AGENDA

SPECIAL JOINT MEETING OF THE BOARD OF COMMISSIONERS AND THE BUDGET & FINANCE AND EXECUTIVE COMMITTEES

Budget & Finance Committee Chair: Robert Byrd

Thursday, October 8, 2015
1:30 PM

Meeting Location:
First 5 LA
750 N. Alameda Street
Los Angeles, CA 90012

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1. **ACTION**
   Call to Order / Roll Call
   - Michael D. Antonovich, Chair

2. **ACTION**
   Consent
   - John Wagner, Chief Operating Officer
   A. Approve Commission Meeting Summary Action Minutes and Transcript - Thursday, September 10, 2015 — 4
   B. Approve the Monthly Financial Statements Month Ending August 31, 2015 — 136
   C. Contract: Approve One New Agreement and One Amendment and Authorize Staff to Complete Final Contract Execution upon Approval from the Board — 142
   D. Approve First 5 LA Annual Report to First 5 CA — 145
   E. Approve Recommendation to Renew Strategic Partnership with Public Health Foundation Enterprises Women, Infants and Children (PHFE WIC) — 156

3. **INFORMATION**
   Remarks by the Commission Chair of the Board

COMMISSIONERS
Los Angeles County Supervisor Holly J. Mitchell, *Chair*
Brandon Nichols, *Vice Chair*
Judy Abdo
Robert Byrd, Psy.D
Astrid Heger, M.D.
Yvette Martinez
Summer McBride
Maricela Ramirez
Carol Sigala

EX OFFICIO MEMBERS
Barbara Ferrer, Ph.D., M.P.H., M.Ed.
Jacquelyn McCroskey, DSW
Deanne Tilton

EXECUTIVE DIRECTOR
Karla Pleitéz Howell

EXECUTIVE VICE PRESIDENT
John A. Wagner

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- Michael D. Antonovich, Commission Chair

4. **INFORMATION** **158**
   Executive Director's Report
   - Kim Belshé, Executive Director

5. **INFORMATION** **181**
   Expiring Initiative: Permanent Supportive Housing

   - Tara Ficek, Director, Grants Management

6. **ACTION** **193**
   Review and Approve the Final Draft of the
   Comprehensive Annual Financial Report (CAFR),
   Including the Independent Auditor’s Report for the Fiscal Year Ending
   June 30, 2015
   - Raoul Ortega, Finance Director
   - Tino Genio, Staff Accountant
   - Roger Alfaro, Partner, Vavrinek, Trine, Day & Co., LLP

7. **INFORMATION** **268**
   Policy Update
   - John Wagner, Chief Operating Officer

   - Craig Steele, Legal Counsel
   A. Records Retention and Destruction Policy 270

      1) Records Retention Schedule Document 275
   B. Electronic Storage of Official Records Policy 298
   C. Responding to Public Records Act Requests Policy 306
8. Break
9. **INFORMATION** **336**
   Legislative Session Recap
   - **Peter Barth, Director, Policy and Intergovernmental Affairs**

10. **INFORMATION** **352**
    Best Start Community Projects Update
    - Rafael Gonzalez, Director, Best Start Communities
    - Antoinette Andrews, Assistant Director of Planning and Implementation, Best Start Communities

11. **INFORMATION**
    Public Comment

12. **ACTION**
    Adjournment

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SUMMARY ACTION MINUTES

FIRST 5 LA
Board of Commissioners Meeting
September 10, 2015
1:30-4:30 pm

COMMISSIONERS PRESENT:
Commissioners:
Judy Abdo
Nancy Au
Michael D. Antonovich (Chair)
Jane Boeckmann
Philip Browning (Vice Chair)
Duane Dennis
Marvin Southard
Joseph Ybarra

Ex-Officio Commissioners:
Patricia Curry
Cynthia Harding
Karla Pleitéz Howell
Deanne Tilton

COMMISSIONERS ABSENT:
Sandra Figueroa-Villa [Excused]

STAFF PRESENT:
Kim Belshé, Executive Director
Raoul Ortega, Finance Director
Teresa Nuno, Chief of Programs and Planning
Linda Vo, Commission Secretary
John Wagner, Chief Operating Officer

LEGAL COUNSEL:
Craig Steele, Attorney-at-Law

CALL TO ORDER / ROLL CALL / CONSENT: (Items 1-2)

1. Commission Vice Chair Browning called the meeting to order at 1:36 pm. Quorum was present.
2. Consent
   A. Approve Commission Meeting Summary Action Minutes and Transcript- Thursday, July 9, 2015
   B. Approve the Monthly Financial Statements Month Ending July 31, 2015
   C. Contract: Approve Two New Agreements and Three Renewals and Authorize Staff to Complete Final Contract Execution Upon Approval from the Board

M/S (Nancy Au / Marvin Southard)
THE ITEMS WERE UNANIMOUSLY APPROVED

COMMISSION: (Items 3 – 10)

3. Remarks by the Commission Chair of the Board

4. Executive Director's Report

5. Approve Extension of LA Care Healthy Kids Insurance Program

   Chair Antonovich recused himself from this item.

   Ayes:
   Judy Abdo
   Nancy Au
   Jane Boeckmann
   Philip Browning
   Dayton Gilleland
   Duane Dennis
   Marvin Southard

Noes:
None

M/S (Nancy Au / Marvin Southard)
THE ITEM WAS APPROVED BY 7 OF 9 Votes

6. Welcome Baby Pilot Evaluation Findings: How are Children Doing at Age 3?

   A joint presentation was given my Ms. Leidy and Mrs. Careaga.

7. Break

8. Strategic Plan Implementation: Trauma Informed Care

   A panel presentation was given by the following people:
   - Pegah Faed, Research Analyst, Research & Evaluation at First 5 LA
   - Cecilia Chen, Esq., Interim Director of Policy, Center for Youth and Wellness
   - Lisa Kohn, Attorney-Advisor and Project Lead, California Defending Childhood State Policy Initiative, Office of the Attorney General
   - Mary Lou Fulton, Senior Program Manager, The California Endowment

9. State Legislative Update

   An update was given by Mr. Barth on the State Legislature as it relates to First 5 LA.

10. Public Comment

ADJOURNMENT:

The Commission adjourned at 4:39 pm.

NEXT MEETING:

The next Commission meeting will take place on Thursday, October 8, 2015 at 1:30 pm.

First 5 LA
Multi-Purpose Room, First Floor
750 N. Alameda Street
Los Angeles, CA 90012

Meeting minutes were recorded by Linda Vo, Secretary, Board of Commissioners.

MEETING OF FIRST 5 BOARD OF COMMISSIONERS

Thursday, September 10, 2015

750 North Alameda Street, First Floor

Los Angeles, California 90012

REPORTED BY:
HEATHERLYNN GONZALEZ
CSR #13646

Thursday, September 10, 2015; Los Angeles, California
1:35 p.m.
-oOo-

COMMISSIONER BROWNING: Why don't we go ahead and start the meeting for First 5? Linda, do you want to call the roll?

SECRETARY: Judy Abdo.

COMMISSIONER ABDO: Here.

SECRETARY: Nancy Au.

COMMISSIONER AU: Here.

SECRETARY: Jane Boeckmann.

COMMISSIONER BOECKMANN: Here.

SECRETARY: Phillip Browning.

COMMISSIONER BROWNING: Here.

SECRETARY: Dayton Gilleland.

COMMISSIONER GILLELAND: Here.

SECRETARY: Duane Dennis.

COMMISSIONER DENNIS: Here.

SECRETARY: Marvin Southard.

COMMISSIONER SOUTHARD: Here.

SECRETARY: Sandra Figueroa-Villa.
Patricia Curry.
Cynthia Harding.

COMMISSIONER HARDING: Here.

SECRETARY: Karla Pleitez Howell.

COMMISSIONER PLEITEZ HOWELL: Here.

SECRETARY: Deanne Tilton.

COMMISSIONER TILTON: Here.

SECRETARY: Mike Antonovich.

Quorum is present.

COMMISSIONER BROWNING: Thank you. Appreciate that.

Why don't we move into our first agenda item and the honorable Mr. Wagner is I think up for that, the chief operating officer. So you're going to give us some feedback on a couple of issues under this consent item. Is that correct?

MR. WAGNER: Yes. Thank you, Mr. Chairman, members of the board. I just wanted to provide a few comments on item two, the consent item, and specifically on the consent calendar which is the matrix in your board materials for contracts.

For your consideration and review this month, we have five contracts. Two are new agreements. The first is with Diversified Printers, and it's for $298,000. This was a solicitation we did to our pool and it provides all of the printing services for our family guides, posters, informational materials.

The second new contract is with Friends of the Family for $491,000. And this is a contract for work in the Best Start Panorama City and Neighbors community to fund community-chosen activities. This is an exciting and the third in a series of contracts that will come before you for review to fund community-identified projects that represent the goals and activities and priority areas that communities are identifying.

You'll recall that we had a contract in July for metro and one before that for Long Beach. In Panorama City, there are five activities which are outlined in the materials -- in the board materials. It's my understanding there may be public comment later providing some additional information on this. And I do want to acknowledge that at the P and P committee, the Program and Planning committee, later this month on the 24th, staff are providing an update in greater detail on the work going on across the 14 communities in this area.

In addition to the two new contracts, we have three renewals: Two are with Children's Institute, and they're both related to the peer support group for parents investment that the board has made, the first one is for $622,000. This is for the work as a lead agency to work across each of the supervisorial districts to implement this program, to reduce social isolation, to increase connections across parents, and to share parenting knowledge and skills.

The second contract for Children's Institute is for $157,000, and that's for training and technical assistance across the five community-based organizations that they're working with to implement this program. It also contains some funding for an evaluation -- a process evaluation.

And the final renewed contract is with Public Health Foundation Enterprises for 2.4 million. This is the contract that funds the work for the Little By Little program across the ten WIC sites around LA county, and it provides early literacy and safety literacy for WIC participants. This is the third year of a five-year contract.

And so I respectfully request your consideration and approval of these items on consent.

COMMISSIONER BROWNING: Questions from the commissioners on the points that Mr. Wagner elaborated on?

COMMISSIONER AU: Move to vote.

COMMISSIONER BROWNING: I have a motion. Have a second?

COMMISSIONER SOUTHARD: Second.

COMMISSIONER BROWNING: All those in favor say aye.

