



FIRST 5 ALAMEDA COUNTY COMMISSION MEETING AGENDA

Thursday, February 23, 2017

**First 5 Alameda County
1115 Atlantic Ave.
Alameda, CA 94501
Conference Room A**

9:00 AM – 11:30 AM

Commissioners: Chair: Pamela Simms-Mackey M.D., Vice Chair: Renee Herzfeld, Wilma Chan, Lori Cox, Cecilia Echeverría, Tomás A. Magaña M.D., Scott Coffin, Kimi Watkins-Tartt

Alternates: Michelle Love, Karina Rivera

- 1. Public Comment (for items not listed on the agenda) - Limited to 3 minutes per speaker**
- 2. Approval of Minutes from November 14, 2016 and December 8, 2016**
- 3. Staff Announcements**
- 4. 2017 Election of Officers**

INFRASTRUCTURE

- 5. FY 2016-17 Mid Year Financial Report**
- 6. FY 2016-17 Mid Year Investment Report**
- 7. FY 2016-17 Mid Year Budget Modifications Proposal**
- 8. Contract Authorizations**

PROGRAM

- 9. Alameda County Child Care Workforce Study**
- 10. Update on Universal Preschool Effort**
- 11. FY 2017-21 Strategic Plan Update**
- 12. State Commission and Association Updates**
- 13. Legislation and Public Policy Updates**

MISCELLANEOUS

14. Communication from Commissioners

Commission Meeting Agenda

February 23, 2017

Information about the First 5 Conference Center

- The First 5 Conference Center is wheelchair accessible. Please notify us 3 business days in advance if you need special assistance so we can make reasonable arrangements to ensure accessibility.
- Please refrain from wearing strongly scented products to the Conference Center in consideration of those who may experience chemical sensitivities.

15. Adjournment

Information about the First 5 Conference Center

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FIRST 5 ALAMEDA COUNTY COMMISSION MEETING MINUTES

Monday, November 14, 2016

**First 5 Alameda County
1115 Atlantic Ave.
Alameda, CA 94501
Conference Room A**

5:30 PM – 7:00 PM

Commissioners: Chair: Pamela Simms-Mackey M.D., Vice Chair: Renee Herzfeld, Wilma Chan, Cecilia Echeverría, Scott Coffin, Kimi Watkins-Tartt

Absent: Lori Cox, Tomás A. Magaña M.D

Chair Pamela Simms-Mackey called the meeting to order at 5:30 PM.

1. Public Comment (for items not listed on the agenda) - Limited to 3 minutes per speaker

There were no public comments.

2. Approval of Minutes from October 20, 2016

Commission Action: The Commission approved the October 20, 2016 minutes upon motion by Commissioner Chan, seconded by Commissioner Coffin and unanimously carried with no abstentions (6 in favor, 0 opposed, 0 abstentions).

3. Staff Announcements

Janis Burger, CEO announced that Kimi Watkins-Tartt has been appointed to the Commission by the Board of Supervisors (BOS) effective September 13, 2016. Dr. Karyn Tribble, Deputy Director, Alameda County Behavioral Health Care Services has been identified to serve as her Commission Alternate pending approval by the BOS.

Ms. Burger stated the First 5 Alameda County (F5AC) Gala Event save-the-date cards have been printed. The Commissioners each received a set of cards to distribute to their contacts.

PROGRAM

4. FY 2017-21 Strategic Plan Discussion

Ms. Burger discussed the recommendations on Home Visiting (HV) funding in the FY2017-2021 Strategic Plan detailed in the handout provided to the Commission. F5AC's original proposal recommends reducing funding by \$1.5M in FY 2017-18, for a total funding amount of \$1.5M. The recommendation for FY 2018-19 includes an additional \$1.5M reduction resulting in the elimination of funding for direct home visiting services. There is no fiscal impact on the bottom line budget but any changes will require shifts in the Strategy Budgets.

Commissioner Chan stated providers have expressed their concern and would like to see a slower phase out of HV dollars. There will be an Alameda County Health Care meeting held on November 26th.

Vice Chair Herzfeld stated there are similar concerns being raised regarding funding in the early childhood field with the gap between community, access to childcare and the decrease in early childhood education funding. She inquired about the threshold in F5AC's reserve and if it is comparable to other First 5 agencies. Ms. Burger stated that F5AC maintains a six month reserve as a best practice and is in line with what other First 5 agencies practice.

Chair Simms-Mackey inquired whether HV is the only strategy being phased out. Malia Ramler, Senior Administrator, Community and Provider Capacity Building stated the Community Grants strategy will no longer be support by F5AC with funding going to \$0 in the new Strategic Plan.

Kristin Spanos, COO, stating F5AC will continue to fund outreach for home visiting and other family supports via the PHOCs, ECChange technology system, data and evaluation support and Training. The Agency remains committed to the County's early childhood system of care, of which home visiting is a crucial component. Ms. Spanos stated the type of supports F5AC wants to implement both complement the existing home visiting programs, and extends reach to those families for whom these programs do not meet their needs. Adjustments could be made to any program strategy area(s) to accommodate requested restorations to home visiting. F5AC is using Parent Engagement & Support for illustrative purposes, as that is where HV is currently budgeted.

Ms. Spanos presented the original proposed funding for HV in the FY 2017-21 Strategic Plan. No backfill was specifically requested in the Strategic Plan, though F5AC strongly supports ongoing County financial support of HV and identifies it as a critical component of the system of care of early child development and families. F5AC is actively engaging County leadership and other funders to support existing services and needed expansion.

Ms. Spanos presented funding options that were not included in the previous Strategic Plan draft. Option A proposes F5AC fund HV in the amount of \$1.5M for FY 2017-18, \$750K for FY 2018-19, \$750K for FY 2019-20 and \$0 in FY 2020-2021. This option would request backfill from Alameda County each fiscal year to total \$3M in funding.

Ms. Spanos presented Option B which proposes F5AC fund HV in the amount of \$2M for FY 2017-18, \$1M for FY 2018-19, \$0 for FY 2019-20 and \$0 in FY 2020-2021. This option would request backfill from Alameda County each fiscal year to total \$3M in funding. Ms. Burger stated a long term HV funding solution with more sustainability will need to be determined by the next Strategic Plan.

Commissioner Coffin stated his support of Option A and noted the importance to reforecast annually based on community contributions.

Commissioner Echeverria stated her support for Option A and commented this would send a signal to the Federal government showing in solidarity with the community.

The Commission unanimously recommended moving forward with Option A in lieu of the original proposal for funding for Home Visiting in the FY2017-2021 Strategic Plan.

MISCELLANEOUS

5. Communication from Commissioners

There was no communication from the Commissioner to report.

6. Adjournment

Chair Simms-Mackey adjourned the meeting at 6:28 PM



FIRST 5 ALAMEDA COUNTY COMMISSION MEETING MINUTES

Thursday, December 8, 2016

**First 5 Alameda County
1115 Atlantic Ave.
Alameda, CA 94501
Conference Room A**

9:00 AM – 11:30 AM

Commissioners: Vice Chair: Renee Herzfeld, Wilma Chan, Cecilia Echeverría, Michelle Love, Tomás A. Magaña M.D., Kimi Watkins-Tartt

Alternates: Karina Rivera, Dr. Karen Tribble

Commissioners Absent: Chair: Pamela Simms-Mackey M.D., Scott Coffin, Lori Cox

Vice Chair Renee Herzfeld called the meeting to order at 9:01 AM.

1. Public Comment (for items not listed on the agenda) - Limited to 3 minutes per speaker

Vice Chair Herzfeld informed the public, Agenda Item #1 is open for comments on issues that are not listed on the agenda. The public may complete a comment card if they wish to speak on a non-agenda topic. She stated that public comment on the Strategic Plan will be taken when it is presented. Vice Chair Herzfeld stated the Second Reading of FY 2017-21 Strategic Plan has been moved from Agenda Item #7 to Agenda Item #5.

Vice Chair Herzfeld opened the discussion to Public Comment.

Erin Le, Attorney, East Bay Community Law Center, provided a brief overview of the services provided by her agency. Ms. Le commented on the positive effects of First 5 Alameda County's (F5AC) professional development opportunities for agency partners. She also thanked the Commission for their support in serving the community.

Renata Moreira, Interim Executive Director, Our Family Coalition, provided a brief overview of the services provided by her agency and discussed funding concerns with the new federal administration.

