standards (CARES) Plus model is building on local collaborations with community colleges.

CARES Plus includes a research design that will compare the assessments of teachers who either take professional development courses, participate in higher education courses or participate in the coaching pilot (MTP). This past year, more than 4,200 teachers in 34 counties participated in CARES Plus, effectively reaching more than 80,000 children. In a survey conducted by First 5 California, more than 80 percent of the teachers who responded reported that the CARES Plus program enhanced their professional development options; would enable them to stay in the field of early childhood education; and that the program would have a positive impact on the children in their care.

In addition to professional development and coaching, program elements included stipends to encourage teacher retention.

Lake County—a low-population, rural but geographically large county—designed a specialized website for CARES Plus participants, similar to the platform used for an online class. This online dashboard allows Lake County staff to communicate actively with participants throughout the year, keeping them continuously engaged. All program information is constantly updated and always at their fingertips.

Participants' professional growth plans are stored on this website, as well as CARES Plus program CORE requirements and the local program requirements. Phase I planning funds were used to develop this online system and it has assisted Lake County in addressing many of the barriers to success in their county. Shelley Mascari, who leads the Lake County CARES Plus program said, "I bring an iPad to our participant meetings, and as I sit with each participant, I log in to our Steps to Quality system and together we update the individual Professional Growth (PG) plans live and online while discussing it. At the end of the meeting, PG plans are completely updated, and comments and ideas from our discussion are included in the comment section. I believe this online addition keeps the program current and vibrant."





Funded by First 5 Sacramento since 2007, the Preschool Bridging Model Plus (PBM Plus) is a natural enhancement to the CARES Plus program, both fiscally (the First 5 Sacramento funds provide the matching dollars for CARES Plus) and programmatically. PBM Plus supports continuous, on-site technical assistance to CARES Plus participants by providing 10 Early Care and Education (ECE) Specialists who meet weekly with 120 early educators. These relationship-based sessions offer the participants the opportunity to explore—within the context of their family child care homes or center classrooms—the new knowledge and skills learned during the online training and in-person sessions.

The ECE Specialists support the participants' engagement through cycles of classroom observation and reflection, thereby identifying opportunities and overcoming barriers to integrating intentional and effective teaching practices. Program supports include computer lab, group Webinar viewing, portable WiFi and laptop access, weeknight and Saturday Component schedules, a contracted ECE

QUALITY STANDARDS:
Incorporate the highest quality, evidence-based standards when assessing program effectiveness.

— *First 5 California Guiding Principle*

class at American River College, and a commitment to continuous improvement. Feedback is provided by participants, ECE Specialists, other program partners, First 5 California and First 5 Sacramento. The PBM Plus/CARES Plus program has resulted in less participant turnover, higher program completion rates, and stronger program outcomes, including improved CLASS™ scores and enriched teacher-child interactions.



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First 5 California's preschool programs are improving the lives of California's young children and preparing them for tomorrow's challenges.



Parent Signature Program

FAMILY FUNCTIONING AND CHILD HEALTH FOCUS

A parent is a child's first teacher. The more information and support that parents have to strengthen their own family's success and resilience, the more likely that young children will learn the habits they need to be self-assured and ready to learn when they get to school. First 5 California assists families by offering information, support, guidance and referrals through its Parent Signature Program. The importance of child health to school readiness and early elementary success is well established. Children's overall health can make a difference in how well they will do in school. A child who is sick, has undiagnosed visual or hearing problems, developmental delays or neglected dental disease might miss class, struggle in school and even have learning problems. The alarming rise in childhood obesity is particularly severe in California—the Centers for Disease Control reports that 15 to 20 percent of low-income preschoolers in the state are obese.⁹ The accompanying

DIVERSITY: Ensure that families from all of California's diverse populations connect to services needed to succeed.

— *First 5 California Guiding Principle*

risk of current and chronic disease among at-risk young children further stunts their ability to achieve their highest potential in school. The Parent Signature Program strives to provide parents with the information, resources and advice that can help them raise healthier children.

The Parent Signature Program provides information and support to parents in both traditional and new ways, including print media, television and radio, social media and other messaging in six languages, reflecting the rich diversity of California.

KIT FOR NEW PARENTS

First 5 California's award-winning *Kit for New Parents* is the flagship project of its Parent Signature Program. The *Kit* targets hard-to-reach and low-income populations, providing information and tips for first-time parents, grandparents and caregivers.

Since 2001, First 5 California has distributed the *Kit* free-of-charge to local hospitals physicians and community groups to reach new parents. The *Kits* are available in English, Spanish, Cantonese, Korean, Mandarin and Vietnamese, and include a practical guide for the first five years, a health handbook, and other important information on literacy and learning, child safety, developmental milestones, finding quality child care and more. County commissions are encouraged to add local references and resources to the *Kit* to help steer parents to services in their own community.

To date, 3.4 million *Kits* have been distributed throughout California since 2001, with 332,000 being distributed this fiscal year alone. In February 2011, the *Kit* was redesigned with streamlined content and environmentally-friendly packaging.



First 5 California assists families by offering information, support, guidance and referrals through its Parent Signature Program.