Linda, do we need a roll call on this?

SECRETARY: No.

COMMISSIONER BROWNING: We don't. Okay.

All those in favor say aye.

COMMISSIONERS: Aye.

COMMISSIONER BROWNING: Any opposed or abstained?

Okay. All those consent items then passed.

Thank you very much. Appreciate that, John.

I think the next item on the agenda is a report back from the executive director, Ms. Belshe.

MS. BELSHE: Thank you very much, Mr. Chair, and happy end of summer, commissioners. We've been missing you all. I trust you've been missing us.

We have much to report. But to start, I want to make sure for our staff and others who are attending the meeting, as well as our commissioners, that you have a chance to meet Dayton Gilleland who is the newly appointed alternate representing LACOE. We've already been diving into First 5 LA with Dayton, and it's clear he's got a very impressive and extensive background that I know is going to be of great use to First 5 LA.

Dayton has been a teacher, a counselor, a principle, and administrator, a superintendent, and is now serving as the chief academic officer for LACOE. We welcome you. This is a smart group, a hard working group, and a fun group all in service of the little children, so welcome.

So it has been a busy summer and one full of a lot of really terrific work by the staff of First 5 LA related to building new partnerships, working in new ways, strengthening our organization as well as some notable transitions. So let me touch on just a couple of things that I want to highlight that reflects what's been going on over the course of the past couple of months since we first -- since we last gathered.

As commissioners well know, our new strategic plan calls upon First 5 LA to do its work in a different way with an eye towards maximizing our contribution to greater impact for LA county's youngest children. And central to that work in new ways is -- and you all have been very clear about that, is partnership and collaboration and saying, we really want to be engaging partners at the front end of our work rather than going off on our own and then looking back and saying, who's there to partner with us.

So towards that end, we both have been partnering with existing contracts in new ways that reflect the new strategic plan's emphasis on policy and systems change and broader impact, as well as building new partnerships. So one example of a new partnership that you're going to hear more about in the next agenda item as well as subsequent meetings is with LA Care who's been a long-standing partner of First 5 LA in terms of providing subsidized coverage for individual children. In the context of our new strategic plan, we are exploring working with LA Care is new ways that really leverages LA Care's reach to roughly 40 percent of all children zero to five. And so working with them around priority preventative services with a particular focus on developmental screening and oral health, we're really excited about the opportunity to support strategies that can extend the reach -- our reach through LA Care to upwards, as I say, of 40 percent of kids. So very exciting. I want to acknowledge the chair's comments and direction in this particular area as we've heard him speak to in previous meetings.

Another example of us developing new partnerships or working with existing partnership partners in new ways is our early care and education quality rating and improvement system, also known as QRIS. Here, First 5 LA is playing a convening role working with a consultant who members of the P and P committee will meet at our October meeting. We are -- we have convened a group that's known as the QRIS architects group that involves First 5 LA, LACOE, LAUP, Office of Child Care, and the Child Care Alliance of LA. There's a number of purposes for this group; one of which is to help inform how First 5 LA will respond to a new funding opportunity coming out of First 5

California, known as the Impact Initiative. We've touched briefly upon this in previous ED reports, but the State First 5 Impact Initiative is intended to support a network of local quality improvement systems.

So working with VIVA Consulting, working with our key architect partner group. We're trying to -- we want to make sure we're not just reacting to a funding opportunity but rather thinking more comprehensively about a unified, consistent, coherent approach to quality rating improvement system countywide. Again, the board, through P and P, will be having a deeper dive in that area, but it's an exciting and different way of us engaging around quality.

A third example of us working differently is our new work with county agency, The Office of Child Protection, OCP, as one example. Here we've been working to support OCP's efforts to develop a prevention plan in bringing data and knowledge and learning as well as the voice of parents to their consideration, as well as exploring where there's an alignment of interests around the development of Common Core (not sure on the caps here - if she means the program or in a more generic sense) indicators to measure prevention. So, again, county agencies, critical partners to date, our relationship has been more grantor/grantee, but looking for ways to partner it in a more systemic, far-reaching way. And I want to acknowledge Livy Cabezas and Kelly Goods who've been really leading our work, together with LA Care's partnership, Kevin Deeterly and Katy Falon on the QRIS work, and the honorable John Wagner on the Office of Child Protection.

So as I've referenced, over the course of next couple of commission meetings and P and P, we'll be doing that deeper dive, but I just wanted to give you a quick snapshot of some of our programmatic work that reflects us working in different ways with existing partners as well as building new relationships.

Second, our staff has been working very diligently across the multiple work streams that we've shared with the commission that taken together are critical to our ability to effectively and successfully execute the new strategic plan. So I know this board is focused a lot properly on the strategic plan on the work, but there are also work streams related to the talent, staff development, our business processes to support the work, as well as the organization's alignment or structure. So there's a lot of really hard, interesting, and important work going on across all four of those work streams and of project development, strategy -- strategy development, staff development, business process, improvements, and organization alignment.

But what I want to underscore with the board is how impressed I've been to see staff working together in very different ways. We have some new structures and processes that I think staff have really taken to. It's been hard and different but such as you've heard us talking about the transformation management office, which is -- it's a process. It's not a bricks and mortar structure, but it's a process to insure that we are identifying at the front end the interdependencies of our work across the organization and collaboratively finding ways to address issues associated with execution of the new work.

Our senior management team has really stepped up and proactively identified a number of critical issues. For example, how do we build the capacity and the support staff in the near term around new work. I mean, working with LA Care is one example. It's very different to monitor and manage a contract, very different to design a new initiative. So how do we support staff in developing the key skills they need to do the new type of work that's envisioned.

And finally, we have taken approach to project teams. It's very interdisciplinary in nature and is including our admin, our support function in terms of IT, HR, contracts, and I'm forgetting one of my children. Oh, finance. Raul, I was just checking to see if you were paying attention. You passed. Well done.

But includes our admin folks at the front end. So really, really pleased to see the growth and maturation in the organization.

Finally, I wanted noted a few transitions which I noted in my written staff report, and you will not see Jessica Kazmareck sitting in the audience. Our founding director of the office of strategic planning and integration got snapped up by my former employer, the James Irvine Foundation. So she's going to be starting there very shortly in a senior program officer role working on issues that are very near and dear to both her head and her heart related to income inequality and equity in the central valley and San Bernardino/Riverside areas. These are targeted regions for Irvine. And so she will be leading some very, very important work. And, yes, we're very proud of her, but we are sad to see her to go, but enormously grateful for her leadership particularly as it related to our work around strategic planning last year and the early implementation.

As you look out into the audience, you will see a familiar face, but Stacy Lee's face hasn't changed, but her role has. And we really are really pleased that Stacy agreed to step up into the OSPI director role and brings a lot of talent, expertise, and interest in these organizational development and program implementation issues. And I know working with the terrific OSPI team that Stacy and her colleagues will continue to play a very important leadership role in terms of moving the initial execution of our strategic plan work forward.

In terms of commissioners, we have some transitions. Dr. Southard remarkably has announced that he will be retiring come November, I believe he said, Marv. Marv is one of two founding board members for First 5 LA. I think Jane has maybe one month on Marv, but they're pretty darn close. Marv has served in so many different leadership roles in the county and for this commission, and I know we're going to have ample opportunity to more properly acknowledge that leadership, Marv. But we do want to note this important passing of the baton that will be coming this fall, and we do look forward to having an opportunity to call our your many attributes and contributions.

COMMISSIONER SOUTHARD: Thank you.

MS. BELSHE: We have another transition with Duane Dennis. About a dozen or so First 5-ers had a chance to go to a party. And we had a really good time honoring Duane and being a part of the fun and festivities to acknowledge his 17 years as a very successful leader of Pathways LA. So it was a really fun and lively event. Everyone was very well behaved. There were a lot of really fun photographs of Duane throughout the years. It's hard to tell, but one of them he's back there looking like it might be taken from the '70s. And as we all know, that was a very exciting era from a clothes perspective and haircut, yes.

So we acknowledge and honor again Duane for his many years of service and are eager and hopeful that that leadership will continue to be here in LA county.

And finally, not a transition but an honor that I wanted to note broadly was our own cochair, Phillip Browning, who was recently honored with the Chauncy Alexander Lifetime achievement Award. Lifetime Achievement sounds so lifetime-ish and it says a lot. Apparently, the word was established in 1989. 1989. And it is given -- it is give to social work leaders whose innovation and action have contributed to lasting and positive social change, which is a high, high mark. And even though that award has been around since 1989, they actually only rarely confer it.

So, Phillip, we're very proud of you and your many contributions and recognition.

COMMISSIONER BROWNING: I appreciate that. Most people thought I was retiring the next day, but actually that did not occur.

MS. BELSHE: So we will look forward to acknowledging Marv's transition down the road. We, again, applaud Duane for his many contributions as the lead of Pathways, and we congratulate Phillip. And with that, I invite any comments or questions; otherwise, we would propose to move on to our next agenda item regarding LA Care.

COMMISSIONER BROWNING: I hope the rest of you are having as good a time as Kim in. I've never seen a person who delighted in so much in giving a report. She puts emphasis and --

MS. BELSHE: Just a little slice of happiness.

COMMISSIONER BROWNING: -- enthusiasm. I don't know what she's been doing this summer, but it must have been pretty amazing.

MS. BELSHE: It's been a busy, busy summer. I appreciate the board's forbearance but we've had a lot going on and really proud of the good work the staff has undertaken and eager to roll up our sleeves again with the board for the balance of the fall.

COMMISSIONER BROWNING: Thank you.

COMMISSIONER TILTON: Humbly, I would state that I was the first commissioner --

MS. BELSHE: My bad.

COMMISSIONER TILTON: -- from the first day that this commission was established. I don't believe anybody else was on the commission when it was first established. And that's my one accomplishment in life, was being a member of this commission.

COMMISSIONER BROWNING: That was in 1898?

MS. BELSHE: I stand corrected. Thank you for that reminder, Deanne. It is amazing and remarkable commitment of time and effort and passion for you and Marv and Jane. Thank you.

COMMISSIONER BROWNING: Any other comments or questions on the executive director's report?

Okay. If not, I think our next item is on the extension of LA Care Healthy Kids insurance program.

Take it away.