Jessica Salaam, Program Director, Center for Early Intervention on Deafness provided a brief overview of the services provided by her agency. Ms. Salaam gave a testimonial on the positive effects of F5AC's support.

2. Approval of Minutes from October 20, 2016

Commission Action: The Commission approved the October 20, 2016 minutes upon motion by Commissioner Chan, seconded by Commissioner Echeverría and unanimously carried with no abstentions (5 in favor, 0 opposed, 0 abstentions).

3. Staff Announcements

Janis Burger, CEO, announced The Atlantic recently published an article which highlights Too Small to Fail's work to incorporate talking, reading, and singing prompts into new playgrounds across the

country, as well as The Clinton Foundation's community based work with trusted messengers throughout Oakland. Carla Keener, Senior Administrator at F5AC contributed to the article which was distributed for review.

Ms. Burger announced F5AC has received a 3-year grant from the Sunlight Giving Foundation to support Neighborhoods Ready for School.

INFRASTRUCTURE

4. Contract Authorizations

Christine Hom, Finance Officer presented the contract authorizations and provided a brief overview of the funding sources of each contract authorization as outlined in the memo provided to the Commission.

Vice Chair Herzfeld facilitated the vote for the following contracts:

- Applied Survey Research (both contracts)
- Oakland Education Fund
- Melia Franklin
- Merritt College
- UCSF Benioff Children's Hospital Oakland

Commission Action: The Commission approved the contract above upon motion by Commissioner Watkins-Tartt, seconded by Commissioner Echeverría, and unanimously carried with Commission Alternate Love abstaining from the vote (5 in favor, 0 opposed, 1 abstention).

PROGRAM

5. Second Reading of FY 2017-21 Strategic Plan - (Formerly Agenda item 7)

Vice Chair Herzfeld opened the discussion to Public Comment on the FY 2017-2021 Strategic Plan.

Kiko Malin, Director, Alameda County Public Health Department thanked the Commission and F5AC for the adjustment in funding to support the Home Visiting (HV) program since the previous reading of the FY 2017-2021 Strategic Plan. Ms. Malin expressed concern for program funding due to the recent election results. She presented a handout detailing the recent changes in HV funding landscape and current state of the HV system of care.

Ms. Burger presented the second reading of the FY 2017-2021 Strategic Plan. She provided an overview of the 10-month strategic planning process, which included community surveys, stakeholder interviews, parent focus groups and F5AC staff participation. Given F5AC's financial realities, shifts in the field of child development and the needs of our community tough organizational decisions needed to be made, i.e. reductions in funding to some areas of programming and re-envisioning/restructuring in others, such as community grants. Ms. Burger stated each proposed reduction is painful for the agency and does not reflect a lessening of the value placed in any programmatic area. F5AC will continue to work hard and collaborate to seek adequate funding for HV, Early Care and Education (ECE) and Early Detection.

Ms. Burger stated that based on the direction of the Commission at the November 14, 2016 meeting, F5AC is proposing to fund the HV Direct Service Contract for \$1.5 million in FY 2017-18, \$750,000 in FY 2018-19, and \$750,000 in FY 2019-20 with the goal of obtaining matching funding from other partners. This is an adjustment from the prior recommendation which was funding of \$1.5 million in FY 2017-18 and elimination of funding for the subsequent fiscal years. The overall amounts per strategy in the plan are unchanged from the first reading.

Commissioner Chan asked if moving funding from the FY 2019-20 budget to FY 2017-18 of the Strategic Plan would allow more time during to find alternate funding options. The shift in funding would not change the bottom line of overall funding.

Commissioner Echeverría expressed concern that consistency in revenue may be difficult if funding is shifted to FY 2017-18.

Commission Action: The Commission approved the Second Reading of the FY 2017-2021 Strategic Plan upon motion by Commissioner Chan, seconded by Commissioner Echeverría, and unanimously carried (6 in favor, 0 opposed, 0 abstentions).

6. FY 2015-16 Annual Report to First 5 California (Formerly Agenda item 5)

Ms. Burger presented the FY 2015-16 Annual Report to First 5 California. Each year F5AC is required to submit an annual report to First 5 California. The report contains client, financial data, and a narrative summary of evaluations completed in FY 2015-16 and was submitted on November 1, 2016.

Commission Action: The Commission approved the FY 2015-16 Annual Report to First 5 California upon motion by Commissioner Magaña, seconded by Commissioner Chan, and unanimously carried (6 in favor, 0 opposed, 0 abstentions).

7. F5AC Annual Report (Formerly Agenda item 6)

Chris Hwang, Evaluation & Technology Senior Administrator presented the F5AC Annual Report. On an annual basis F5AC produces an annual report reflecting accomplishments, outcomes and a financial summary of activities. The report for fiscal year 2015-16 (July 1, 2015 through June 30, 2016) is prepared for review and approval by the Commission. Ms. Hwang thanked the agency staff and partners for their work in collecting data.

Ms. Hwang presented an overview of each of the result areas detailed in the report as well as the data findings for each result. Ms. Hwang stated there are 5,500 medical births per year in the county. F5AC Perinatal Hospital Outreach Coordinators, stationed at local hospitals & other community locations, referred families to HV/family support programs and other supports such as WIC & health insurance. 1,359 families were referred by F5AC to over 10 home visiting/family support programs.

Ms. Hwang provided a brief overview of the 2015 Alameda County School Readiness Study and stated 33% of children ages 3-5 in Alameda County are not enrolled in pre-school or kindergarten. F5AC was able to serve over 500 children through quality early learning experiences for families whose children were not enrolled in licensed child care.

Ms. Burger stated with support from F5AC, the Interagency Children's Policy Council, the Alameda County Early Childhood Policy Committee and Parent Voices Oakland brought together over 50 parents

for the Spring Parent Forum, which led to the launch of a campaign to increase access to child care subsidies for displaced and/or homeless families. The County Board of Supervisors has agreed to work with parents to identify funding for this effort.

Ms. Burger stated F5AC was one of several funders of research conducted on how to modify the way ECE subsidy dollars are utilized and distributed in the county. This work contributed to the development of the AB833 Early Care and Education Subsidy Implementation Plan, which was recently approved.

Ms. Burger highlighted the collaboration with the Oakland Starting Smart and Strong Initiative. (OSSS) . Oakland is one of three communities in California participating in the Lucille Packard Foundation's 10 year effort to support kindergarten readiness and 3rd grade success. Other cities are Fresno and Santa Clara. F5AC serves on the Lead Planning team for the Oakland Starting Smart and Strong Initiative and Malia Ramler is the co- chair of the OSSS initiative.

Commissioner Watkins-Tartt inquired about the geographic spread of the WIC sites and providers and requested to see a visual on where they are located. Ms. Hwang stated F5AC would be able to generate a map of providers for the Commission,

Commissioner Chan left the meeting; Commissioner Alternate Karina Rivera joined the meeting.

8. State Commission and Association Updates

Ms. Burger announced First 5 Association will be hosting an Advocacy Day on January 31, 2017. First 5 Commissions from across the state will have the opportunity to meet with legislators, local commissioners, and network with fellow First 5 leadership to work together to further understanding about who First 5 is and what we do in the face of declining revenue. First 5 Commissioners, Executive Directors and staff are all encouraged to attend. Ms. Burger invited the Commission to sign up for First 5 Association updates through their intranet website. Registration for the event is available on the intranet.

9. Legislation and Public Policy Updates

Ms. Burger stated that First 5 Alameda County has been approved to join the Youth Ventures Joint Powers Authority (JPA). The JPA met with the Oakland Thrives Leadership Council on December 7th and discussed the implications of recent election results. The next JPA Board meeting will take place on January 12, 2017.

Ms. Burger reported Help Me Grow California which is housed at the First 5 Association is hiring an advocacy and policy position to support sustainability. Loren Farrar, Help Me Grow Coordinator, will represent F5AC on the statewide committee.

MISCELLANEOUS

10. Communication from Commissioners

Commissioner Echeverría announced she has taken a new position within Kaiser Permanente. She is now the Senior Director for Public Policy, Strategy & Operations for Kaiser's Institute for Health Policy, Government Relations. Her new role connects health care experts, advisers, policymakers and providers through national and international networks, publications and conferences.