HANDS-ON HEALTH EXPRESS

As part of its comprehensive outreach campaign that seeks to reach families in their homes and where they go, First 5 California takes its show on the road with its Hands-On Health Express—a colorful truck full of engaging activities that schedules appearances in all 58 counties. The Hands-On Health Express features “Edutainers” who seek to educate parents and entertain children in a traveling, interactive exhibit to teach families how to incorporate fresh foods and physical activity into their everyday lives. In FY 2011/12, the truck traveled to more than 100 schools, community festivals, county fairs and other family oriented events, making appearances in even the smallest rural communities and directly engaging with more than 62,000 families who leave with First 5 resources.



PARENT EDUCATION WEBSITE AND SOCIAL MEDIA

Another component of the Parent Signature Program is First 5 California's Parent Education Website, which features practical advice for parents with a focus on accessible information based on early childhood best practices and research.

According to a recent Public Policy Institute of California study, Californians of all ethnicities have dramatically increased their access to the Internet via a smart phone or cell phone.¹⁰ The Parent Education Website has been designed for clear viewing on these devices, as well as on tablet computers.

Since its launch in 2009, the Parent Education Website (www.first5california.com/parents) has received more than three million visits. Relunched in April 2012, the new site generated more than 1.1 million hits from April through September, representing an 89 percent increase from the same time period the previous year. The site covers health, education, literacy development, smoking cessation and more. The content and usefulness of the site is regularly tested with focus groups to ensure the most engaging and useful information for families. Parents can

download information, view videos and cooking demonstrations, and even upload pictures of their children into a First 5 gallery. The most recent videos contain information on healthy beverages, nutrition, physical activity and language development that further drive hundreds of thousands of visitors to the website.

The First 5 California website also links to its social media tools, including Facebook and Twitter. The First 5 California Facebook page boasts more than 42,000 "likes" and generates nearly 243,000 unique visitors per week. First 5 California's Facebook page engages with more than 50 fans on an everyday basis. Its Twitter account has 7,500 followers who receive daily bits of information about early childhood development and wellness that parents, care providers and teachers can use to improve or inspire their relationship with young children.





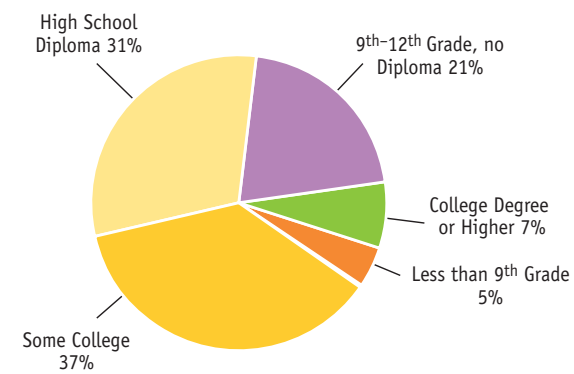
SMOKING CESSATION

To protect young children and promote healthier families, First 5 California is committed to eliminating the illness and threat to early childhood development caused by exposure to tobacco smoke. From the prenatal stage to age five, children undergo a crucial development process and are particularly vulnerable to this serious health risk.

Parental smoking and secondhand smoke exposure have been linked to a range of ailments in babies and young children including, asthma, ear infections, pneumonia, bronchitis and Sudden Infant Death Syndrome (SIDS). To reduce the incidence of these health problems, and to help smokers quit, in FY 2011/12, First 5 California supported the California Smokers' Helpline with \$1 million for tobacco cessation services for parents and caregivers of young children.

The toll-free Helpline (1-800-NO-BUTTS) provides one-on-one telephone counseling, self-help materials and referrals to local resources. Its counselors follow protocols that are scientifically proven to double the rate of successful long-term quitting. Counselors

EXHIBIT 6: California Smokers' Helpline—Education Level of Callers in FY 2011/12



The percentages in this chart may not add to 100 due to rounding.
Source: County Revenue and Expenditure Summary, November 2012

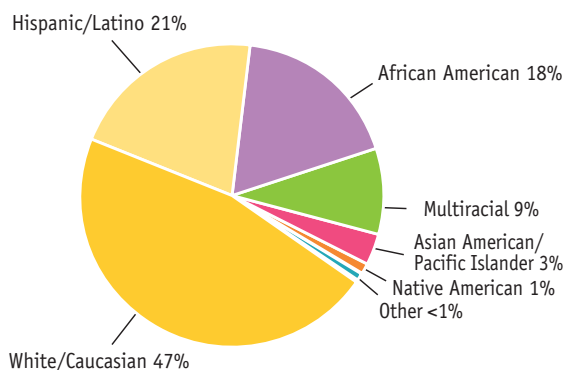
work with callers to help them develop a quit plan, then proactively follow up throughout the quitting process to help them stay on track. Services are provided in English, Spanish, Mandarin, Cantonese, Korean and Vietnamese.

In FY 2011/12, First 5 California's investment provided Helpline services for 364 pregnant smokers and 6,549 tobacco-using parents or caregivers of children ages 0-5 (including 144 who were both pregnant and had a child 0-5). Tobacco users

of lower educational and/or ethnic minority backgrounds were well represented among Helpline callers. See Exhibits 6 and 7 for breakdowns by education and race/ethnicity, respectively.

A first-of-its-kind marketing campaign urging obstetric and pediatric providers to refer smokers to the Helpline generated an estimated 300,000 gross impressions throughout the state. Images for First 5 California's Helpline ads are shown on the right.