MS. CABEZAS: All right. Good afternoon, commissioners. My name is Livy Cabezas and I'm the program officer In the grants management department. And today, I'll be presenting on LA Care health plan which, as many of you may recall from the July commission meeting, it was presented by the grants management and policy departments specifically on the Healthy Kids Insurance program and also on the LA Care partnership.

These items were presented as info items. And as stated in July board meeting, we are now bringing forth the Healthy Kids contract to extend it beyond its current end date.

In today's presentation, staff seeks approval from the board to waive Governance Guideline Number 7 and extend the strategic partnership and contract for the Healthy Kids insurance program. This is in response to changes to Medi-Cal eligibility requirements for undocumented, low-income children will be eligible for Medi-Cal in the future. The extension we are proposing is for nine months which will be from January 1 through September 30, 2016.

Additionally, we would also like approval for our executive director to extend the program an additional three months should the State experience any delays in implementing this extension. The contract amount would be up to $500,000.

And, lastly, I will provide a quick update about the status of our efforts regarding the LA Care partnership in which the focus is to identify opportunities to improve -- excuse me -- to improve preventive services for the beneficiaries ages zero to five.

Okay. As a reminder, the Healthy Kids insurance program was first created by First 5 LA in partnership with LA Care in 2003. The purpose was to provide health insurance coverage for low-income children that were not eligible to enroll in Medi-Cal. As of September, 442 children are currently enrolled in Healthy Kids.

As you may recall in April of this year, the board supported a limited extension of the program's contract which was part of the expiring initiative assessment process. During this time, the contract was slated to end in June 2015. However, staff identified an opportunity to offer eligibility -- excuse me -- to offer eligible Health Kids members access to health services through the county's My Health LA program, which is the county's medically indigent program.

The purpose of this six-month extension was to allow the Department of Health Services to amend its contract with My Health LA providers to include the zero-to-five population. It also offered time to identify other health care alternatives to those children that were not eligible.

The end date of this current contract is December 31, 2015. However, as mentioned in the July board meting, an additional insurance coverage opportunity will be available for the vast majority of Healthy Kids enrollees.

Earlier this year, Governor Brown signed the

State budget, which includes providing Medi-Cal coverage for low -- for all low-income children under age 19 regardless of their immigration status. Preliminary analysis from staff suggests that at least 95 percent of currently enrolled Healthy Kids beneficiaries will benefit from this change in law. Though the law does not take effect immediately and as the budget stipulates, the provision will not be implemented any sooner than May 1st, 2016. Therefore, in the event of a delay, insurance coverage continues for these children in Healthy Kids. Staff has included additional time in the initial nine-month contract extension.

Furthermore, should DHCS continue to experience a delay in expanding Medi-Cal, staff is recommending for the executive director to have authority to extend the strategic partnership and the contract of Healthy Kids through the end of the calendar year of 2016. Therefore, the extension we're proposing is for nine months which, again, is from January 1st through September 30th, 2016. And we would also like approval for the executive director to extend the program an additional three months should there be any sort of delays in rolling out the expansion.

The contract amount would be up to $500,000, but we would like for you to note that this amount includes funds required to carry out the program through

December 31, 2016. And we are only doing this as a precautionary measure. We anticipate that no more than $375,000 will be spent through September 30th, 2016. This recommended extension will enhance the likelihood of those children enrolled in Healthy Kids that will be eligible for Medi-Cal to not experience a gap in coverage.

Before moving on to giving the board an update on the LA Care partnership, we will first ask the board to take action on the following two items: The first is to waive Governance Guidelines Number 7. And the second is to approve the extension of the LA Care contract and the strategic partnership of the Healthy Kids program. Again, authorize this is for nine months. In addition, we would like for to you authorize the executive director to extend the program an additional three months should we experience any delays in implementing the expansion. And the contract amount would not exceed more than 500,000.

This recommendation extension will show that all eligible children in Healthy Kids do not experience gap in coverage and promotes continuity of care.

COMMISSIONER BROWNING: So we need a motion before discussion?

MR. STEELE: Yes.

COMMISSIONER BROWNING: Do I hear a motion?

COMMISSIONER AU: Yes.

COMMISSIONER BROWNING: Motion.

COMMISSIONER SOUTHARD: Second.

COMMISSIONER BROWNING: What about discussion? I have a question I guess on the 442 current participants. Is the idea to enroll additional participants, or is the belief that those will be the ones primarily being served through 2016 December?

MS. CABEZAS: This is the current data that we have as of now. We don't know what the future will look like in a year or so. So, again, these are just preliminary estimates.

MS. BELSHE: I think the question, Livy, is LA Care is not enrolling new children.

MS. CABEZAS: Currently?

MS. BELSHE: Are they enrolling new children or are they holding with the current enrollment?

MS. CABEZAS: No, no. They are currently enrolling children.

MS. BELSHE: So the 375 or 500,000 is assuming some level, probably a little bit above or potentially even below?

MS. CABEZAS: Roughly, the average enrollment is roughly between 350 to about 400. This is a unique uptake. And we also did check in with LA Care in terms of their expenditures. So currently, they're six-month contract is up to $250,000. And we did vet this idea through them and they had confirmed that roughly around that -- that amount was an appropriate amount to serve the anticipated number of children that are enrolled in Healthy Kids.

COMMISSIONER BROWNING: And they're being paid on a captitated rate?

MS. BELSHE: Yes.

MS. CABEZAS: Yes.

COMMISSIONER BROWNING: Okay. On a monthly basis.

Duane.

COMMISSIONER DENNIS: Livy, you were saying that the Governor, under the new law -- it's supposed to take effect May 1st.

MS. BELSHE: No sooner than May 1st. Very important.

COMMISSIONER DENNIS: No sooner than May 1st.

My question is, if we floated it like you're suggesting and say it took effect June or July, would we be reimbursed for those funds that we used if the law takes effect in June or July?

MS. CABEZAS: Yes. Also, within the contract for Healthy Kids, a child cannot be eligible for Healthy Kids if they are found eligible to be -- if they're found eligible for another insurance product. So this will automatically not necessarily kick them out of the program, but this will move all of those children into Medi-Cal. So we wouldn't be --- our expenditure rate would obviously decrease.

MS. BELSHE: We will not pay for any -- we will not be paying capitation for kids that are no longer in the Healthy Kids program.

COMMISSIONER DENNIS: I guess my question, Kim, is, we were paying and it would take effect and say the State was a little delayed in implementation and we pay for a couple of months, say, June, July or July and August, would they reimburse us effective July 1st because -- okay. That's fine.

MS. BELSHE: No. I think we just need to -- this is all about supporting a smooth transition. And, you know, the Department I think is very eager to have this program up and running, this expansion up and running by May 1. But just in an abundance of caution, we felt let's assume it may take them a little bit longer. But best case scenario, they're actually going to be able to get it up and running in May or June, and LA Care will have the 30 or 60 or 90 days they need to make that notice and support the transitions.

COMMISSIONER BROWNING: Karla.

COMMISSIONER PLEITEZ HOWELL: It's wonderful that you all are thinking about this transition and trying to make it as smooth and possible. I'm wondering that happens to the five percent that isn't captured and if there's -- if the $500,000 allows for analysis to see what happens with those kids.

MS. CABEZAS: To my knowledge, that money is not geared towards strategic analysis of some sort to support that. However, we're already engaging in discussions with other supports that can help, not necessarily transition that five percent into insurance coverage because, unfortunately, they will not be eligible, but either give them information towards emergency Medi-Cal or direct them to a different clinic that could potentially provide them some low-cost -- access to low-cost services.

And so, for instance, I did check in with LA Care, and they will be working with DPH in the future And, specifically, for the Children's Health Outreach program, and not only transitioning those children that are going to be eligible for Medi-Cal for Healthy Kids, but also providing some sort of supports for those children that won't be eligible. And this is not in a conversation that they would be having with CHOI. This was also a part of the conversations we were having earlier on this year when we thought those children were going to transition into My

Health LA. So those conversations are happening.

But to respond to your question, if we're going to use monies towards supporting that, to my knowledge, I do not think so. But we have other supports. We're already tapping the appropriate partners to support that.

COMMISSIONER BROWNING: Nancy.

COMMISSIONER AU: Just to follow up, I guess I need an example because I'm trying to understand that five percent, similar to Karla's concern. Could you give me an example of a child that would not be eligible for this? Coverage.

MS. CABEZAS: Absolutely. So under Medi-Cal a child can receive coverage if they're under 266 percent of the federal poverty level. And currently, Healthy Kids serves children up to 400 percent. So we're looking at that 267 to 400 percent, and it's based on the income eligibility requirement that in that -- in that case, they wouldn't be eligible for Medi-Cal. And so that's probably one of the reasons why they wouldn't be eligible for Medi-Cal.

MS. BELSHE: And then the good news is, that they -- their parents would have an ability to go to Covered California and secure, hopefully, more affordable coverage depending upon their income, which includes a tax credit. So there are options that will exist for those -- the roughly -- the estimated five percent, whether it be county programs, but more likely it's going to be Covered California because, as Livy says, the kids who are likely not to be eligible are because their families have higher incomes. If they have higher incomes, then they're going to be eligible for nonMedi-Cal subsidized coverage through Covered California in all likelihood.

COMMISSIONER BROWNING: Judy.

COMMISSIONER ABDO: Who's going to help those families transition to Covered California or wherever they end up? Is LA Care going to do that?

MS. CABEZAS: Again, LA Care is going to start conversations with DPH where the Children's Health Outreach Initiative. So from those conversations -- and, again, I will stress that these are not new conversations we have. We have realized that they will be a percentage of children that wouldn't be eligible for Medi-Cal in trying to provide those supports. So as of now, they are scheduled to have those conversations to see how they could best support those families. If there are other partners in involved, I'm sure that they will bring them to the table, but these are very early conversations and we have identified a partner to work with.

COMMISSIONER ABDO: Will we be part of those discussions so that we know what's going to happen?

COMMISSIONER HARDING: So if I could just add for people's information. And I really appreciate your question because we've been a partner with First 5 on the enrollment side, helping families understand what they're eligible for, whatever products, whether it's Medi-Cal or Kaiser and other kinds of things and helping them get -- and if they're not eligible for any program, getting them to our network of community clinics and making sure that there's -- not only for the child but for the other members, the parents in the family, et cetera. It's a role from our Children's Health Outreach Initiative that we run in the Department of Public Health.