Vice Chair Herzfeld announced Hayward Promise Neighborhood's (HPN) five year grant from the US Department of Education will end on December 31, 2016. The work of HPN will continue beyond the end of the grant. Vice Chair Herzfeld stated Ms. Burger has provided positive leadership in the HPN Executive group.

11. Adjournment

Vice Chair Herzfeld adjourned the meeting at 10:04 AM.



To: First 5 Alameda County Commission

From: Christine Hom, Finance Officer

Date: February 23, 2017

Subject: Half Yearly Financial Report for July 1 – December 31, 2016

REQUESTED ACTION

To review the Financial Report for the first six months of FY 2016-17.

BACKGROUND

This narrative, and the attached statements, report Revenues and Expenses for the period July 1 – December 31, 2016. At the end of December, 50% of the fiscal year was complete. Therefore it is reasonable to expect that total revenues and total expenses will be at or near 50% of budget projections, subject to timing lags. Material exceptions are noted below.

Revenue

As of December 31st, total half yearly revenue received was \$4.2m, or 26% of the revenue projection for the current fiscal year compared to 53% last year. Of this amount:

- Tobacco Tax receipts of nearly \$3.5 million (of \$12.4m budgeted) or 28% was received for the first six months of the fiscal year and also in keeping with prior year trends. Proposition 10 revenues are typically received 2 months in arrears.
- As of December 31st, \$215,742 (of \$1.12m budgeted) or 19% of Inter-agency Income had been received; mainly from reimbursements from several contracts with Alameda County Social Services Agency (CALWORKS contract) and Alameda County Public Health Department (Help Me Grow Linkage Line contract).
- Grant funding of \$361,000 (of \$1.54m budgeted) or 23% was received from the Koshland Foundation, Lucile Packard Foundation, Sunlight Giving and Connecticut Children’s Medical Center.
- Medi-Cal Administrative Activities (MAA) invoicing for FY 2015-16 expenditures are in process and reimbursements are expected this calendar year.

- Investment revenue of nearly \$212,621 was received in the first six months and represents 43% of the budget projection for the year. The continued prevailing low interest rate climate is the main cause of depressed yields.

Expenses

At \$4.2m, total Expenditures for the first six months was almost 20% of the budgeted amount of \$21.45m. This is slightly lower than the 26% of expenditures incurred during the corresponding period in the prior year.

Invoicing for second quarter Contract payments are currently underway and will be reflected in third quarter expenditures. Consistent with prior year practice, the majority of contracts and professional services contract expenses are paid in the second half of the fiscal year due to the timing of when reporting and invoices are received. Grant payments to Community Grantees are made according to a schedule of payments. In the first half of the year 25% of scheduled payments had been made; the remaining 25% will be paid by June 30.

Program operating costs are at 22% of budget; expenses are incurred at different times of the year based on various program factors. We anticipate experiencing a greater rate of budgeted spending through the end of the fiscal year. Infrastructure cost spending is closely in line with the budget for the 6 month mark and is comprised primarily of agency wide administrative expenses including insurance premium payments and office operating costs. Infrastructure costs from this budget category will be allocated to all programs at year-end to provide a more complete picture of actual program costs.

Summary

Total receipt of revenues are on the lower end at the mid-year due to the timing of monies to be received from external funding sources. Total expenses incurred are also relatively low as has always been the case in previous years. That will change as the year progresses and most expense line items are expected to trend closer to budget projections by year-end.

Fiscal Impact

None

REQUESTED ACTION

To review the Financial Report for the first six months of FY 2016-17

Submitted by:

Reviewed by:

Christine Hom
Finance Officer

Janis Burger
Chief Executive Officer

First 5 Alameda County

**Budget vs Actual Expenditure by Category
For the Period July 1, 2016 - Dec 31, 2016**

Expenditures	Budget	Actuals	Remaining Balance/ Variance	% Spent in first half this year	% Spent in first half last year
Personnel Costs	7,520,343	2,188,373	5,331,970	29%	37%
Contracts	9,976,704	776,401	9,200,303	8%	13%
Grants & Stipends	1,962,150	809,385	1,152,765	41%	40%
Professional Services Contracts	749,750	46,731	703,019	6%	5%
Program Operating Costs	585,054	131,609	453,445	22%	49%
Infrastructure Costs	656,000	303,949	352,051	46%	42%
TOTAL EXPENDITURES	21,450,000	4,256,448	17,193,552	20%	27%

First 5 Alameda County

Revenue

For the Period July 1, 2016 to December 31, 2016

Revenues	Budget	Actual	Remaining Balance/ Variance	% Received in first half this year
Prop 10 Tobacco Tax	12,392,459	3,449,049	8,943,410	28%
Interagency Income				
- ACBHCS - ACECPC (Parent Voices)	0	0	0	0%
- ACPHD Project LAUNCH (SAMHSA) *	55,000	0	55,000	0%
- ACPHD Data Systems Hosting & Mtce	40,000	58,000	(18,000)	145%
- ACSSA Parent Voices *	325,000	36,282	288,718	11%
- AC Office of Educ. (QRIS Block Grant 2)	42,352	0	42,352	0%
- AC Office of Educ. (QRIS Block Grant 3)	0	0	0	0%
- ACHCSA - Fathers Corp	40,000	20,000	20,000	50%
- ACPHD HMG Linkage Line	358,036	83,460	274,576	23%
- First 5 California (HMG)	0	18,000	(18,000)	100%
- First 5 California (IMPACT)	263,441	0	263,441	0%
- CCFF/CA Wellness Foundation (Fathers Corp)	0	0	0	0%
Total Interagency Income	1,123,829	215,742	908,087	19%
Grants				
Federal *(see above for Federally funded awards)	0	0	0	0%
State - CA Dept of Education (Infant/Toddler Block Grant)	0	0	0	0%
Private:				
- Long Foundation	1,337,031	0	1,337,031	0%
- Koshland Foundation	100,000	100,000	0	100%
- Packard Foundation (Project DULCE)	0	50,000	(50,000)	100%
- Sunlight Giving	0	200,000	(200,000)	100%
Other:				
- Center for the Study of Social Policy (Project DULCE)	105,000	0	105,000	0%
- Center for the Study of Social Policy (Research to Action)	0	0	0	0%
- Connecticut Children's Medical Center (HMG National)	0	11,000	(11,000)	100%
Total Grants	1,542,031	361,000	1,181,031	23%
Fiscal Leveraging - MediCal Administrative Activities	900,000	0	900,000	0%
Other - Investment Revenue	500,000	212,621	287,379	43%
- Misc.Income	20,000	43,282	(23,282)	216%
TOTAL REVENUE	16,478,319	4,281,694	12,196,625	26%
Reserves				
Sustainability Funds	4,971,681	0	4,971,681	0%
TOTAL REVENUES & AVAILABLE FUNDS	21,450,000	4,281,694	17,168,306	20%



To: First 5 Alameda County Commission
From: Christine Hom, Finance Officer
Date: February 23, 2017
Subject: Half Yearly Investment Report, July 1 – December 31, 2016

REQUESTED ACTION

To review the Investment Report for the first six months of FY 2016-17.

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 identified benchmarks.

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, 2016.

PORTFOLIO HIGHLIGHTS

The Investment Report shows the performance of funds that are invested in the Alameda County Treasury pool and with portfolio manager Chandler Asset Management. At the end of the last fiscal year (June 30th 2016), the total market value of the portfolio was \$31,320,495. In August 2016, F5AC liquidated \$4,000,000 of holdings and transferred the funds to the agency's operating account to address cash flow lags. The market value of the combined portfolios as of December 31, 2016 is \$27,057,819 at a cost of \$27,194,698.

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 (net of fees) for the six months ended December 31, 2016 was \$198,047 and includes \$3,099 from the Alameda County Treasurer's pool.

Investment Fees

Fees include those levied by the portfolio manager and the fees levied by the account custodian (Union Bank). The total fees paid during this period were \$17,673.

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 loss of \$136,879 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 loss would have been realized, had the portfolio been liquidated on December 31st. Since the portfolio was not liquidated, this section is for informational purposes only. 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. Chandler's annualized portfolio yield of 1.39% is well ahead of the LAIF yield of 0.43% and the Alameda County Treasury Investment Pool yield of 0.66% for the six month period.

FISCAL IMPACT

The total realized investment earnings at the end of the first half of the year were \$198,047.