EXHIBIT 7: California Smokers' Helpline—Race/Ethnicity of Callers in FY 2011/12



The percentages in this chart may not add to 100 due to rounding.
Source: County Revenue and Expenditure Summary, November 2012

A first-of-its-kind marketing campaign urging obstetric and pediatric providers to refer smokers to the Helpline (1-800-NO-BUTTS) generated an estimated 300,000 gross impressions throughout the state.

First 5 California and the Helpline also launched two online training modules for CARES Plus program participants. Entitled “Kids and Smoke Don’t Mix” and “Los Niños y el Humo del Tabaco no se Mezclan,” the modules give child care providers and pre-school teachers the knowledge and skills they need to encourage smoking parents to quit, refer them to the Helpline for counseling, and protect children from secondhand smoke. In FY 2011/12, 4,056 individuals completed this training, including 2,995 CARES Plus participants (2,706 English and 289 Spanish) and 1,061 non-CARES Plus participants (947 English and 114 Spanish).



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Quality preschool
and child care, along
with parenting
education programs
and home visits,
support a family's
ability to achieve
self-sufficiency.



First 5 County Commission Program Result Areas

First 5 county commissions are required to report annual expenditure and service data on their programs to First 5 California. First 5 California adopted guidelines to standardize data collection. Counties report program service data under four result areas: Family Functioning, Child Development, Child Health and Systems of Care (see Appendix A). These data are presented below and have been aggregated to the state level. Data reported are from programs that are funded by both local and state First 5 funds.

FAMILY FUNCTIONING

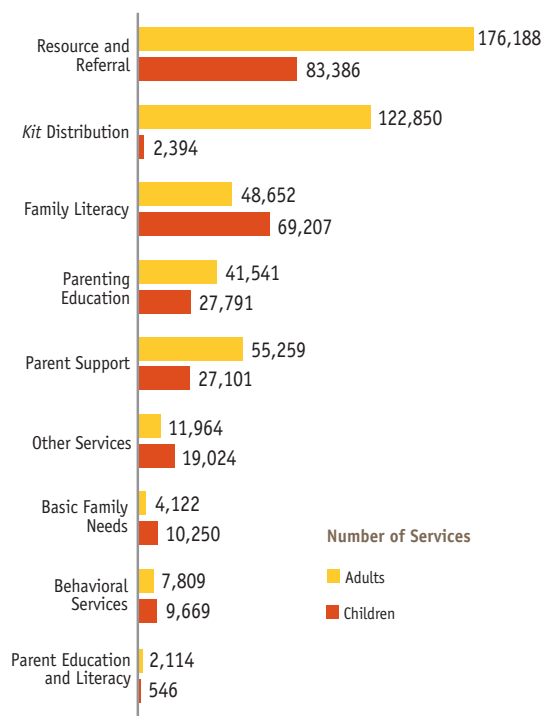
Family Functioning services provide parents, families and communities with timely, relevant and culturally appropriate information, services and support. Services include:

- Increasing parent education and literacy
- Providing referrals to community resources
- Supplying basic needs such as food and clothing

In FY 2011/12, First 5 California provided 249,368 services to improve family functioning to children ages 0 to 5 and 470,499 services to parents, guardians, primary caregivers, relatives and providers.

Exhibit 8 displays the number of services provided to children ages 0 to 5 and parents, guardians, primary caregivers, relatives and providers.

EXHIBIT 8: Family Functioning—Total Number of Services Provided to Children Ages 0 to 5 and Adults in FY 2011/12 by Service



Source: County Demographic Worksheet, November 2012

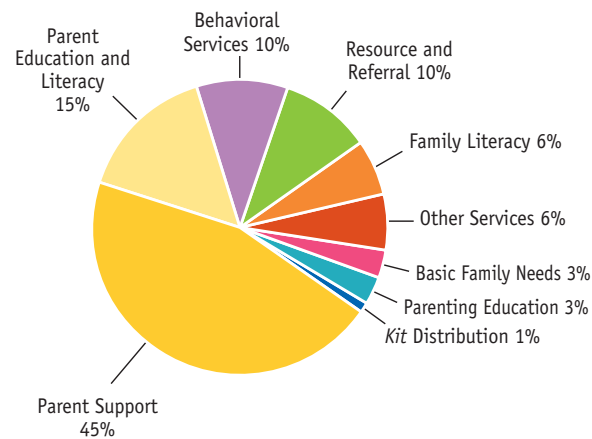




While children and adults from all ethnic groups received services, for those reporting an ethnicity, Latinos were the largest recipient group (64 percent). For children reporting a primary language, services were provided to Spanish speakers 38 percent of the time and English speakers 59 percent of the time.

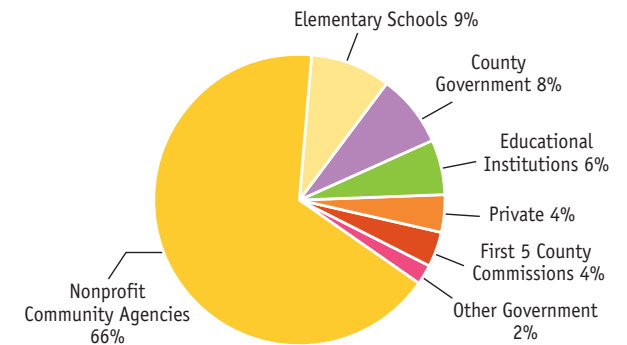
In FY 2011/12, county commissions expended \$107 million to improve Family Functioning. Exhibit 9 shows the distribution of expenditures by service category. Schools and educational institutions,

EXHIBIT 9: Family Functioning—Distribution of Expenditures for Children Ages 0 to 5 and Adults in FY 2011/12 by Service



Source: County Revenue and Expenditure Summary, November 2012

EXHIBIT 10: Family Functioning—Distribution of Expenditures for Children Ages 0 to 5 and Adults in FY 2011/12 by Provider



Source: County Revenue and Expenditure Summary, November 2012

nonprofit community-based agencies, government agencies, private institutions and First 5 county commissions provided services to children and adults in order to improve Family Functioning. Exhibit 10 displays distribution of expenditures by provider type. Nonprofit community-based agencies received 66 percent of all Family Functioning expenditures in FY 2011/12.