And we'd be happy to come back at some point and give you sort of a presentation maybe later on in partnership with LA Care on what we're doing because we keep a dash board of who's getting enrolled in what programs where.

And the relationship that we've had with First 5 will end in December of 2015, but we've been fortunate to be able to cobble together funding from other sources to keep this program going because we see it's so critical in this period of transition for children and families.

COMMISSIONER ABDO: Thank you. I would like to know down the road what is actually happening.

COMMISSIONER BROWNING: So Cynthia. You can come back another date.

Duane.

COMMISSIONER DENNIS: I may have missed this, the additional $500,000 that is being requested, is that out of the fund balance or is that as -- is that a result of unexpended funds? How is that being dealt with?

MS. CABEZAS: No, it will be used -- the money will come from the balance of the funds that we have forwarded over to LA Care.

MS. BELSHE: So there's an existing allocation the board made many years ago, and it will be drawing that down.

COMMISSIONER BROWNING: What about other questions or comments? We need to take a vote on this.

Craig, do we need to separate those two votes to first do the roll call to see if we can have the motion or can we do them together?

MR. STEELE: You can do them together, although I'll just note that the first one requires seven votes.

COMMISSIONER BROWNING: Okay. So assuming we get seven votes for everything, we're all right. And I assume we need a role call on this.

MR. STEELE: Yes, please.

COMMISSIONER BROWNING: Okay. So Linda.

SECRETARY: Judy Abdo.

COMMISSIONER ABDO: Yes.
SECRETARY: Nancy Au.
COMMISSIONER AU: Yes.
SECRETARY: Jane Boeckmann.
Philip Browning.
COMMISSIONER BROWNING: Aye.
SECRETARY: Dayton Gilleland.
COMMISSIONER GILLELAND: Yes.
SECRETARY: Duane Dennis.
COMMISSIONER DENNIS: Yes.
SECRETARY: Marvin Southard.
COMMISSIONER SOUTHARD: Yes.
SECRETARY: Motion passed.
COMMISSIONER BROWNING: And I think our honorable Mr. Mayor has joined us now, so I don't know if we want to close out this.
And so this is passed, correct?
MR. STEELE: Yes.
COMMISSIONER BROWNING: Are there other action items we need on this specific topic?
MS. BELSHE: Nope. There's just an update on our ongoing work with LA Care.
MAYOR ANTONOVICH: Let me just say that we all know that all of us here are dedicated to helping provide initiatives to help the children to have a safe

environment and help them as they mature into adults, become responsible citizens.

However, in addition, we have today is that dealing with abused children and neglected and the struggles for those who have been detained from their parents in our foster care system. We're facing a shortage of foster homes. I know our board of supervisors have reached out to the faith-based communities. Our churches and synagogues have come forward. And through our efforts we're working to increase the number of loving foster families to be foster parents or mentors for these young people.

However, the laws surrounding subsidized child care provide for children who are involved in child protective service, but due to unclear guidance from the State Department of Education, foster children are actually excluded -- they are excluded from subsidized high-quality child care. Some of these young people who are receiving subsidized care may actually be disenrolled from the program once the county detains the child from their abusive parent. Instead of helping the child, removing them from an abusive parent, they actually lose on that issue.

So earlier this year, our board recognized that need for a legislative fix and to prioritize our abused and neglected children in foster care. Unfortunately, two legislative proposals had been defeated in the legislature. These bills would not have changed the programs; they would simply attempt to clarify that foster children should be prioritized for subsidized child care. And we would like to encourage the First 5 commission to support these efforts as well, which the board of supervisors are supporting as I said.

Assembly budget committee will convene additional stakeholder meetings this fall. First 5 ought to send representatives to support the county's position and it should be consistent with First 5's legislative agenda and current investments.

And, again, I want to thank Kim and John and Teresa for their leadership and guidance. They've done an incredible job and it's very -- as you can see, the integrity of the system has improved so greatly, but let's move forward.

But, again, the abused child, the neglected child has so many disadvantages that to have the system give an additional disadvantage to them is wrong and has to be corrected. So being in the forefront in changing that law will benefit the future because those kids will then have a future and they might be selling cars one day, Jane. You never know.

And so anyway, I would make that suggestion.

COMMISSIONER BROWNING: I would like to follow up and support the supervisor's position there. So in the Department of Children and Family Services, we deal with this issue every day where foster parents say, I can't take this child because I have no way to pay for child care. I know there's a lot of confusion about the eligibility for preschool and kindergarten and child care. The people in this room may not have that sort of confusion, but I know, from speaking individually with foster parents and relative caregivers and some providers, that there's an awful lot of lack of clarity. So I would support the supervisor's position that we -- that this commission should take an active role in that to really improve the lives of the children. And we have about 35,000 children in care today in LA county who are within the purview of DCFS, and about 20,000 of those live outside of their parents' home. And many of those children can't be placed tonight because of the lack of child care. So I would support your position wholeheartedly, supervisor.

COMMISSIONER TILTON: Can I ask a question? Can we clarify that this would apply to children in relative family care?

COMMISSIONER BROWNING: Sure. I think there was an attempt to clarify that, and maybe that's not.

So, Duane, do you have a point on this?

COMMISSIONER DENNIS: No. I mean, I think this point is well taken. I was part of a group that worked with the Third District and around this very issue, you know, during the summer. And I think some of the counter was that this -- this money -- these monies are from a restricted source. It's called alternative payment. And so, basically, you had a situation where child care advocates were looking at children who were of working poor parents compared to children in foster care. And in that -- those are some, you know, big issues. And, you know, I would suggest that we, you know, take some time because, the bottom line, we need more of that body of money. We just don't have enough of that money. And so I would further suggest that, in moving forward, you know, First 5 really engages the total community around this because it's just not a child protection/child welfare issue. It's a larger issue that I think, you know, many child care advocates had thought about. And I really -- in moving forward, I think we have to be thoughtful about the limited amount of money in the total pot which not only covers children in foster care but working poor parents as well.

COMMISSIONER ABDO: I want to underscore that, too. In running child care and preschool programs in my life, we -- we were faced with a great deal of need and not anywhere near enough money to serve all the kids that were coming to us. And when the priorities are listed, it makes some very, very difficult situations happen where this child is not eligible and this child is for this very scarce funding, and both children have a need. And it puts everybody in a real different -- difficult position because you're making life choices for children who don't really have choices.

MS. BELSHE: What I would suggest to commissioners is that we add this bill to the legislative agenda. Let us do some staff work in terms of coming back and making sure that we're able to share a broader picture of the bill with information before the commissioner. It's a really, really important issue. I don't think anyone is dismissing the priority for these children who effectively are entrusted in the care of the State as surrogate parents.

John and I have spent time and our paralyzed with the child welfare counsel and engaging in a discussion of priority setting is really, really hard. But let's have that conversation, but let's have it informed by some staff work and some analysis, and we'll bring it back to the board.

COMMISSIONER DENNIS: I do think it's admirable that our board of supervisors have taken this type of initiative because other jurisdictions throughout the state have been very reticent around this issue. and the fact that LA county is stepping up and dealing with this I think is very, very important. Because the fact of the matter is that children won't be taken into foster care if in fact they don't have subsidized child care. And so those children lose out. They just won't be taken because the vast majority of foster parents now are working parents and they can't afford, you know, to do otherwise. So those children won't get a suitable foster care placement.

So I think the issue is pretty complicated but we need to commend our county for taking the initiative that it's taken thus far.

MAYOR ANTONOVICH: We were not aware of this and then it's just like, wow, how do these people fall through the cracks. And so we move forward to seek legislative change. And it's just talking about common sense. And everybody forgets about that child because, unless he or she has the right direction, they end up in the cemetery or on the street.

COMMISSIONER AU: Just to be clear again because this is really quite disturbing for me personally as well, is that, if I'm hearing correctly, if a child is placed in foster care, let's say the child is already getting subsidized child care, but then they happen to need foster care, that makes the child ineligible for that subsidized care? Am I hearing it correctly?

COMMISSIONER BROWNING: I don't think that's automatic. I think there are situations where a child might be in subsidized child care and they get detained, but they wouldn't necessarily be able to stay in that location. They might be placed in a foster home miles away just because of the lack of foster homes in very area and there might not be slots available. So it's a clarification of the prioritization. So we would hope that foster children would have the highest priority. There are others in the community who say, well, foster children should have the same priority as working parents.

COMMISSIONER ABDO: And it also depends on the income of the families.

MS. BELSHE: Let me suggest, if I may, this is a really important and, as acknowledged, complex issue. And the legislature is not going to be acting on this bill before midnight tomorrow night. But there will be stakeholder processes and -- so we want to, as a staff and then with you as a commission, get start smart and then come back. So we'll have an opportunity to dig more deeply on what is a very worthy and important issue but also a complex one. So let us do a little bit of staff work and come back. Okay?

Thank you. Livy has just a couple more slides relative to our future work going forward with LA Care before we turn to our other agenda items.

MS. CABEZAS: Thank you. So, again, I'm now going to focus on giving the board an update on the LA Care health plan partnership. So I just wanted to start off by reminding the board the significant player that LA Care is in the health care landscape. This health plan provides health care coverage to low-income county residents in LA county. And it also is the nation's largest publicly-operated health plan.

And for our target population, it insures about 30 percent of LA county's zero to five population. So in other words, we have seen that LA Care provides an important access point to reach a significant number LA county's youngest residents.

So as staff noted in the July commission, First 5 LA is working with LA Care to identify opportunities to improve access to and utilization of critical preventative services throughout the entire plan. This partnership is work -- as any working relationship, we are building with the critical player in the health care landscape that will help achieve the goals stated in the strategic plan. Additionally, it is demonstrating how First 5 LA is now moving away from direct services towards a systems change approach.

As an update to the board, First 5 LA and LA Care held an in-person meeting in August where LA Care expressed a deep interest in this partnership. Both agencies agreed to focus on developmental screening and oral health investments for this partnership.

For developmental screening, the teams are exploring the role LA Care could potentially play in launching Help Me Grow. As a reminder, Help Me Grow is a framework that connects children and their families to developmental services and supports to enhance the development, behavior, and learning of children. Help Me Grow supports the goals of the health-related system outcome of the strategic plan in which First 5 LA works in collaboration with other key partners to improve how systems work together to provide timely screening, effective care coordination, and appropriate referrals so the children that have been identified at risk of developmental delays have access to the care that they need to thrive. LA Care could be one of many crucial players to roll out the Help Me Grow framework.