REQUESTED ACTION

To review the Investment Report for the first six months of FY 2016-17

Submitted by:

Reviewed by:

Christine Hom
Finance Officer

Janis Burger
Chief Executive Officer

**First 5 Alameda County
Chandler Asset Management Combined Holdings Report
as of December 31, 2016**

<u>Asset Name</u>	<u>CUSIP</u>	<u>No. of Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Investment Type</u>	<u>Moody</u>	<u>S & P</u>
FAMC	3137EADJ5	160,000	161,125.74	160,248	Other Fed Govt	Aaa	AAA
FHLMC NTS	3137EADJ5	250,000	251,758.96	250,388	Other Fed Govt	Aaa	AA+
FHLMC NTS - CUT	3137EADP1	150,000	149,512.50	149,805	Other Fed Govt	AA+	Aaa
FFCB BDS	3133EAY28	160,000	160,000.00	160,005	Other Fed Govt	Aaa	AAA
FFCB - CUT	31331KNA4	500,000	522,520.00	509,605	Other Fed Govt	AA+	Aaa
FHLB Note	3130A4GJ5	75,000	75,233.99	75,058	Other Fed Govt	Aaa	AA+
FHLB Note	3130A4GJ5	255,000	255,795.57	255,196	Other Fed Govt	Aaa	AA+
FHLB Note	3130A7CV5	525,000	522,879.00	515,057	Other Fed Govt	Aaa	AA+
FHLB Note	3130A8QS5	330,000	326,950.80	318,536	Other Fed Govt	Aaa	AA+
FHLMC NTS	3137EADF3	245,000	247,271.88	245,537	Other Fed Govt	Aaa	AA+
FHLMC NTS	3137EADM8	50,000	49,355.58	49,708	Other Fed Govt	Aaa	AA+
FHLMC NTS	3137EADM8	265,000	261,584.56	263,450	Other Fed Govt	Aaa	AA+
FHLMC NTS	3137EADM8	300,000	296,133.46	298,245	Other Fed Govt	Aaa	AA+
FHLMC NTS	3137EADK2	260,000	256,681.36	258,929	Other Fed Govt	Aaa	AA+
FHLMC NTS	3137EADK2	50,000	49,361.80	49,794	Other Fed Govt	Aaa	AA+
FHLMC NTS	3137EADK2	300,000	296,170.80	298,764	Other Fed Govt	Aaa	AA+
FHLMC NTS	3137EADG1	250,000	253,371.25	252,355	Other Fed Govt	Aaa	AA+
FHLMC NTS	3137EADG1	350,000	354,719.75	353,297	Other Fed Govt	Aaa	AA+
FHLMC NTS	3137EADR7	625,000	624,150.00	620,156	Other Fed Govt	Aaa	AA+
FHLMC NTS	3137EAEC9	550,000	545,952.00	529,518	Other Fed Govt	Aaa	AA+
FNMA NTS	3135GOD75	620,000	620,334.80	617,111	Other Fed Govt	Aaa	AA+
FNMA NTS	3135GOF73	625,000	614,175.00	617,163	Other Fed Govt	Aaae	AA+
FNMA NTS	3135GOJ20	220,000	219,069.63	215,712	Other Fed Govt	Aaae	AA+
FNMA NTS	3135GOJ20	400,000	398,308.41	392,204	Other Fed Govt	Aaa	AA+
FNMA NTS	3135GOK69	300,000	301,020.00	291,501	Other Fed Govt	Aaa	AA+
FNMA NTS	3135GON82	225,000	223,783.43	217,456	Other Fed Govt	Aaa	AA+
FNMA NTS	3135GOZA4	250,000	250,512.75	253,045	Other Fed Govt	Aaa	AA+
FNMA NTS	3135GOZG1	240,000	239,867.76	242,280	Other Fed Govt	Aaa	AA+

**First 5 Alameda County
Chandler Asset Management Combined Holdings Report
as of December 31, 2016**

<u>Asset Name</u>	<u>CUSIP</u>	<u>No. of Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Investment Type</u>	<u>Moody</u>	<u>S & P</u>
FNMA NTS	3135G0Q89	200,000	198,782.00	194,574	Other Fed Govt	Aaa	AA+
TVA BD	880591EQ1	275,000	279,096.11	277,360	Other Fed Govt	Aaa	AA+
TVA BD	880591EQ1	330,000	334,915.34	332,831	Other Fed Govt	Aaa	AA+
Apple Inc Bonds	037833AJ9	190,000	188,567.40	189,288	Corporate Bonds	Aa3	A+
Apple Inc Bonds - CUT	037833AJ9	334,000	331,481.64	332,748	Corporate Bonds	Aa1	AA+
American Honda Finance	02665WAC5	75,000	75,899.38	75,587	Corporate Bonds	A1	A+
American Honda Finance	02665WAC5	15,000	15,179.88	15,117	Corporate Bonds	A1	A+
American Honda Finance	02665WAQ4	115,000	114,893.05	115,100	Corporate Bonds	A1	A+
Bank of New York Mellon	06406HCW7	160,000	160,816.38	161,318	Corporate Bonds	Aa3	A
Bank of New York Mellon	06406HCW7	160,000	160,816.38	161,318	Corporate Bonds	A1	A+
Berkshire Hathaway	084664CK5	185,000	184,820.55	182,754	Corporate Bonds	Aa2	AA
Caterpillar Finl - CUT	14912L5Z0	500,000	500,575.00	499,885	Corporate Bonds	A2	A
Caterpillar Finl - CUT	14912L5Z0	100,000	100,115.00	99,977	Corporate Bonds	A2	A
CHAIT	161571HH0	375,000	374,967.68	374,659	Corporate Bonds	Aaa	AAA
Chevron Corp	166764AA8	55,000	54,892.63	54,876	Corporate Bonds	Aa1	AA
Chevron Corp	166764AA8	30,000	29,941.43	29,932	Corporate Bonds	Aa1	AA
Chevron Corp	166764AA8	58,000	57,886.77	57,869	Corporate Bonds	Aa1	AA
Chevron Corp	166764AA8	12,000	11,976.57	11,973	Corporate Bonds	Aa1	AA
Chevron Corp - CUT	166764AA8	370,000	369,277.69	369,164	Corporate Bonds	AA-	Aa1
CISCO Sys Inc	17275RAR3	60,000	60,285.40	60,791	Corporate Bonds	A1	AA-
CISCO Sys Inc	17275RAR3	60,000	60,285.40	60,791	Corporate Bonds	A1	AA-
CISCO Sys Inc	17275RAR3	60,000	60,285.40	60,791	Corporate Bonds	A1	AA-
Costco Wholesale Corp	22160KAG0	105,000	104,889.75	104,148	Corporate Bonds	Aa3	A+
EXXON Mobile	30231GAV4	150,000	151,679.08	150,344	Corporate Bonds	Aaa	AAA
EXXON Mobile	30231GAV4	265,000	267,966.37	265,607	Corporate Bonds	Aaa	AA+
GECC	36962G7G3	200,000	203,130.00	202,366	Corporate Bonds	Aa2	AA-
GECC	36962G7G3	200,000	203,130.00	202,366	Corporate Bonds	Aa2	AA-
HAROT	43814HAC2	40,692	40,684.40	40,665	Corporate Bonds	Aa3	AAA