First 5 county commissions provide a wide array of programs designed to meet the unique needs of their communities. Each county commission evaluates its programs to determine whether they

are making an impact on the population the county serves. For example, below you will find evaluation highlights for programs targeted to improve Family Functioning in First 5 Sierra and First 5 Solano.

Sierra County is a rural county in the Sierra Nevada mountains with a population of 3,113 (2011 estimate). First 5 Sierra funds the Sierra County Family Resource Center which supports low-income families with children ages 0 to 5. The Family Resource Center provides a variety of wrap-around services, including children's advocacy, a food pantry, parenting classes, counseling services, rental assistance, medical gas vouchers, car seats, bicycle helmets and a coat closet. First 5 Sierra collects data on service recipients and analyzes it to help improve service provision thereby maximizing access and impact. In FY 2011/12, participation across services provided by the Sierra County Family Resource Center increased by seven percent. First 5 Sierra continues to provide these critical safety-net services to assist low-income families with children ages 0 to 5 in Sierra County.

Solano County is situated midway between Sacramento and San Francisco with a population of 416,471 (2011 estimate). First 5 Solano's mission—*All Solano County children are loved,*

healthy, confident, eager to learn, nurtured by their families, caregivers and communities—can only be realized if families have education, services and support. Home visitation is a targeted, intensive parent support service designed to increase knowledge and skills ultimately improving overall family functioning. In FY 2011/12, First 5 Solano conducted home visitation to 216 high-risk families grappling with multiple challenges including children with mental health issues. In addition, 92 percent of the visited families increased their scores in the Family Functioning domain as measured by the Family Development Matrix assessment.

FAMILY Focus: Support families as children's primary caregivers and first teachers.

— *First 5 California Guiding Principle*

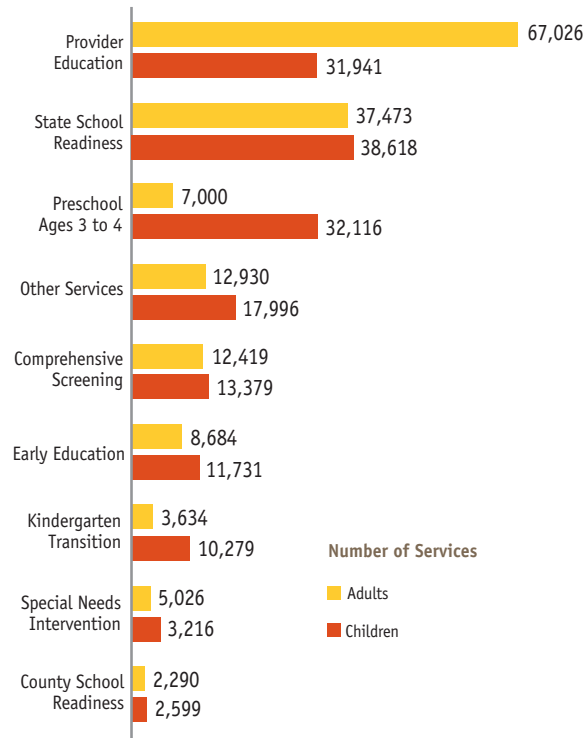




CHILD DEVELOPMENT

Child Development services increase access and quality of early education and learning. These services include free, high-quality preschool, special needs assessment and intervention, and school readiness programs.

EXHIBIT 11: Child Development—Total Number of Services Provided to Children Ages 0 to 5 and Adults in FY 2011/12 by Service



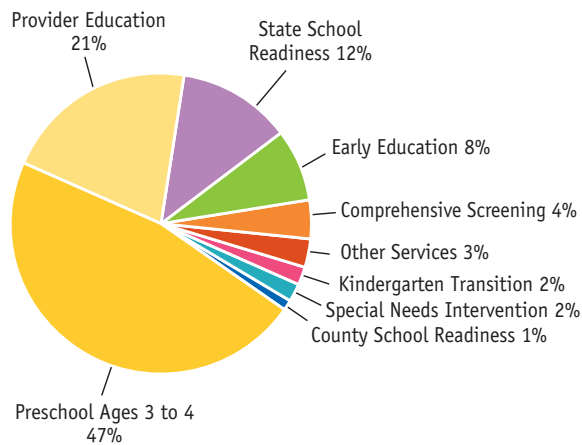
Source: County Demographic Worksheet, November 2012

In FY 2011/12, First 5 delivered 161,875 child development services to children ages 0 to 5 and 156,482 services to parents, guardians, primary caregivers, relatives and providers. Exhibit 11 shows the number of services provided to children ages 0 to 5 and adults in each child development service category. While children and adults from all ethnic groups received these services, for those reporting an ethnicity, services were delivered to Latinos most often (70 percent). For those children reporting a primary language, 49 percent of services were delivered to those speaking Spanish and 47 percent to those speaking English.