For oral health, the teams are discussing different opportunities to align our mutual interests in improving children's oral health. In particular, there may be opportunities to leverage First 5 LA's legacy investments in oral health services or to align policy and advocacy efforts such as working with state partners to improve Denti-Cal.

In summary, although First 5 LA and LA Care have identified potential areas to investment in, we're still continuing to hold these conversations to further develop and refine these identified opportunities.

In terms of next steps for this partnership, First 5 LA is anticipating coming to the board in September's PPC meeting with more information around these potential investment areas. We will then come in October and present this as an info item and a potential action item in November. First 5 LA is overall excited about the progress made to date toward a new partnership with LA Care and the opportunities to ensure that children in LA county receive developmental screenings and the oral health services they need to be healthy and to thrive.

We anticipate that these investments could start as early as June 2016. However, our continued conversations will inform what that start date could be.

Before I close, I really would like to thank the teams that have been involved in this partnership in speaking with LA Care and just gathering all the information on these potential investment. The team includes Tara Ficek, Peter Barth, Roland Hill, Kelly Goods, Eve Ramirez, Nancy Watson, and Rena John.

And this is a picture of my nephew. He's about three weeks old. First grandchild of the family. So we're pretty excited and if I keep presenting, I'm going to continue showing you pictures and you'll see his growth over time.

COMMISSIONER DENNIS: I hope it's not your grandchild.

MS. CABEZAS: No, he's not. He's my nephew.

I'd be happy to take any questions if there are any.

MAYOR ANTONOVICH: Thank you.

MS. BELSHE: All right. We're good. You will be back with much, much more. And adorable nephew. Look forward to finding ways that we can help him grow.

All right. Speaking of teams, we've got the dynamic duo of research and evaluation and program development. Take it away, Melinda and Diana.

MS. LEIDY: Good afternoon, commissioners. My name is Melinda Leidy, and I am a research analyst in the research and evaluation department. And this is Diana. She will be presenting on the programmatic piece of the

Welcome Baby program and I will be presenting on the evaluation.

Before I get started, I want to acknowledge Urban Institute and their subcontractor, UCLA, for their work on this evaluation, Welcome Baby staff and providers including LA Best Babies Network and Maternal and Child Health Access, as well as First 5 staff who contributed to the program and the evaluation.

So today we will be talking about pilot evaluation that we conducted over the past five years. And I will be presenting the findings from the 36-month. And I'll go over that in a minute, but I just wanted to give you a little overview.

MS. CAREAGA: Good afternoon. As Melinda mentioned, we will be tag teaming. And just bear with us. We have a lot of information that we want to share with you so it will be a little bit lengthy but we'll have time at the end for questions and discussion.

First, I wanted to go over, again, a reminder welcome Baby program philosophy and provide a high-level brief overview of the program and where we are since we last presented to the board. As you know, it's a voluntary, universal program that recognizes that early learning and development begins prenatally at birth and at home with parents. The program's philosophy is key to the model as Welcome Baby believes that positive behavior, change in the health, well-being, and parenting is learned and enhanced in the context of a relationship that's base on empowerment and empathy.

The model utilizes a client-centered strength based approach that values the client as the authority on their own experience. And as a client-centered model, it does have specific protocols for each of the engagement points that guides the key contents and activities throughout that mother's pregnancy or parenthood.

So as you recall, we began with the Welcome Baby pilot site in 2009. Again, the results that will be shared with you today are based on the metro LA pilot site and not the expansion sites. But as a reminder of where we are, we did begin the expansion in 2012. As of now, we have 14 participating Welcome Baby sites. The last time we presented Welcome Baby to the board, there was two program model changes approved, and those are listed on the slide.

This chart just gives an idea of where we anticipate to be at full implementation. So for this fiscal year, county-wide, we anticipate reaching an average of about 21 percent of the population throughout the Welcome Baby hospital visit. At full implementation, we would reach about a quarter of all the families.

Currently in this last fiscal year, kind of the final phase of ramp-up for Welcome Baby, we have served over 12,300 families.

So, again, Welcome Baby has a up to nine engagement points depending on when the mother enrolls: Three prenatal, one at the hospital, and up to five post-partum. The hospital visit does include a risk assessment which identifies the level of risk and the type and dosage of service that families will receive. What I want to point out again that the risk assessment and the program model changes were not in place during this evaluation and that all of the enrolled families participated in the study were eligible for up to the entire nine visits of the program.

So now I'll pass it back to Melinda for an overview of the evaluation study.

MS. LEIDY: So the evaluation is call the Child and Family Survey. The purpose is to examine a lighter touch home visiting model and how it contributes to child and family outcomes. The evaluation serves as our first look at how Welcome Baby is associated with the child and family outcomes among a sample of woman in one of our Best Start communities, metro LA. And this evaluation is also to serve to help guide us with program model improvements, which we've already heard Diana speak to. Additional evaluation approaches -- so we're taking what we've learned from this evaluation and applying it in the design of our future evaluations, as well as our policy and advocacy efforts.

So I'm going to dive right in. We use a quasi experimental evaluation design, meaning that it's quasi experimental because the participants were not randomly assigned to treatment and control groups. The intervention control group was recruited via flyers given to them by their Welcome Baby parent coaches and via phone calls from the evaluation coordinator after the Welcome Baby program ended. To be a part of the intervention group, they had to have participated in Welcome Baby in metro LA and live within five miles of California Hospital Medical Center, they gave birth between June 2010 and September 2011 at that hospital, and they must have received at least one postpartum, either the 72-hour nurse visit, or another postpartum home visit to be eligible.

The comparison group, in order to participate, the mothers had to meet several eligibility criteria. They had to reside within metro LA, they had to given birth around the same time period as the mothers in Welcome Baby group, and they had to -- they could not have been offered or received Welcome Baby services. So they were recruited from California Hospital Medical Center birth records and then also from WIC enrollment lists. So some individuals were -- gave birth at California Hospital Medical Center between December 2009 and June 2010. And then we also turned to WIC and we received the population that was comparable that met the eligibility criteria that I also discussed and recruited that way.

We did have a response rate that -- the intervention group, we had 454 participants. And then in the comparison group, we had 286, which is adequate for the analyses we were going to conducting.

Before I dive into more of the study and the findings, I want to point out some of the limitations to keep in mind as we are going through the findings. So as I mentioned, this is a quasi experimental design, which is not as rigorous as other evaluation methods but it still gives us an idea of what's going on. Baseline data is not about -- was not available to help us evaluate changes and pre versus post-Welcome Baby. As a result, this study can only report associations between program participation up to nine months postpartum and subsequent child and family outcomes assessed at 12, 24, and 36 months.

Also, it includes women who did not receive the full program, so we did not -- they had to have, as I mentioned, participated in the postpartum visit, but we did not say they had to have all nine or all six postpartum visits. So it's possible that families that completed all nine engagement points would have stronger results we would see.

Also, while this evaluation does not consider -- or does consider how effects may vary by Welcome Baby timing and dosage, which I will discuss later, there's no comparison group available for that analysis. No teens were included in this. So it is harder to get teens to participate because you have to get their parents to consent so that's something that would be interesting to look at further in these -- that population may particularly benefit from this.

And then also, the comparison group was largely from WIC, which may have in fact diluted our results a little bit because WIC women were already receiving services through WIC.

Okay. So the study design. Women participated in Welcome Baby in 2010 to0 2011. So as you can see, this is a longitudinal study. Information was collected from Welcome Baby and comparison group families at several points in time. And we had three major data collection points: Roughly around the child's birthday. So either the 12 month, 24 month, and 36 month data collection. And today I will be focusing on presenting results from the 36-month postpartum data collection. You have received information from previous collection data points and reports. And also the full report to this is available online. There are more results than I will be presenting today in the interest of time and more detail on statistical analyses and all of that if people are interested.

Guiding research questions. So we were guided by two main questions for this evaluation, the first of which is, what is the impact of Welcome Baby on child and family outcomes. And the second is, how does the timing of enrollment and dosage of services affect child and family outcomes for Welcome Baby families.

There's four outcome categories which I will discuss. The first is parenting which will be -- I'll be reporting on which is observed by interviewers, second will be child development outcomes, followed by maternal health and mental health, and then child health outcomes.

Now, I'm going to turn it back to Diana.

MS. CAREAGA: So before Melinda presents you to the outcome categories, I will highlight the programmatic content and activities related to those outcome categories and then Melinda will present the findings.

I'll note that there's not one single activity or educational content that we can identify that is linked to the specific outcomes; however, I will provide examples of the types of activities and information that's provided within the Welcome Baby program protocols and model that are related to and contribute to those outcomes.

So the first outcome area we will focus on is parenting. And as we know, research shows that promoting parent-infant attachment is likely to contribute to reductions in child abuse. And I will highlight some key messages and provide a few examples of program strategies. So, for example, if mothers are enrolled prenatally, they receive the Early Moments Matter DVD. This is from the highly-acclaimed, This Emotional Life PBS series. It's a DVD that focuses and was designed to provide parents and caregivers with information and activities that encourage healthy two-way relationships with infants and young children.

If mothers enroll at the postpartum at the hospital, there's ongoing observation and reinforcement of positive parent-infant interaction at every engagement point postpartum. So, for example, moms receive information on the seven secrets of baby behavior. This information ensures that moms know that you can tell what a baby needs before they can talk by where they stare, by following mom's voice, or by looking away. Learning the baby cues early on helps reinforce maternal responsiveness and in turn affection. As an example, at the nine-month visit, the protocols for the program ask staff to assess is mom looking or smiling at the infant, does she touch or massage or rub the infant. And, again, staff is instructed to validate and always to reinforce positive interactions throughout.

The program also provides the Boppy pillow. If you don't know, that's a picture of a Boppy pillow. It's provided at the 72-hour RN visit and it's used to support breast feeding or attachment to support the infant. And, again, this helps support development of affection and the attachment.

Finally, the program also provides developmental toy and book at the three to four and nine-month visit. However, these materials are not simply given. Welcome Baby staff model it and emphasize singing and reading and story telling and playing games with the parent and the child to reinforce and promote positive attractions. These activities all serve to encourage maternal interaction, responsiveness, and teaching.