**First 5 Alameda County
Chandler Asset Management Combined Holdings Report
as of December 31, 2016**

<u>Asset Name</u>	<u>CUSIP</u>	<u>No. of Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Investment Type</u>	<u>Moody</u>	<u>S & P</u>
HAROT	43814GAC4	28,221	28,217.81	28,197	Corporate Bonds	Aa4	AA-
HAROT	43814NAB1	192,957	192,938.03	192,894	Corporate Bonds	Aa5	AAA
HAROT	43813NAC0	129,744	129,724.47	129,607	Corporate Bonds	Aa6	AAA
HAROT	43814QAC2	170,000	169,996.70	169,737	Corporate Bonds	Aaa	AAA
HSBC	40428HPH9	200,000	200,536.00	199,650	Corporate Bonds	A2	A
IBM Corp	459200HK0	210,000	210,749.70	209,752	Corporate Bonds	Aa3	A+
Intel Corp	458140AL4	190,000	190,566.45	190,285	Corporate Bonds	A1	A+
John Deere	24422ERL5	120,000	124,813.20	120,028	Corporate Bonds	A2	A
John Deere - CUT	24422ESB6	500,000	497,170.00	498,655	Corporate Bonds	A2	A
JDOT (John Deere) Pass Through	477877AD6	11,612	11,590.38	11,611	Corporate Bonds	A2	A
JDOT (John Deere) Pass Through	477877AD6	24,959	24,913.46	24,957	Corporate Bonds	Aaa	NR
JDOT (John Deere) Pass Through	477877AD6	75,829	75,689.68	75,823	Corporate Bonds	Aaa	NR
JDOT (John Deere) Pass Through	47787VAC5	37,810	37,804.15	37,794	Corporate Bonds	A2	A
JDOT (John Deere) Pass Through	47788MAC4	235,000	234,963.01	234,384	Corporate Bonds	Aaa	A
JDOT (John Deere) Pass Through	47788NAB4	280,000	279,982.92	279,678	Corporate Bonds	Aaa	A
Microsoft Co NTS	594918BG8	160,000	159,872.00	160,166	Corporate Bonds	Aaa	AAA
Microsoft Co NTS	594918BP8	80,000	79,905.22	77,593	Corporate Bonds	Aaa	AAA
Microsoft Co NTS	594918BP8	205,000	204,757.13	198,832	Corporate Bonds	Aaa	AAA
NAROT (Nissan Auto Rec)	65478WAB1	195,000	194,992.32	194,667	Corporate Bonds	Aaa	AAA
Oracle Corp - CUT	68389XBK0	350,000	342,163.50	342,017	Corporate Bonds	A1	A+
Pfizer	717081DG5	190,000	187,003.70	190,276	Corporate Bonds	A2	A
Pfizer	717081DJ9	50,000	49,956.00	50,001	Corporate Bonds	A1	AA
PraxAir	74005PBH6	165,000	162,404.55	164,248	Corporate Bonds	A1	AA
Qualcomm Inc	747525AD5	160,000	158,228.00	160,011	Corporate Bonds	A1	AA
State Street Corp	857477AV5	215,000	214,888.20	210,683	Corporate Bonds	A1	A
TAOT (Toyota Pass Thru)	89231MAC9	12,625	12,622.33	12,619	Corporate Bonds	A2	A
TAOT MTR Cr Corp	89231LAB3	225,000	224,982.00	224,568	Corporate Bonds	A3	A
TAOT MTR Cr Corp	89231TAB6	46,902	46,897.84	46,890	Corporate Bonds	Aaa	AAA

**First 5 Alameda County
Chandler Asset Management Combined Holdings Report
as of December 31, 2016**

<u>Asset Name</u>	<u>CUSIP</u>	<u>No. of Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Investment Type</u>	<u>Moody</u>	<u>S & P</u>
TAOT MTR Cr Corp	89231TCA1	40,000	39,945.20	40,012	Corporate Bonds	A2	A
TAOT MTR Cr Corp	89231UAD9	315,000	314,983.90	313,989	Corporate Bonds	Aaa	AAA
TAOT MTR Cr Corp	89236WAC2	96,243	96,228.51	96,192	Corporate Bonds	Aaa	AAA
Toyota - CUT	89233P5S1	500,000	516,090.00	500,095	Corporate Bonds	AA3	AA-
United Tech Corp	913017BU2	15,000	14,987.10	15,039	Corporate Bonds	Aa3	A+
US Bancorp BDS	91159HHH6	95,000	95,372.73	95,811	Corporate Bonds	A1	A+
US Bancorp BDS	91159HHH6	40,000	40,156.94	40,342	Corporate Bonds	A1	A+
US Bancorp BDS	91159HHH6	20,000	20,078.47	20,171	Corporate Bonds	A1	A+
US Bancorp BDS	91159HHH6	180,000	180,706.22	181,537	Corporate Bonds	A1	A+
Wells Fargo	94974BGF1	135,000	134,854.20	134,363	Corporate Bonds	A2	A+
Wells Fargo	94974BGF1	35,000	34,962.20	34,835	Corporate Bonds	A2	A+
Cooperative Central DC/P	21687AQU0	550,000	546,902.89	548,719	Commercial Paper	P-1	A-1
Bank of Tokyo Mitsubishi	06538BQ63	220,000	219,181.72	219,622	Commercial Paper	P-1	A-1
U.S. T Notes - CUT	912828B90	600,000	616,853.57	604,782	U.S. Treasury	N/A	AAA
U.S. T Notes - CUT	912828J84	600,000	600,587.95	596,862	U.S. Treasury	N/A	AAA
U.S. Treasury Notes	912828L32	600,000	600,189.51	593,766	U.S. Treasury	Aaa`	AA+
U.S. Treasury Notes	912828L99	450,000	443,182.79	444,479	U.S. Treasury	Aaa`	AA+
U.S. Treasury Notes	912828L99	100,000	98,485.07	98,773	U.S. Treasury	Aaa`	AA+
U.S. Treasury Notes	912828N89	155,000	151,912.63	152,523	U.S. Treasury	Aaa`	AA+
U.S. Treasury Notes	912828SH4	160,000	160,423.18	160,450	U.S. Treasury	Aaa	AA+
U.S. Treasury Notes	912828SH4	100,000	100,264.49	100,281	U.S. Treasury	Aaa	AA+
U.S. Treasury Notes	912828SH4	350,000	350,925.70	350,984	U.S. Treasury	Aaa	AA+
U.S. Treasury Notes	912828ST8	260,000	254,811.03	259,847	U.S. Treasury	Aaa	AA+
U.S. Treasury Notes	912828UB4	260,000	252,657.16	256,872	U.S. Treasury	Aaa	AA+
U.S. Treasury Notes	912828UB4	150,000	145,763.75	148,196	U.S. Treasury	Aaa	AA+
U.S. Treasury Notes	912828UQ1	325,000	321,146.79	322,410	U.S. Treasury	Aaa	AA+
U.S. Treasury Notes	912828UQ1	300,000	296,443.19	297,609	U.S. Treasury	Aaa	AA+
U.S. Treasury Notes	912828Q37	555,000	542,145.81	542,185	U.S. Treasury	Aaa	AA+

**First 5 Alameda County
Chandler Asset Management Combined Holdings Report
as of December 31, 2016**

<u>Asset Name</u>	<u>CUSIP</u>	<u>No. of Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Investment Type</u>	<u>Moody</u>	<u>S & P</u>
U.S. Treasury Notes	912828R85	550,000	550,861.22	544,242	U.S. Treasury	Aaa	AA+
U.S. Treasury Notes	912828T34	555,000	545,614.56	535,336	U.S. Treasury	Aaa	AA+
U.S. Treasury Notes	912828VF4	320,000	318,003.49	317,974	U.S. Treasury	Aaa	AA+
U.S. Treasury Notes	912828VF4	300,000	298,128.27	298,101	U.S. Treasury	Aaa	AA+
U.S. T Notes	912828XM7	600,000	606,798.89	599,604	U.S. Treasury	Aaa	AA+
Federated Govt Oblig	60934N10S	11,883	11,882.55	11,883	Money Market		0
		Total	27,194,697.86	\$ 27,057,819			

**First 5 Alameda County
Investment Report - Chandler Asset Management
For the Period July 1, 2016 - December 31, 2016**

INVESTMENT INCOME:

<i>Interest Received</i>		\$	212,621
Interest from Alameda County Treasurer		\$	3,099
Total Investment Earnings		\$	215,720
<i>Less:</i>			
Investment Fees (Chandler)	\$ (15,968)		
Trustee Fees (Union Bank)	\$ (1,705)	\$	(17,673)
<i>Net Investment Income</i>		\$	<u>198,047</u>

INVESTMENT ACTIVITY:

Portfolios - Cost Basis at 07/01/2016		\$	31,320,495
Purchases		\$	13,335,944
Maturities		\$	(260,835)
Sales		\$	(16,306,628)
Cash Disbursement		\$	(529,952)
Portfolios - Cost Basis at 12/31/2016		\$	27,194,698

COST VS. MARKET VALUE:

Portfolios at Market 12/31/2016		\$	27,057,819
Portfolios at Cost 12/31/2016			27,194,698
<i>Unrealized Gain (Loss) at 12/31/2016</i>		\$	<u>(136,879)</u>

YIELD AND BENCHMARKS (Annualized):

Chandler Asset Management	1.39%
Local Agency Investment Fund (LAIF)	0.43%
Alameda County Treasurer's Pool	0.66%



To: First 5 Alameda County Commission

From: Christine Hom, Finance Officer

Date: February 23, 2017

Subject: FY 2016-17 Budget Modification Recommendation

ACTION REQUESTED

To review the following Budget Modification Recommendation

BACKGROUND

The operating budget for FY 2016-17 was adopted by the Commission in June 2016. As in prior years, First 5 Alameda County staff submit mid-year proposals to modify the adopted budget to address material changes in revenue, seek approval for unanticipated expenses that may have occurred and make necessary transfers and adjustments to reflect changes to program goals, since the adoption of the original budget.