In FY 2011/12, county commissions expended \$181 million to improve Child Development. Exhibit 12 shows the distribution of expenditures by service category. Schools and educational institutions, nonprofit community-based agencies, government agencies, private institutions, and First 5 county commissions provided services to children and adults in order to improve Child Development. Exhibit 13 shows distribution of expenditures by provider. In FY 2011/12, elementary schools received 18 percent of all expenditures to improve Child Development.

Each county commission implements and evaluates a variety of programs across all the result areas to increase the wellbeing of children ages 0 to 5

EXHIBIT 12: Child Development—Distribution of Expenditures for Children Ages 0 to 5 and Adults in FY 2011/12 by Service



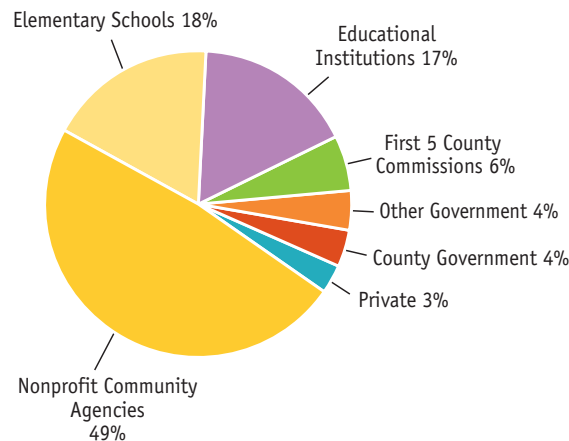
Source: County Revenue and Expenditure Summary, November 2012

and their families. What follows are evaluation highlights from Child Development programs implemented in First 5 Trinity and First 5 Tehama.

Trinity County is a rural county located in the northwestern region of California. It has a population of 13,723 (2011 estimate) and the county seat is Weaverville. First 5 Trinity supports the Weaverville Parent Nursery School which admits children ages 2 through 5. Parents are required to volunteer in the classroom and they learn how to incorporate the “6 Pillars of Character” (trustworthiness, respect, responsibility, fairness,

cares and citizenship) into daily activities. Children are evaluated three times a year using the Trinity County Office of Education Content Standards, which is a standardized evaluation tool for 3- and 4-year-olds assessing kindergarten readiness in terms of social emotional, cognitive and developmental milestones. In June 2011, 98 percent of children made progress towards kindergarten readiness and in June 2012, 97 percent of children were able to self-regulate emotions, practice good citizenship and had developed age-appropriate academic skills.

EXHIBIT 13: Child Development—Distribution of Expenditures for Children Ages 0 to 5 and Adults in FY 2011/12 by Provider



Source: County Revenue and Expenditure Summary, November 2012





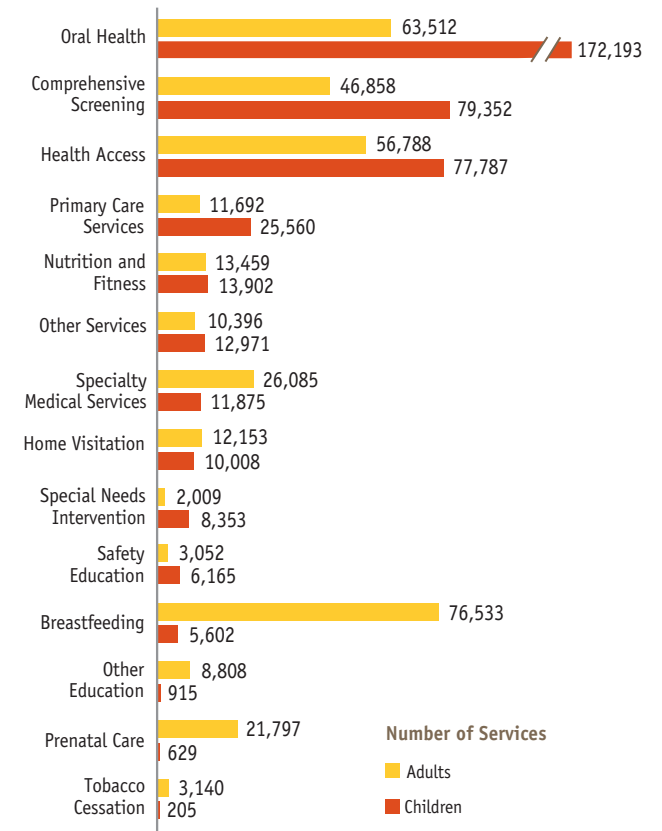
Particularly impressive was additional support that two struggling families received which resulted in their children improving their social skills and kindergarten readiness.

Tehama County is a north-central county with a population of 63,601 (2011 estimate). First 5 Tehama’s School Readiness Project provides parenting classes, playgroups, screenings and home visits. In FY 2011/12, among families receiving home visits, all families had health insurance after six months of service compared to 97 percent at entry; 86 percent had preventive care for their child compared to 84 percent at entry; 94 percent had up-to-date preventive oral health care compared to 60 percent at entry; and, 95 percent of families read to their children at least three times a week compared to 77 percent at entry. Family literacy and child health help provide a strong foundation allowing children to enter school ready to learn.