MS. LEIDY: Okay. So now I'm going to start presenting the parenting outcomes. So before you get too overwhelmed or lost in the chart, let me just stop and say that I want to emphasize how exciting it is that we have found results at 36 months. So at a program that ended when the child is nine months old, the fact that we have results and that we're able to follow families for this long is really exciting.

It's also exciting that some new findings have emerged this time which we weren't necessarily sure that would happen. And also points the fact that a lot of our findings are clustered around similar themes really highlights the point that Welcome Baby's doing something for these families.

I also want to note that on some of these charts, you'll see the NA kind of faded out there. That means that the measure was either not assessed at that time point or due to the psychometric properties of the measure, we were not able to use it during our analyses.

So the 36-month survey included a ten-minute semi-structured observation of mothers playing with their child using a bag of toys brought to the home by the research team. Assessment specialist used an observation tool that -- to rate and frequency with which mothers demonstrated specific parenting behaviors. So findings indicated that at 36 months, Welcome Baby participants continued to be more responsive to their children's cues. So they were flexible with the child changing toys or activities. They were more encouraging of their child's play attempts. They offered suggestions to the child. And they also displayed more affection. They spoke in a warm tone of voice towards their child. And they exhibited more teaching behavior. So they explained the reasons for something to the child than the comparison groups. Those are the first four things on that slide.

We also examined the quality of the home environment. The home inventory measures the presence of developmentally appropriate learning materials, the safety of the physical environment, parent-child interactions, and a variety of child's learning experiences.

Findings indicate that Welcome Baby participation is not associated with the quality of the home environment at 36 months, but we did find this at 12 and 24 months.

In addition, Welcome Baby clients and comparison group mothers also reported similar levels of engagement in home learning activities with their children. And by this, I mean specifically playing with toys, doing arts and crafts, singing children's songs, dancing, telling stories. Based on group averages, most children engaged in these activities a few times a week but not every day. And like the home environment, this was significant at earlier waves but not at 36 months.

So these findings indicate that it is possible that the Welcome Baby -- the effective Welcome Baby has faded over time. However, it's important to note that we can't expect the findings to continue forever and this may highlight the need for a continuum of care that could emphasize the importance of a quality home environment for families.

MS. CAREAGA: To the second outcome area we will highlight is child development. The program provides consistent messaging and reinforcement across all the engagement points on the importance of understanding topics such as responding to baby's cues, ongoing communication and play. So some highlights from the program that I will emphasize is that there's an ongoing emphasis on talking, singing, narrating, and reading to the infant. And this has a positive impact in various areas such as communication so babies develop communication skills when adults respond to their efforts to tell the others about what they need or want. It also has a focus on social confidence. So Welcome Baby emphasizes and models parent-child playtime with a focus on having the parent follow the child's lead, using open-ended questions and activities and providing encouragement. And this in turn supports the child in developing confidence and learning how to interact with others.

Finally, another tool that's utilized by the program is the ages and stages questionnaire, or the ASQ. This is completed at the three-to-four and nine-month visit. The ASQ is a parent completed developmental screen. And Welcome Baby staff support and teach the parent how to implement the screen and provide encouragement towards positive interactions and, where needed, provide follow-up resources. And the role of the parent is key in this activity as it helps them understand and learn about developmental milestones and to identify potential delays.

AS you will see in the next slide, this overall approach positively supports different areas of the child's development.

MS. LEIDY: Okay. So child development is a very broad term that can be defined in a number of ways. So for the purpose of this evaluation, we focused on the areas of communication abilities, problem solving skills, and social skills.

So using the ASQ, which Diana just talked about, three-year olds whose mothers participated in Welcome Baby were found to have better communication skills and personal social skills than the comparison group children at 36 months. We also saw the communication skills at 12 and 24 months; however, they looked very similar in terms of problem solving skills. But I want to note that, when we use this measure, there are cutoff scores that are used to determine whether a child is on track developmentally or whether they need more monitoring or further assessment from a professional. On average, both the Welcome Baby and comparison group children score well above the cutoff scores across all of these domains. So approximately 90 percent of the children in each group are not at risk for delays and are not in need of further assessment.

Further, there was no significant difference between the Welcome Baby and comparison groups at 36 months in terms of the percentage of children who score below the cutoffs and are in need of further assessment.

We also looked at social competence and problem behaviors using a different measure. And Welcome Baby was associated with greater social competence but not -- it was not associated with child behavior problems. Children in both the Welcome Baby and comparison groups demonstrate moderately high levels of social competence scoring on average above the cutoff score. However, those that participate in Welcome Baby score significantly higher in social competence than comparison group children and are significantly less likely to be at risk for social competence behavioral problems. Meanwhile, the overall incidence of problem behaviors were similar across groups and on average was relatively high.

Additionally, we wanted to look at the levels at which doctors recommended that the children be monitored for speech or language development problems. No differences were found or observed between the intervention group and comparison group at 36 months. We did see this difference at 24 months but not at 36 months.

MS. CAREAGA: The third outcome area we will focus on is maternal mental health. We know this is a critical area. We know parents experience stress, for example, can have a lasting negative effect on child's development including mentally, cognitively, and behaviorally, and that stress plays a role in child maltreatment.

So Welcome Baby utilizes varying strategies that support maternal and mental health. As you can see on this slide, they range. I will not read all of them. But they do have focus where the mom to provide self care for herself. The program conducts a depression screen, using the patient health questionnaire at every single engagement point. And, finally, they do connect the mother to resources as needed based on her needs.

MS. LEIDY: So participating in the Welcome Baby program is associated with reduced overall parenting stress compared to mothers in the control group. This was a new finding that emerged that we found particularly exciting. So one possible explanation could be that because of increased parenting behaviors and attachment, it's possible that the child's displaying less stressful behaviors for the parent; that that's like really fostering the child-parent relationship and helping reduce the stress.

Lower parental stress is a predictor of positive parenting and child's social-emotional development as well as lower levels of physical punishment and child abuse.

No significant findings were found between perceived social support. And the survey used to assess social support examined the extent to which the mother received helped for household management, care taking, and personal matters.

We also did not find any significant findings across any of the waves for maternal depression. This -- across the groups, about one-third of mothers display some symptoms of depression with seven percent of the sample presenting minor depression and three percent presenting moderately or severe cases of depression. The rate of depression is similar measured at all the waves. And Welcome Baby home visiting protocol is designed to screen women for depression but not actually to treatment them. So they refer depressed women to other mental health services within the community. And, according to focus groups with the home visitors, connecting women to needed mental health services is one of the most challenging aspects of service delivery because of the limited availability of such services in the community.

MS. CAREAGA: Finally, the last outcome area is child health. The program provides information to mothers regarding when to access medical care, as you can see here, and when to distinguish when to take their child; is it urgent care, is it primary doctor, is it the ER. The staff also provides education and follow-up on well child visits and immunizations and track at each postpartum engagement point if the mom as attended or scheduled her visit.

MS. LEIDY: So it is important to highlight a couple of the findings that were not statistically significant, so you can see none of these findings were significant across any of the waves. So there were no differences found with the number of ER visits. More than one quarter of the children had been to the emergency room within an accidental illness or injury in the past year with an average of 1.7 or 1.8 visits. One reason this may not be significant is because the program is focused on reducing unnecessary emergency room visits, not necessarily actually just going to the emergency room. So the fact that we were not differentiating between what type of visit they went to, it's hard to tell from these results if it made a difference. So that's something that in future research we could examine.

As far as scheduled or attended the well-child visit, there was no difference between the percent of parents who had scheduled or gone to their three-year well-child visit. Only 73 percent of the intervention group and 81 percent had scheduled or attended the three-year well-child visit. Part of this could be that some children were seen before they turned three. So, hopefully, some of those appointments were just -- hadn't been made yet or might have occurred a little bit later.

And then the on-time child immunization rate, there were no significant differences but this could be due to a ceiling effect because over 90 percent of children in both groups had received their immunizations on time.

So now I'm going to turn to our second research question where I talk about timing and dosage. So Welcome Baby participants can enroll in the program at different points during pregnancy or after delivery at the birth hospital. So MCH access strives are recruit participants prenatally having identified an association between early enrollment in the program and improved retention. 72 percent of the intervention group participants were recruited into Welcome Baby at the postpartum hospital visit, so they didn't receive any of the prenatal visits.

And consequently, most women in this sample completed only the six postpartum visits engagement points.

Retaining families through the nine-month visit is also a goal of the program. About 77 percent of this study intervention group completed the nine-month visit; However, 17 percent of those had missed at least one visit prior.

So given the variability in client's program experiences analyses were performed to examine how the timing of enrollment in welcome Baby -- so either prenatal versus postpartum -- or program completion measured by the completion of the final nine-month visit might be associated with the 36-month outcomes. These analyses are correlational and cannot be directly attributed to program experiences given selection bias. So women who enroll early and stay enrolled in the program may differ in terms of motivation and other unobservable characteristics. And also, as I mentioned earlier, there is the limitation that we didn't have a control group for these analyses.

But the results do provide some insight into potential associations that warrant further investigation. So the results show that mothers who enroll prenatally have lower parenting stress at 36 months than women who enroll after delivery. And this was found at the 24 months as well. Although those analyses are correlational, the sustained findings suggest that receiving coaching before the arrival of the baby may help prepare mothers for parenting and coping with the stress associated with parenting a young child.

In addition, program completion is associated significantly with higher levels of parental responsiveness, encouragement, and affection, as well as more positive child behavior during the observed mother-child play session. These finding suggest that the information provided during the final visit regarding child health and development and positive parenting may be helping mother to engage with their children over the course of time.

So to summarize, taken together these results are promising in multiple outcome categories. So they suggest that participating in Welcome Baby is associated with benefits in the domains of parenting behaviors, child development, and parental stress. However, the results are not conclusive and we are planning on doing more evaluations to get more information.

Additional evaluations of Welcome Baby are necessary to better understand its potential benefits and its generalized ability to other groups of families. So we have to keep in mind this is just the metro LA pilot community. And in addition, although this evaluation was strong, there are ways that we can enhance the methodological rigor with which we examine Welcome Baby, which will increase our confidence in the findings.

So turning to next steps. We are currently finalizing implementation of the approved program model changes which Diana discussed earlier. We have a psychometric study currently going on, and this is the study that is examining -- Diana mentioned that we have a risk screening tool that triages women into the select home visitation programs or Welcome Baby based on their level of risk. And this is a study examining that tool. We want to make sure this tool is reliable and valid and is accurately assessing risk and triaging them into appropriate programs. So that is going on right now. Just kicked off last month.