REVENUE AND AVAILABLE FUNDS

The 2016-17 Adopted Budget projects revenue and available funding totaling \$21,450,000. The proposed budget modification changes this amount to \$21,725,406, a net increase of \$275,406.

The primary changes in revenue for this fiscal year are the addition of several new funding sources. As a collective result of these changes, it is anticipated that less Sustainability Funds will be needed to achieve a balanced budget at year end.

EXPENDITURES

The FY 2016-17 adopted budget projects expenses totaling \$21,450,000. The proposed budget modification changes this amount to \$21,725,406, a net increase of \$275,406. Please refer to the following summary of major changes and the attached Budget Modification worksheets for Revenues and Expenditures.

NEW REVENUE RECEIVED/BUDGETED SINCE ADOPTION OF ORIGINAL BUDGET:

FUNDER	PROJECT/ STRATEGY	AMOUNT (\$)	DESCRIPTION/PURPOSE
Alameda County Behavioral Health Care Services	Policy & Communications – Alameda County Early Childhood Policy Committee (ACECPC)	\$19,200	Funding to support the ACECPC via a contract with Parent Voices Oakland for parent recruitment and engagement activities. ACBHCS funding supports 50% of the total \$38,400 contract for the fiscal year
Alameda County Public Health Department (SAMHSA funded)	Continuum of Care & Linkages - Project LAUNCH	\$27,544	Increase funding by \$27,544 from \$55,000 to \$82,544 to align with monies received from AC PHD for implementation of mental health consultation in home visiting and Parent Café strategies in three counties
Alameda County Public Health Department	Evaluation & Technology - Hosting and Maintenance	\$18,000	Increase funding by \$18,000 from projected \$40,000 to \$58,000 to align with monies received from AC PHD for share of cost in support of ECChange hosting and maintenance
Alameda County Public Health Department	Evaluation & Technology - ECChange data system development	\$45,000	Funding to support ECChange developments for additional functionality of Family Health Services programs to minimize data entry for staff conducting required assessments and screenings
Alameda County Office of Education	Provider Capacity Building - Quality Counts Quality Improvement, QRIS Block Grant III	\$381,170	New funding from the third QRIS Block Grant effective October 2016, to provide quality improvement plans and site level quality improvement support for California State Preschool Program sites
Alameda County Health Care Services Agency	Provider Capacity Building - Fathers Corp	\$40,000	Funding to support Fathers Corp Administrator position under new contract. Represents share of personnel cost by Alameda County Health Care Services Agency and Alameda County Social Services Agency
Alameda County Public Health Department	Continuum of Care & Linkages - Help Me Grow	\$19,781	Increase funding by \$19,781 from \$358,036 to \$377,817 to align with actual costs incurred to support the Help Me Grow Linkage Line

FUNDER	PROJECT/ STRATEGY	AMOUNT (\$)	DESCRIPTION/PURPOSE
First 5 California	Continuum of Care & Linkages - Help Me Grow	\$18,000	Funding received to be passed through to the First 5 Association to support statewide Help Me Grow work. Project began last fiscal year and ended September 2016
First 5 California	Provider Capacity Building - Quality Counts IMPACT	\$945,043	Funding to be received for the fiscal year to support QRIS work including rating and quality improvement in child care settings. IMPACT is a 5 year grant; modified amount represents the second year budget
California Wellness Foundation (via California Children and Families Foundation)	Provider Capacity Building - Fathers Corps	\$20,000	New funding received to support Fathers Corps activities
California Department of Education	Provider Capacity Building - Quality Counts Infant/Toddler Block Grant	\$813,917	Funding received to support budgeted outreach, recruitment, incentives and participation of sites serving infants and toddlers in the QRIS consortium. Two year grant ends June 2017
Koshland Foundation	Provider Capacity Building - Quality Improvement	\$69,957	Funding to support implementation of CSEFEL training to increase capacity for quality social emotional learning in child care settings. This represents the roll-over of unspent funds from the prior year and increases the budgeted amount from \$100,000 to \$169,957 for the current fiscal year. This three year grant ends June 2017
Sunlight Giving	Continuum of Care & Linkages - Place Based	\$200,000	New funding received to support school readiness/place based/neighborhoods ready for school programs. Funding will support personnel and contracts expenses this fiscal year

FUNDER	PROJECT/ STRATEGY	AMOUNT (\$)	DESCRIPTION/PURPOSE
Packard Foundation (\$50,000) Center for Study of Social Policy (\$115,000)	Policy & Communications – Project DULCE	\$165,000	New continued funding to support contracts with UCSF Benioff CHO and East Bay Community Law Center to provide mental health consultation and supervision for DULCE team. Alameda Health Services Highland Hospital contract serves as pediatric medical home for the DULCE pilot
Center for Study of Social Policy	Policy & Communications – Project DULCE	\$44,099	Funding to support expenses related to drafting document on “Creating Tools to Successfully Engage Communities and Families in Early Childhood Programs and Systems” and covers the cost of consultants, staff time, parent stipends and materials and supplies. Grant ends October 2016
Connecticut Children’s Medical Center	Continuum of Care & Linkages - Help Me Grow	\$11,000	New funding received from Connecticut Children’s Medical Center to support toxic stress education and support services in pediatric settings. Grant term is July – October 2016

MAJOR CHANGES REQUESTED TO EXISTING EXPENDITURES:

FUNDING SOURCE	PROJECT/ STRATEGY	AMOUNT (\$)	DESCRIPTION/PURPOSE
Proposition 10	Evaluation & Technology - Agency data systems	\$102,980	One time funding to Public Consulting Group (Contractor) to complete documentation of current agency data systems: ECChange, ECCOnline and Pathways to determine technical specifications and areas for enhancement supporting the selection of a new application development vendor
		\$178,000	One time funding to support Protiviti’s (Contractor’s) work of preparing technical specifications to facilitate the release of a RFP for next generation enhancements and upgrades to agency data systems

FUNDING SOURCE	PROJECT/ STRATEGY	AMOUNT (\$)	DESCRIPTION/PURPOSE
Proposition 10	Evaluation & Technology - Agency data systems	\$200,000	Funding to support new development work to be conducted by the Contractor selected through the RFP process for next generation enhancements and upgrades to agency data systems
Proposition 10	Continuum of Care & Linkages – Home Visiting	\$120,000	Reallocating unexpended budgeted personnel expenses for an Integration Coordinator to the Alameda County Public Health Department contract to support quality assurance and data analysis of services

FISCAL IMPACT

The fiscal impact of the budget modification is a net increase of \$275,406 in revenues and expenses, funded by grants, reimbursements and Prop 10 savings, bringing the total budget to \$21,725,406.

RECOMMENDATION

To approve the Budget Modification Recommendation

Submitted by:

Reviewed by:

Christine Hom
Finance Officer

Janis Burger
Chief Executive Officer

First 5 Alameda County
Proposed Revised Revenue Budget
For the Period July 1, 2016 - June 30, 2017