CHILD HEALTH

First 5 county commissions fund Child Health services that promote health through identification, treatment and elimination of risks that threaten health, and cause developmental delays and disabilities. These services are far ranging and include prenatal care, oral health, nutrition and fitness, tobacco cessation support and intervention for children with special needs.

EXHIBIT 14: Child Health—Total Number of Services Provided to Children Ages 0 to 5 and Adults in FY 2011/12 by Service



Source: County Demographic Worksheet, November 2012

In FY 2011/12, First 5 provided 425,517 services designed to improve Child Health to children ages 0 to 5 and 356,282 services to parents, guardians, primary caregivers, relatives and providers.

EXHIBIT 15: Child Health—Distribution of Expenditures for Children Ages 0 to 5 and Adults in FY 2011/12 by Service

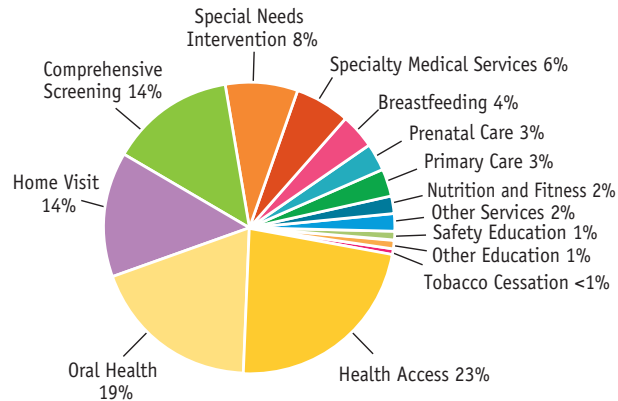
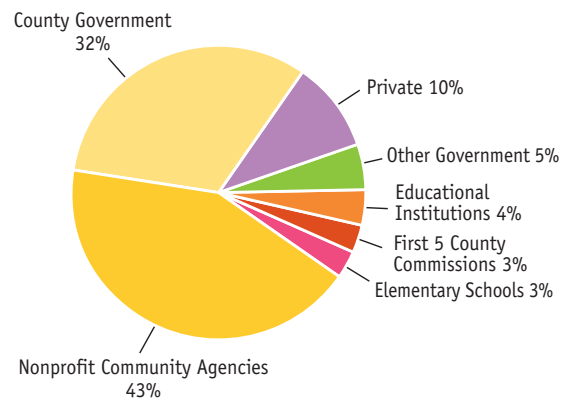


EXHIBIT 16: Child Health—Distribution of Expenditures for Children Ages 0 to 5 and Adults in FY 2011/12 by Provider



Source: County Revenue and Expenditure Summary, November 2012

Exhibit 14 shows the number of services provided to children ages 0 to 5 and adults for each Child Health service category. While children and adults from all ethnic groups received services, for those reporting an ethnicity, services were most commonly provided to Latinos (69 percent). For children who reported a primary language, services were delivered to those speaking Spanish 46 percent of the time and English 50 percent of the time.

In FY 2011/12, county commissions expended \$104 million to improve Child Health. Exhibit 15 shows the distribution of expenditures by service category. Schools and educational institutions, nonprofit community-based agencies, government agencies, private institutions and First 5 county commissions provided services to children and adults in order to improve Child Health. Exhibit 16 shows distribution of expenditures by provider. Community-based agencies accounted for 43 percent of all expenditures to improve Child Health in FY 2011/12.

Mendocino County is a coastal county with a population of 87,553 (2011 estimate). First 5 Mendocino has embarked on a multi-faceted strategy to combat childhood obesity. Research has shown that breastfed infants are less likely to become obese. First 5 Mendocino uses social marketing to normalize breastfeeding and provide information on breastfeeding support for new mothers. Nutrition and exercise are promoted through programs such





as community gardens and SPARK (Sports, Play and Active Recreation for Kids), an innovative physical activity program that has been honored as an “Exemplary Program” by the U.S. Department of Education. The CalFresh program provides food stamps to low-income families to help ensure food security. First 5 Mendocino also offers healthy eating and cooking classes to teen parents. Through these initiatives and more, First 5 Mendocino is preventing and reducing childhood obesity in its communities.

First 5 county commissions seek to provide families most in need with services that prepare children to enter school ready to learn and thrive.

Stanislaus County is located in the heart of central California and has a population of 518,522 (2011 estimate). In an effort to increase parent education about safety and prevention of injuries First 5 Stanislaus facilitated the education of 7,772 parents about Shaken Baby Syndrome (SBS). As a result, in 2011 and 2012 there was only one documented SBS case in Stanislaus County.

First 5 Stanislaus also facilitated three community presentations designed to educate parents about the need to restrain young children in cars and the best means of restraint. This resulted in 96 car seats being inspected by certified technicians and 71 car seats were replaced during two follow-up events. These activities contributed to the reduction in avoidable injuries to Stanislaus County children ages 0 to 5.

SYSTEMS OF CARE

Systems of Care addresses system-wide structural supports which allow county commissions to effectively work towards achievement in the other three result areas of Family Functioning, Child Health and Development. For example, interagency collaboration allows coordinated wrap-around efforts from multiple organizations providing targeted services. Since this result area is at a systems level, counties do not report number of children and adults served. Expenditure data indicates that for FY 2011/12, county commissions expended \$69 million to improve Systems of Care.