The implementation and outcome study is also underway. And the purpose of this study is to generate findings that can be used by a broad array of Welcome Baby stakeholders, include First 5 LA staff, the oversight entity, Welcome Baby providers, and the commission when making decisions and mid-course corrections related to Welcome Baby. We really want this evaluation to be more utilization focused rather than accountability. And this study is also going to be looking at referrals, which is a big part of our Welcome Baby program. So we're excited about this study.

And then, finally, the impact study is expected to begin in fiscal year 16-17. And this will be a randomized control trial where we are going to determine if the participation in Welcome Baby leads to changes expected in maternal and child variables through 24 months of age.

So here's just the timeline. So as you can see, our first pilot was in 2010 through 2015. Currently going on are the modified bridges for newborns screening tool psychometric study and the Welcome Baby implement outcome study, and soon we will be starting the impact study.

And now for questions.

MS. BELSHE: Who are these girls?

MS. LEIDY: The one on the left is my daughter, Scalling (phonetic spelling), giving her stranger stare. And then the one on the right is Diana's daughter, Zoaria (phonetic spelling).

MAYOR ANTONOVICH: Why is she sad?

COMMISSIONER DENNIS: She's not sad. She's mean.

MS. LEIDY: She's very introverted so that's the look she gave the photographer because she didn't know him.

COMMISSIONER SOUTHARD: So in the Welcome Baby model, is there an attempt being made or -- to connect the mothers to an ongoing support group of other mothers in their own -- their situation? Because -- and I make that remark for three reasons: One, is I'm a new grandparent and my -- my daughter-in-law has received a great deal of help in the parenting task while working from the women that she -- who are in similar circumstances and they've learned from each other and support one another through the process. So I think that's really important.

Second reason for saying that is that our commission supports place-based work with -- and the whole goal of that is to engage individuals in their community in a way. So if there were organic links between Welcome Baby and Best Start communities, I think that would be hugely helpful.

And then third reason is because, as you know, in the -- in our work in the postpartum and perinatal depression group, some of the things that we find for women in that situation is, yes, they need access to treatment, but more than access to treatment, they need skilled support. I mean, they need support, but it has to be the right kind of support. You know, buck up, you'll get over it, isn't the right kind of support. But with the right kind of support, that can be more influential to a good outcome than actually psychotherapy even.

So it seems to me, if we can strengthen whatever community support, and we have, through our Healthy Neighborhoods, for example, some churches that are trying to do that and we're teaching them how to do that.

So I just wondered if there was an organic connection or if one could be developed.

MS. CAREAGA: That's a great question. There's definitely a connection made and an effort to connect those mothers to other services as one of the goals of Welcome Baby. So just as some examples, every community is different, has different levels of resources available, so it will range across all of the sites.

As an example, we've connected the peer support circles, which is something First 5 LA funds, and provide support for mothers in some of those topic areas to go to those support groups. They're also tracking of referrals. And I think, as Melinda mentioned, the outcomes and implementation study will really help us track where referrals are going and what those needs are.

Finally, in terms of Best Start, all of the Welcome Baby sites attend the Best Start partnership meetings and provide updates and receive information about what's happening in each the local Best Start communities so they can bring that information back to their families. So it's very much a reciprocal relationship where they're sharing information back and forth.

So those things are happening. I think, again, the challenge is always just making sure you identify the need and then connecting mom to resources where available at her communities.

COMMISSIONER SOUTHARD: The only reason I'm raising is, I think in terms of all of the outcomes, but particularly the sustainability of the outcomes, some kind of support that's happening in the community is likely to maintain the gains over time better than just the home visiting itself.

COMMISSIONER TILTON: Is it me?

Good work and a lot of work and very promising. And we're hitting that critical period of time when personalities and futures are formed. So great.

You need to look at the picture of your daughter for a minute because that's going to be me right now. I love being positive and hopeful, but we have to realistic too. This is the period of time when children and babies are most often seriously hurt. So I'm not seeing any -- anything in here that particularly focuses on how we identify risk. What I'm seeing is, if it's high-risk, it's referred to home visiting program and case closed in Welcome Baby. But just referring to home visiting and closing the case is not responding to a potentially serious situation with a very young child.

So I would want -- and I brought this up before -- some sort of tracking of reports of child abuse because you can't -- you can't lateral that off to somebody else. It's a law for one thing, but it's also important and needs to be expeditious. So if we can try to assure that this on the minds of people who want things to be positive, it is possible that there could be some damage that we could intercept.

The other two questions I had, we're talking about postpartum Boppy pillows. So I'm going to leap into my safe sleeping mode now and, hopefully, receive assurance that the Boppy pillows are used only for helping with breast feeding and they're not left in the crib. We have this very picture in our safe -- one of our safe sleeping brochures about what not to put into a bed with the child or infant under one year of age.

So I guess those are my main concerns, and that would be -- oh, we had a presentation yesterday on fetal alcohol syndrome and the issues related to identifying babies who may have not been exposed to drugs or substances that we normally -- illegal drugs or substances, but the profound effect of alcohol on fetuses and on babies, on newborns and how to identify the effects and then create expectations of that child and that baby that are consistent with what we know about the damage that prenatal alcohol consumption can make. So if that is a part of the training and curriculum, I -- I'm happy. It's not easy. It's another one of those things people don't want to think about. Everything I talk about seems to be what people don't want to think about, but alcohol is far more damaging than cocaine, heroin, I mean, all the other substances combined. Alcohol creates the most damage.

So there are my three points. Thank you. And good work again. I'm sorry. I appreciate what you're doing.

MS. CAREAGA: Thank you for sharing the concerns. Those are all very valid concerns.

So just to hit on some of those -- and if Melinda has anything to add. In terms of the higher-risk families, we know if they're identified in the hospital, they are referred on to Select Home Visiting and tracked through those programs. Welcome Baby does do tracking of any reports, whether substantiated or not, to DCFS so that we have that information. And if some need or risk kind of arises in the postpartum period, the effort is to definitely connect that family to the necessary resources and support, knowing that Welcome Baby is a light touch model that's not intended to provide that level of support.

In terms of the Boppy pillow, definitely not instructed to put into the crib. The two main things that the Boppy pillows are used for is to support breast feeding and to support tummy time, which is a developmental need for the child to be lying down on their tummy for some time.

COMMISSIONER TILTON: I just want to make sure that is clarified.

MS. CAREAGA: It is.

Definitely with fetal alcohol syndrome, we cover a lot of information in Welcome Baby training that's over 150 hours for staff that are new. It does include, you know, issues of concerns around developmental delays, and those types of things are tracked in the case notes for all the staff. I don't have any numbers to share with you, but those are definitely things that, as a need arises, staff is either trained on already or we'll seek out information as necessary.

COMMISSIONER HARDING: So I'd just like to add my congratulations. This is really encouraging news. You know, this commission has invested in Welcome Baby for quite some time. So it's very encouraging to see these results. And I really want to commend the staff for thinking through a long evaluation plan so we can continue to learn and apply those lessons learned as we continue to work with communities and with programs and folks who will be implementing the program on our behalf.

Could you elaborate a little? I have a couple of questions, so let me just start with the first one. Could you elaborate a little bit more on how you're going to apply those lessons learned? We saw today that the prenatal visits seems to be critical in some of the outcomes that we're looking at as well as those that continue for the full nine months. How are we using that information in -- in implementing and in how the program is carried out?

MS. CAREAGA: To answer that question, we're definitely looking to see how to apply all those lessons learned. In terms of prenatal referrals, one of those things we're trying to be a little bit more systematic in trying to establish relationships. So, for example, we've had conversations with WIC to train some of the WIC sites that have those main hubs so that they know where these Welcome Baby hospitals are, to have one form that has all the hospitals listed so they can just check it off and send it over to the appropriate hospital for that prenatal intake. So trying to be a little more systematic in supporting how those systems work together to find those moms because that is the biggest challenge prenatally.

COMMISSIONER HARDING: Thank you. The other question I had has to do with where we didn't see some impact in the program and trying to understand that. And, as you said, it could be because the comparison group in some cases may have a lot of services or interventions. We know that WIC does a phenomenal job about getting children in for well-child visits and for immunizations, things like that. So that may be part of it. But where we're not seeing big impacts, like in maternal depression and in our data that we look at from the LAMP survey, it's a high number of moms that are being impacted by maternal depression. Has there been any thought about perhaps changing the curriculum in some way or looking at other things? Again, how are we applying these lessons learned?

MS. CAREAGA: Well, the challenge with Welcome Baby is that we're screening to identify and connect moms. It's not intended to treat depression. So at this time, the staff wouldn't be able to do that type of support to low depression rates, but really is to find and identify those moms and link them to services. I think that's one of the bigger challenges. So they're not going to be able to treat the depression if it's identified.

COMMISSIONER SOUTHARD: And then one of the challenges that you face in that particular regard is developed out of a weird anomaly in the Affordable Care Act, which is a separation between mild to moderate conditions from specialty mental health conditions. So the mild to moderate depression that form the majority of those becomes under Medicaid the responsibility of the health plans, not specialty mental health programs. Probably most of your referrals are attempted to be made to the specialty mental health programs that the county runs.

So we're trying to develop -- the Department of Mental Health is trying to develop contracts with the health plans so we can take over responsibility for the full spectrum, not just merely the specialty mental health, the serious mental illness, for that very reason because it's a little odd to have to know how ill you are before you know where to go to connect up with services.

So we're trying to fix that, but that's part of that anomaly that maybe there will be a policy fix for in the long run because that separation between mild to moderate for some and specialty in some populations makes no sense at all.

COMMISSIONER HARDING: If I could just ask one last question. Thank you, Marv. That's really helpful.

As we talk with folks around the country about home visitation programs, there's all of this discussion about evidence-based versus not. And this body of work is really important that you've done. It begins to add to the evidence out there about what works. And this a very different kind of home visitation program. We're very hopeful that that light touch would provide some -- so I just encourage you to be thinking about in partnership with those working on this to publish this so that we can get this work out in the evidence based.

MS. CAREAGA: Thank you.

COMMISSIONER PLEITEZ HOWELL: A few questions. One is around the comparison groups. And we have about 400-plus in the program and then 200-plus that -- you got metro and then some WIC recipients. What was the number of the comparison group that are WIC recipients?