Revenues	Adopted Budget FY 2016-17	Proposed Modified Budget FY 2016-17	Change Increase/ (Decrease)	Note
Prop 10 Tobacco Tax	\$ 12,392,459	\$ 12,392,459	\$ -	1
Interagency Income				
- AC Behavioral Health Care Services - ACECPC (Parent Voices)	\$ -	\$ 19,200	\$ 19,200	2
- AC Public Health Department - Project LAUNCH (SAMHSA) *	\$ 55,000	\$ 82,544	\$ 27,544	3
- AC Public Health Department - Data Systems Hosting & Maintenance	\$ 40,000	\$ 58,000	\$ 18,000	4
- AC Public Health Department - ECChange Development	\$ -	\$ 45,000	\$ 45,000	5
- AC Social Services Agency - Parent Voices CALWORKS *	\$ 325,000	\$ 325,000	\$ -	6
- AC Office of Education - QRIS Block Grant 2	\$ 42,352	\$ 42,352	\$ -	7
- AC Office of Education - QRIS Block Grant 3	\$ -	\$ 381,170	\$ 381,170	8
- AC Health Care Services Agency - Fathers Corp *	\$ 40,000	\$ 80,000	\$ 40,000	9
- AC Public Health Department - Help Me Grow Linkage Line *	\$ 358,036	\$ 377,817	\$ 19,781	10
- First 5 California - Help Me Grow	\$ -	\$ 18,000	\$ 18,000	11
- First 5 California - IMPACT	\$ 263,441	\$ 1,208,484	\$ 945,043	12
- CA Childrens & Families Foundation/CA Wellness Foundation (Fathers Corp)	\$ -	\$ 20,000	\$ 20,000	13
Total Interagency Income	\$ 1,123,829	\$ 2,657,567	\$ 1,533,738	
Grants				
Federal* (see above for federally funded awards)	\$ -	\$ -	\$ -	
State - California Dept of Education (Infant/Toddler Block Grant)	\$ -	\$ 813,917	\$ 813,917	14
Private				
-Thomas J Long Foundation	\$ 1,337,031	\$ 1,285,000	\$ (52,031)	15
- Koshland Foundation	\$ 100,000	\$ 169,957	\$ 69,957	16
- Packard Foundation (Project DULCE)	\$ -	\$ 50,000	\$ 50,000	17
- Sunlight Giving	\$ -	\$ 200,000	\$ 200,000	18
Other				
- Center for the Study of Social Policy (Project DULCE)	\$ 105,000	\$ 141,368	\$ 36,368	19
- Center for the Study of Social Policy (Research to Action)	\$ -	\$ 44,099	\$ 44,099	20
- Connecticut Children's Medical Center (Toxic Stress Project)	\$ -	\$ 11,000	\$ 11,000	21
Total Grants	\$ 1,542,031	\$ 2,715,341	\$ 1,173,310	
Fiscal Leveraging - MediCal Administrative Activities	\$ 900,000	\$ 900,000	\$ -	22
Other - Investment Revenue	\$ 500,000	\$ 500,000	\$ -	23
- Miscellaneous Income	\$ 20,000	\$ 20,000	\$ -	24
TOTAL REVENUE	\$ 16,478,319	\$ 19,185,366	\$ 2,707,047	
Reserves				
Sustainability Funds	\$ 4,971,681	\$ 2,540,040	\$ (2,431,641)	25
TOTAL REVENUES & AVAILABLE FUNDS	\$ 21,450,000	\$ 21,725,406	\$ 275,406	

Notes:

1. Prop 10 Tobacco tax revenues are expected to decline at a rate of 2.5% from the prior year
2. Funding from AC Behavioral Health Care services to support the Alameda County Early Childhood Policy Committee facilitated by Parent Voices - ends June 2017
3. Project LAUNCH funding via AC Behavioral Health Care services; revenue adjusted to reflect actual contract amount
4. Adjusted to reflect actual reimbursement amount
5. Funding from AC Public Health Department to support ECChange development for Family Health Services programs
6. AC Social Services Agency (Parent Voices) - Funding for People's Task Force CalWORK's Roundtable project and transition work in Castlemont corridor
7. AC Office of Education (QRIS) - block grant funding for the Quality Rating Improvement System work ended September 2016
8. AC Office of Education (QRIS) - 90% of new block grant funding for the Quality Rating Improvement System work ending September 2017
9. Funding from AC Social Services Agency and AC Health Care Services Agency for a Fathers Corp staff position to oversee the program - ends December 2018
10. Adjusted to reflect current actual contract amount with AC Public Health Department
11. First 5 California (HMG) - Pass through funding to First 5 Association for statewide Help Me Grow work, extended to September 30, 2017.
12. First 5 California (IMPACT) - Funding to support QRIS work including rating and quality improvement in child care settings; 5 year grant, ending June 2020
13. New grant funding from California Wellness Foundation to support Fathers Corps work
14. Infant & Toddler Block Grant received from the CA Department of Education to increase the Infant/Toddler site participating in QRIS consortium; ends June 2017
15. Thomas J. Long Foundation- adjusted budget per second of 4 year funding for Help Me Grow expansion efforts in conjunction with First 5 Contra Costa
16. Last year of three year \$300,000 funding award including \$26,368 carry-over from prior year to support CSEFL work in ECE sites
17. New funding from the Packard Foundation to support the continued implementation of Project DULCE - ends December 2017
18. New three-year \$600,000 funding from Sunlight Giving to support Neighborhoods Ready for School/Place Based work
19. New \$115,000 funding from The Center for the Study of Social Policy including carry-over from the prior year to support Project DULCE implementation
20. \$60,000 funding from The Center for the Study of Social Policy for Research to Action work spanning FY 2015-17 ends December 2016
21. New \$11,000 grant from the Connecticut Children's Medical Center to enhance pediatric capacity to mitigate the effects of toxic stress - ends October 2016
22. Fiscal leveraging revenue based on income in prior years
23. Investment Revenue based on income in prior years. Conservatively estimated to yield 1.6% of \$31 million portfolio for the budget year
24. Miscellaneous Revenue from renting office space to First 5 Association
25. Sustainability funds will be used to balance the budget, when expenses exceed revenues during the budget year



To: First 5 Alameda County Commission
From: Christine Hom, Finance Officer
Date: February 23, 2017
Subject: Contract Authorizations

REQUESTED ACTION

To review 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.

Alameda Health System (Highland Hospital) - \$105,135

First 5 Alameda County is requesting approval of a FY 2016-18 \$105,135 contract with Alameda Health System's Highland Hospital to support implementation of Project DULCE (Developmental Understanding and Legal Collaboration for Everyone, a family support intervention model bridging infant health and legal access for families (2013-17 Strategic Plan, page 15). This is the second of a three year partnership between First 5 Alameda County and the Center for the Study of Social Policy (CSSP) to pilot Project DULCE in Highland Hospital's Pediatric Department. The addition of this \$105,135 contract brings the FY 2015-18 aggregate contract amount to *\$176,889 for which Commission approval is needed.

*F5AC currently has the following contracts with Alameda Health System:

1. FY15-16 contract for \$71,754 to support planning and implementation of the Project DULCE model at Highland Hospital Pediatric Department. Contract ended October 31, 2016.

Fiscal Impact: Funding will be received from a new \$115,000 grant from CSSP for Project DULCE and has been added to the mid-year budget modification.

Action requested: Approve an aggregate FY 2015-18 award amount of \$176,889 for Alameda Health System.

Applied Survey Research - \$9,900

First 5 Alameda County is requesting approval of a FY 2016-17 \$9,900 contract amendment with Applied Survey Research to conduct an evaluation of the programs serving developmentally vulnerable children (2013-17 Strategic Plan, page 7). Applied Survey Research (ASR) will document types of

intervention provided by providers serving developmentally vulnerable children, track children’s incoming and outgoing developmental status, collect information on the effect of intervention on parents, support the review of supports and progress of data collected, and test the power of the evaluation methods.

Fiscal Impact: Prop 10 Funding is included in the current budget.

Applied Survey Research - \$21,300

First 5 Alameda County is requesting approval of a FY2016-17 \$21,300 contract amendment with Applied Survey Research to conduct a 2017 School Readiness Assessment in Alameda County (FY2013-17 Strategic Plan, pages 10 and 14). Applied Survey Research’s work includes conducting outreach and recruitment of districts and schools who will participate in the assessment, finalization of parent consent forms, conducting teacher trainings, providing technical assistance to teachers, data collection and processing and analysis and presentation of the report.

*F5AC currently has authorized the following contracts with ASR:

1. FY14-17 contract for \$132,240 to support the 2015 county-wide school readiness assessment of up to 3,000 students across 150 kindergarten classrooms in Alameda County;
2. FY16-17 contract for \$50,000 to facilitate the development of a common vision and outcomes among the partners of the Castlemont Prenatal to 8 Collective Impact Initiative;
3. FY16-17 authorization for \$30,000 to conduct an evaluation of the Long Foundation programs serving developmentally vulnerable children [funded through the Thomas J. Long Foundation];
4. FY16-17 authorization for \$50,000 to facilitate the development of a common vision and outcomes among the partners of the Castlemont Prenatal to 8 Collective Impact Initiative. [\$16,000 funded by AC SSA; \$34,000 funded by Prop 10].