El Dorado County has a population of 180,938 (2011 estimate) and is located in the Sierra Nevada mountains and foothills of California. In an effort to improve its Systems of Care, First 5 El Dorado has implemented community-based leadership groups representing children ages 0 to 5 and their families. These community strengthening groups meet regularly

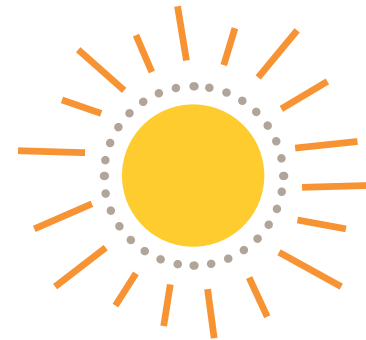
to discuss strategies for increasing awareness of and access to services. In FY 2011/12, the Western Slope Ready by 5 group met eight times with 23 partners to discuss multiple services focusing on safety and the promotion of healthy social and emotional development. The South Lake Tahoe Collaborative met 11 times with 28 partner agencies to discuss multiple topics including childcare, vaccinations, oral health, nutrition and mental health. The Divide Ready by 5 group met 10 times with 21 partners to discuss and promote school readiness, health insurance and the promotion of myriad services at community events. These efforts capture a county-wide collaborative effort to share information and resources to maximize access and impact of services targeted to children ages 0 to 5 and their families.

Tulare County is located in the Central Valley and has a population of 449,253 (2011 estimate). In an effort to bring awareness of child abuse and neglect to Tulare County, First 5 Tulare and the Child Abuse Prevention Council sponsored The Lisa Project. This project is a traveling, educational exhibit depicting scenes and stories of child abuse and neglect. The purpose is to raise awareness and empower the community to protect children and strengthen families. Over 200 volunteers worked in the exhibit, which drew approximately 5,661 people. Of those who attended, over 250 indicated an interest in becoming an advocate and over 100 indicated an interest in foster parenting. In FY 2011/12, The

Lisa Project was featured in *0 to 5 in 30 Minutes!* a weekly, half hour television program sponsored by First 5 Tulare and First 5 Fresno, focusing on issues important to parents and caregivers of children from the prenatal stage to five years old.

SUMMARY

First 5 California's comprehensive approach to early childhood education seeks to provide services for children, families and educators in the home and in the classroom to ensure children enter school ready to learn. Our current Child, Teacher and Parent Signature Programs were developed based on the most current research on childhood development and on the diverse needs of California families. The State and county commissions provide multiple services to families and their children ages 0 to 5 to ensure the family functions in a way that encourages healthy and lasting development inside the home, school and in the community. Our programs are continually evaluated for their effectiveness and updated to serve the needs of individual counties. Together, First 5 California and the county commissions seek to provide families most in need with services that prepare children to enter school ready to learn and thrive.



APPENDIX A: FIRST 5 CALIFORNIA RESULT AREAS AND SERVICES

Result 1: Improved Family Functioning

Providing parents, families, and communities with relevant, timely and culturally appropriate information, education, services and support.

Services

- **Behavioral, Substance Abuse, and Other Mental Health Services**
Behavioral and mental health services, substance abuse services, treatment, and counseling and/or therapy for children or adult family members, including play, parent-child interaction approaches, child-abuse counseling and family therapy.
- **Adult Education and Literacy for Parents**
Education, training, ESL classes, literacy and/or a General Equivalence Diploma (GED).
- **Community Resource and Referral**
Programs that provide referrals or service information about various community resources, such as medical facilities, counseling programs, family resource centers and other supports for families; for instance, 211 services or community resource reporting.
- **Distribution of Kit for New Parents**
Programs that provide and/or augment the First 5 California *Kit for New Parents* to new and expectant parents (e.g., a hospital visitation program to new mothers), as well as caregivers of children 0 to 5.
- **Family Literacy Programs**
Programs designed to increase the amount of reading that parents do with their children. Programs may include educating parents about the benefits of reading or looking through books (e.g., Even Start, Reach Out and Read, Raising a Reader).

- **Provision of Basic Family Needs (e.g., Food, Clothing, Housing)**
Meals, groceries or clothing provided through programs such as food pantries and store certificates, emergency funding or household goods acquisition assistance, temporary or permanent housing acquisition assistance, and related case management.
- **Targeted Intensive Parent Support Services**
Intensive and issue specific support services to families at risk including home visitation, long-term classes or groups, or other intensive support for parents or expectant parents to increase knowledge and skills related to parenting and improved family functioning.
- **General Parenting Education Programs**
Short-term, non-intensive instruction on general positive parenting topics.

Result 2: Improved Child Development

Increasing the quality of and access to early learning and education for young children.

Services

- **Preschool for 3- and 4-year-olds**
Preschool for 3- and 4-year-olds distinct from a comprehensive school readiness program. Includes funding pre-existing spaces or spaces in programs with the intensity and quality similar to Power of Preschool criteria.
- **State School Readiness Programs and Local Match**
State and local match-funded services under the State Commission's School Readiness Initiative, designed to improve children's readiness for school.
- **Local School Readiness (Mirror Programs)**
County commission-based School Readiness programs funded solely by county commission dollars that are "mirror" programs to the State School Readiness Program.