The addition of the two requests contract requests brings the FY2014-17 total aggregate contract awards amount to \$293,440 for which Commission approval is needed.

Fiscal Impact: Funding will be from Prop 10 and is budgeted.

Action requested: Approve an aggregate FY2016-17 award amount of \$293,440 for Applied Survey Research

BANANAS - \$20,000

First 5 Alameda County is requesting approval of FY 2016-18 \$20,000 contract amendment with BANANAS to provide 20 Playgroups specifically for licensed Family Child Care Providers serving low income children to increase the provision of quality child care within Quality Counts (QRIS).

*F5AC currently has authorized the following contracts with BANANAS, Inc.:

1. FY15-17 contract for \$120,000 to provide parenting education;
2. FY16-17 contract for \$347,500 to provide ECE professional development services to licensed child care sites;
3. FY16-18 contract for \$70,000 to provide trainings and playgroups to Family, Friend and Neighborhood caregivers.

The addition of this \$20,000 contract amendment brings the FY 2015-18 total aggregate contract awards amount to \$557,500 for which Commission approval is needed.

Fiscal Impact: Funding is budgeted and received from the FY 2015-20 California First 5 IMPACT Grant.

Action requested: Approve an aggregate FY 2016-18 award amount of \$557,500 for BANANAS.

East Bay Community Law Center - \$24,000

First 5 Alameda County is requesting approval of a FY 2016-17 \$24,000 contract to provide three trainings on legal rights and resources on the focus areas of immigration, benefits and housing for providers and families of children 0-5.

*F5AC currently has authorized the following contracts with East Bay Community Law Center:

1. FY15-17 community grant for \$40,000 to provide, in partnership with UCSF Benioff Children’s Hospital, legal advocacy services for children with special needs;
2. FY15-17 contract for \$30,000 to provide legal training and advocacy at Highland Hospital’s Pediatric Department for Project DULCE [contract ended September 30, 2016];
3. FY16-18 contract for \$30,000 to provide legal training and advocacy at Highland Hospital’s Pediatric Department for Project DULCE [contract began October 1, 2016].

The addition of this contract brings the FY 2016-18 total aggregate award amount to \$124,000 for which Commission approval is needed.

Fiscal Impact: Funding for this will be from Prop 10 savings in the community grants support strategy and is currently budgeted.

Action requested: Approve an aggregate FY2016-18 award amount of \$124,000 for the East Bay Community Law Center.

First 5 Association - \$15,000

First 5 Alameda County is requesting approval of a FY 2016-17 \$15,000 contract with First 5 Association to support the Help Me Grow California staff and related activities. The addition of the \$15,000 brings the FY2016-17 aggregate to \$51,670 for which Commission approval is needed.

Fiscal Impact: Funding for this will be from Prop 10 and has been added to the F5AC agency budget via the mid-year budget modification.

Action requested: Approve an aggregate FY2016-17 disbursement of \$51,670 for First 5 Association.

Jewish Family and Community Services East Bay - \$15,000

First 5 Alameda County is requesting approval of FY 2016-18 \$15,000 contract amendment with Jewish Family and Community Services East Bay to provide 15 Social Emotional Foundations in Early Learning groups for Licensed Family Child Care Providers serving low income children to increase the provision of quality child care within Quality Counts (QRIS).

*F5AC currently has authorized the following contracts with Jewish Family and Community Services East Bay:

1. FY2015-17 community grant for \$120,000;
2. FY2016-17 contract for \$135,000 to provide ECE mental health consultation to licensed child care.

The addition of this \$15,000 contract brings the FY 2015-18 total aggregate contract awards amount to \$270,000 for which Commission approval is needed.

Fiscal Impact: Funding is budgeted and received from the FY 2015-20 California First 5 IMPACT Grant.

Action requested: Approve an aggregate FY 2016-18 award amount of \$270,000 for Jewish Family and Community Services East Bay.

Melia Franklin - \$10,000

First 5 Alameda County is requesting approval of a FY 2016-17 \$10,000 contract amendment with Melia Franklin to provide technical assistance in building the framework for Parent Engagement and Support and Neighborhoods Ready for School strategies outlined in the new F5AC 2017-21 Strategic Plan. This work includes building the parent engagement framework; successful collaboration with community and public systems; supporting the needs identified by families and providers; and working on curriculum development and training.

*F5AC currently has the following contracts with Melia Franklin:

1. FY15-17 contract for \$46,000 to develop a definition of the continuum of family engagement; write a white paper on engaging families in systems change efforts and other evaluation best practices; and create a toolkit to increase family engagement efforts;
2. FY16-17 contract for \$15,000 to build upon the parent engagement framework and ensure all First 5-funded family support strategies are aligned with our expressed values and goals; build on successful collaborations with community and public systems, and support the needs identified and expressed by families and providers.

The addition of this \$10,000 brings the FY 2015-17 aggregate contract awards total to \$71,000 for which Commission approval is needed.

Fiscal Impact: Funding will be from Prop 10 and is budgeted.

Action requested: Approve an aggregate FY2015-17 award amount of \$71,000 for Melia Franklin.

Merritt College - \$34,450

First 5 Alameda County is requesting approval of a FY 2016-17 \$34,450 contract with Merritt College to provide a unit-bearing Infant/Toddler course for three large E/HS sites in Alameda County – Unity Council, Berkeley Head Start and Oakland Head Start. Courses will take place on site allowing staff to participate without restriction and staff will earn units towards a degree and an opportunity to potentially increase their QRIS rating. Merritt College is the only public institution in immediate geographic area of client agencies that offers an AA degree in early childhood education.

*F5AC currently has the following contract with Merritt College:

1. FY 2016-17 \$58,000 contract to support a Professional Development Coordinator in the ECE Department.

The addition of this \$34,450 brings the FY 2016-17 aggregate contract amount to \$92,450 for which Commission approval is needed.

Fiscal Impact: Funding has been received from the FY 2015-17 Infant/Toddler Block Grant and has been added to the F5AC agency budget via the mid-year budget modification.

Action requested: Approve an aggregate FY 2016-17 award amount of \$92,450 for Merritt College.

Protiviti - \$129,000

First 5 Alameda County is requesting approval of a FY 2016-17 \$129,000 contract amendment with Protiviti to support the Next Generation Application Vendor Selection and Implementation Readiness project (2013-17 Strategic Plan, page 14). Protiviti will assist in developing a request for proposal (RFP) and selecting a next generation application to replace the existing ECCOnline system. This project seeks to address the application selection as well as evaluation of vendor implementation capabilities, assessment of infrastructure requirements for the selected solution, and development/refinement of the implementation plan.

*F5AC currently has authorized the following contracts with Protiviti:

1. FY 2016-17 contract for \$49,000 to support Phase 1 of the Next Generation Application Vendor Selection and Implementation Readiness Project.

The addition of this \$129,000 brings the FY 2016-17 aggregate contract amount to \$178,000 for which Commission approval is needed.

Fiscal Impact: Funding will be added to the F5AC agency budget via the mid-year budget modification.

Action requested: Approve an aggregate FY2016-17 award amount of \$178,000 for Protiviti.

Public Consulting Group - \$39,400

First 5 Alameda County is requesting approval of a FY 2016-17 \$39,400 contract amendment with Pacific Consulting Group (PCG) to accommodate development enhancements in ECChange, web-based case management application. These enhancements support required charting and reporting requirements for Alameda County Public Health – Family Health Services and federal agency grants.

*F5AC currently has authorized the following contracts with PCG:

1. FY 2016-17 contract for \$403,160 to support ongoing maintenance and operations of ECC Online, ECChange, and Pathways;
2. FY 2016-17 contract for \$200,000 to complete enhancements of ECC Online, ECChange and Pathways data systems to meet reporting, quality assurance and evaluation requirements;
3. FY 2016-17 contract for \$102,980 to create a requirements package for First 5 next generation of on-line and data-collecting software applications.

The addition of the \$39,400 brings the FY 2016-17 aggregate contract amount to \$745,540 for which Commission approval is needed.

Fiscal Impact: Funding will be received from Alameda County Public Health Department and will be added to the F5AC agency budget via the mid-year budget modification.

Action requested: Approve an aggregate FY2016-17 award amount of \$745,540 for Public Consulting Group.

RECOMMENDATION

That the Commission approve the above contract authorizations.

Submitted by:

Reviewed by:

Christine Hom
Finance Officer

Janis Burger
Chief Executive Officer