- **Comprehensive Developmental Screening and Assessment**
Screening and diagnostic services including behavioral, mental health, developmental and physical health. This includes screening programs that measure cognitive/intellectual functioning, language and communication skills, social and emotional development, and perceptual/motor functioning to identify children who show developmental delays. These services determine the nature and extent of a problem and recommend a course of treatment and care.
- **Targeted Intensive Intervention for Children Identified with Special Needs**
Programs that identify children with special needs and provide intensive and specific services to those children. Children with disabilities and other special needs refers to those children who are between birth and 5 years of age and meet the definition of "special needs."
- **Early Education Programs for Children (other than School Readiness and Preschool for 3- and 4-year olds)**
Quality intensive educational activities and experiences for children intended to foster social, emotional and intellectual growth, and prepare them for further formal learning.
- **Early Education Provider Programs**
Training and educational services, supports and funding to improve the quality of care or facilities. This includes Comprehensive Approaches to Raising Educational Standards, facility grants, and supply grants to providers.
- **Kindergarten Transition Services**
Classes, home visits, or other activities designed to help children be more comfortable and accustomed to the learning environment, expectations, activities and school personnel when they enter kindergarten. This category also includes individual child learning plans and school-wide transition plans.



Result 3: Improved Child Health

Promoting optimal health through identification, treatment, and elimination of the risks that threaten children's health and lead to developmental delays and disabilities in young children.

Services

- **Breastfeeding Assistance**
Education related to the benefits of breastfeeding, including classes to women, families, employers and the community, as well as breastfeeding support services to women.
- **Nutrition and Fitness**
Information and services about nutrition, fitness, and obesity prevention for the 0 to 5 population; this includes programs to teach the basic principles of healthy eating, food handling and preparation, and the prevention of illness.
- **Other Health Education**
Information and services about health other than nutrition, fitness and obesity prevention.
- **Health Access**
Health insurance, premium support and enrollment assistance programs that ensure use of health services, strategies to retain health insurance and insurance premium payments or subsidies.
- **Home Visitation for Newborns and Their Families**
Home visitation services to promote and monitor development of children ages 0 to 2.
- **Oral Health**
Dental screenings, checkups, cleanings, preventive and acute treatments, and education on preventive care. May include training for providers as well as for children and families.
- **Prenatal Care**
Education, treatment and counseling to promote healthy pregnancies and deliveries.

- **Primary Care Services (e.g., Immunizations, Well Child Checkups)**
Medical care services to children ages 0 to 5 including preventive, diagnostic and therapeutic care by a licensed healthcare professional.
- **Comprehensive Screening and Assessment**
Screening and diagnostic services including behavioral, mental health, developmental and physical health. Includes screening programs that measure cognitive/intellectual functioning, language and communication skills, social and emotional development, and perceptual/motor functioning to identify children who show developmental delays. These services determine the nature and extent of a problem, and recommend a course of treatment and care.
- **Targeted Intensive Intervention for Children Identified with Special Needs**
Programs that identify children with special needs and provide intensive and specific services to those children. Children with disabilities and other special needs refers to those children who are between birth and 5 years of age and meet the definition of "special needs."
- **Safety Education and Intentional and Unintentional Injury Prevention**
Programs that disseminate information about child passenger and car safety, fire safety, water safety, home safety (childproofing) and the dangers of shaking babies. Includes education on when and how to dial 911, domestic violence prevention and intentional injury prevention. Referrals to community resources that focus on these issues may also be included.
- **Specialty Medical Services**
Emergency and critical care services for children ages 0 to 5 who require specialty care or have an illness or injury that requires immediate, short-term intervention or other specialty care services including care for chronic childhood illnesses. This category also includes follow-up on medical conditions or concerns identified from health/developmental screenings, such as autism, vision or asthma.

Result 4: Improved Systems of Care

Education on tobacco-related issues and abstinence support for participants using tobacco products. Includes providing information on reducing young children's exposure to tobacco smoke.

Result 4: Improved Systems of Care

Implementing integrated, comprehensive, inclusive, and culturally and linguistically appropriate services to achieve improvements in one or more of the other Result Areas.

Services

- **Service Outreach, Planning, Support, and Management**
General planning and coordination activities, program monitoring, technical assistance and support, support for interagency collaboration, support for services to diverse populations, contract administration, program database management, program support and oversight activities.
- **Provider Capacity Building, Training, and Support**
Provider training and support to improve their capacity to participate and deliver services to families with young children. Includes business planning, grant writing workshops, sustainability workshops and large community conferences or forums.
- **Community Strengthening Efforts**
Community awareness and educational events on a specific early childhood topic or promoting broad awareness of the importance of early childhood development.

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The enclosed disk contains a full PDF version of this Annual Report and the *California State Controller's Annual Report to the First 5 California Commission*. In addition, view a PDF version of the *First 5 California 2011-2012 Annual Report* at www.ccfc.ca.gov.



This annual report was prepared in conjunction with the Institute for Social Research, California State University, Sacramento.





Our Vision

All children in
California enter
school ready to
achieve their
greatest potential.

— *First 5 California
Vision Statement*

FIRST 5 CALIFORNIA

CALIFORNIA CHILDREN & FAMILIES COMMISSION

2389 GATEWAY OAKS DRIVE, SUITE 260

SACRAMENTO, CALIFORNIA 95833

P: (916)263-1050 F: (916)263-1360

www.ccfc.ca.gov