MS. LEIDY: It was the majority. I think it was something like -- I can look at the actual report. I think from metro, it was like 50 or something like that. It was 45 or 50 and then the rest were from WIC.

COMMISSIONER PLEITEZ HOWELL: Okay. I wonder in terms of what that means for our data in the comparison, because we know that WIC recipients face their own challenges. So I'd be a little concerned about putting this out as saying, look at the significant differences, because you're dealing with a comparison group that has challenges as we know.

And along those lines, when we think about the 36-month outcomes and the significant outcomes that come out of that, other things in child development tell us that at around 24 months and 36 months our children become more reactive to the mother. So I look at some of the things that we're measuring like greater maternal response and greater maternal encouragement. And that naturally happens from a child development perspective. So I think we have to be cautious about what we're seeing given that we have the WIC comparison and then this is happening in child development.

So along those lines, I think, as we look at future assessments and we're trying to put out information about potential policies, I think we should look at more than just some of these behaviors, but actual activities that families are engaging in and giving and showing the differences. So I think about, are families putting children in early care and education programs? Are families seeking out activities for kids that will allow for this additional child development? It's these things that we know naturally help our children grow and be better. But I don't see that, I see, more behavior that doesn't include this extra activity afterward. And I think for the policy sake, it'd be really helpful to have that in future assessments.

COMMISSIONER DENNIS: One of the lynch pins under our strategic plan dealt with this issue around parent engagement. And I could see how this work could be the foundation for some of that, and to what degree have we looked at this research connected to what we're doing around -- I think there are a couple of RFPs out there now on family -- on parent engagement. And to what degree have we linked this to what we're -- and maybe you're the wrong person to ask. Maybe it's the program people. I don't know. But have we thought about how this is -- is looked at with regards to our strategic imperative around parent engagement?

MS. CAREAGA: I'll take a stab at it.

MS. BELSHE: I'm not sure which RFPs you're referencing other than potentially our Building Stronger Families Framework, community specific.

COMMISSIONER DENNIS: Yeah, that is it.

MS. CAREAGA: I think I would say we haven't taken an in-depth dive into those analyses yet. There's definitely going to be a lot of overlap in terms of some of the interest areas that the communities have identified and some of these activities and how we can build some of those relationships and kind of structures into it. But I think that's something that -- since have I not read those RFPs, I think, once we have more information, as a team or staff, we can come together to kind of make some of those more intentional.

MS. BELSHE: Yeah. I think it's a really important point, and we're still, as John noted, at the front end and the relatively early phase with two partnership. Contracts being approved today is the third. So as we develop that fuller body of community-identified priorities, we'll have more opportunity to see where those connections are.

I would also note that Packard Foundation commissioned a survey that Harder and the Partnership for Early Childhood Investment undertook this past year on family engagement. And they're very interested in doing work in LA and see some opportunities in particular in light of our place-based work in Best Start communities as well as the investment in home visiting.

COMMISSIONER DENNIS: Parent engagement or family engagement?

MS. BELSHE: Family -- they defined it as parent engagement, but it's really broader than that. It's really about family engagement.

COMMISSIONER DENNIS: And that's important, really significant.

MS. BELSHE: So we think there's some really promising linkages. And the further along Welcome Baby goes in its implementation, more and more people are looking at that as a foundation for partnership with us.

So that's exciting.

Mr. Chair, I'm mindful of the passing of time, but I think Commissioner Au has a --

COMMISSIONER AU: Yeah. And I don't need the answer today. I'm just -- questions that I will just pose out there because I think that it is difficult sometimes to really ascertain the full impact of an experiment, so to speak, or a pilot because you don't have the luxury of setting up a true laboratory setting where you have a treatment group and the nontreatment group and a control situation. But I think I would like to know, when you talk about utilizing mothers -- and it is a voluntary program -- I guess I'm curious to know if there's a mechanism for us to track the mothers that chose not to receive Welcome Baby services. And I would be curious to see, again, how if there's a mechanism for us to be able to -- maybe on a sort of broad level -- to note whether or not we may see some -- some differences, maybe like an increased rate of reporting for child neglect or abuse may be one factor, may be one piece. So anyway, that's just a thought.

The other is, when you compare the families that utilize WIC-only services versus the ones that had Welcome Baby services, were those -- those families with Welcome Baby also accessing WIC services as well and to see whether that also has some impact as to some of the results.

And then I guess I'm curious to see, when we talk about WIC, what specifically do they provide in terms of services for these mothers and whether or not there is some replication, duplication, or whatever else, just out of curiosity as well.

And I do have a third piece. I know we track them for up to 36 months. Do we have plans in place or structures in place to track them at least until they enter into preschool or kindergarten? I'm just wanting to know that as well.

MS. LEIDY: We don't at this time. That was something that was discussed and I think we wanted to get -- we weren't even like a pilot to 36 months. Originally, we were planning to do just to 24 months and we decided do to 36. So we're really excited that we found results. And now I think we're trying to shift our focus to do an impact study so we can get it across the 14 communities and do a randomized control trial to increase the rigor. That will go until 24 months. And I don't know, if down that line, if we would discuss that further depending on the results. But at this point, that's the plan for that.

And thank you for your points on WIC. Some of your points are things that we will look into and keep in mind. I know with the recruitment of our control group, we hit a problem with the list that California Hospital Medical Center gave us. And by the time we corrected the problem, the children were too old for us to use as a comparison group. So we were already starting with Welcome Baby kids we needed to get going. So WIC was great to turn to and obliged with letting us work with them.

But we will make note of your other points and get back to you. Thank you.

COMMISSIONER ABDO: I just have a couple of items, but I don't need answers right now. One is that I -- I would also like to see the -- see us look at I guess to kindergarten so that we see whether the changes continue or whether they drop off, the positive changes or the negative changes.

And then the other issue -- and this is just an example, but I think it could be broader than this. Are we looking at families where, let's just say, depression is identified and we're not going to be -- be treating, but we're trying to help them -- help the parents line up support. But are we then tracking whether that really happens and whether it makes a difference. It seems to me that's a huge question. And it's not only on the depression; it would be on the possible abuse or other kinds of very negative behaviors that are happening. And I don't see where we're tracking what happens.

MS. LEIDY: With implementation and outcome study, we are tracking referrals and then referral utilization, and that's part of what we're hoping to accomplish in this evaluation so we can try to answer some of those questions and see if there is a breakdown of they may be referred but they're not being connected or not utilizing those services. And that's something we really want to know so we can then use that for our program improvements or figuring out how to really bridge that gap.

COMMISSIONER ABDO: Then I would want to know if whatever that intervention was, if it was successful in the end.

MAYOR ANTONOVICH: We're going to take a ten-minute break.

(A brief break.)

MAYOR ANTONOVICH: Let's begin.

MS. BELSHE: All right. Pegah, I believe you're going to kick off this board development conversation on trauma informed care.

Can you try yours? Is yours working?

MS. FAED: Hello. Is it working? No. No.

MS. BELSHE: John, what did you do?

MS. FAED: Great. Okay. So good afternoon, commissioners. My name is Pegah Faed, and I'm a research analyst here in research and evaluation. I'm also the project lead for our strand of trauma informed care work as part of our new strategic plan. So over the past few months, there have been a series of board presentations around the strategic plan -- there have been a series of board presentations around the strategic plan with the intention of providing learning around strategic plan implementation to the board. And the purpose of today's presentation is to share with you our most recent thinking around year-one implementation for trauma informed care as well as to highlight a few examples of the state-wide policy and systems level approaches in the field today.

So I'll begin with a brief introduction that will set the stage for this panel presentation, then you'll hear from Cecilia Chen, the associate director of policy for the Center for Youth Wellness in San Francisco about the state-wide ACEs policy working group that she's been coordinating of which I'm the First 5 LA representative on.

Following Cecilia's presentation, we'll hear from Lisa Kohn, the attorney advisor to Attorney General Harris and project coordinator for California's Defending Childhood Initiative out of the Department of Justice.

Our third panelist will be Mary Lou Fulton, senior program manager with the California Endowment, who will speak with some concrete examples of policy and systems change efforts happening in the counties across the state. She'll also speak to efforts that the California Endowment is involved with related to trauma informed care.

I'll close the panel with our planned year-one activities for trauma informed care as well as some lessons learned to date from staff's lessons on how to carry out this work. And we'll have some time for discussion at the end.

So I just wanted to start this presentation off with a reminder of First 5 LA's mission, which is, in partnership with others, strengthen families, communities and systems of services and supports so all children in Los Angeles county enter kindergarten ready to succeed in school and life. The key phrase in this mission statement is, in partnership with others. This is an ambitious mission and it's not something we can do on our own.

As our executive director has reminded us on many occasions, First 5 LA is not the agent of scale or sustainability. Therefore, if we can't do this alone because the change we seek is complex and we don't have the financial resources to bring programs to scale or sustain them indefinitely, what choice do we have. This is why our 2015-2020 strategic plan has emphasized partnership building, policy and systems change, and a focus on prevention.

As you all know very well, First 5 LA has four outcome areas as part of the 2015-2020 strategic plan: families, communities, early care and education, and the health, mental health and substance abuse service systems.

The health related systems outcome area's overall strategy is to improve the capacity of health, mental health and substance abuse service systems to meet the needs of children prenatal to age five and their families.

There are two strands of work happening in this outcome area: Our work around early identification of developmental delays and connection to services with the use of the Help Me Grow framework and the trauma informed care work which is the focus of today's panel presentation.

So one of the most pervasive and damaging factors in a child's development is the effect of trauma and chronic stress. While the impact of trauma can be profound and can have long-term implications, research on stress and resilience demonstrates that a positive and secure attachment with at least one caring adult can serve a protective function for children and can actually buffer the negative impact of toxic stress on the child's developing brain. This nurturing relationship can be strengthened through the promotion of the protective factors and the systems with which these families interact. However, navigating these systems is difficult and complex for many families due to the lack of trauma informed and coordinated services. Breaking down these barriers is critical in helping to identify factors that affect socio-emotional and health outcomes for children and families.

Our first speaker will provide more explicit explanations of the impact of trauma on child development and the role of trauma informed care. But to provide some context, there is a critical need for First 5 LA to work on systems change approaches related to trauma informed care as it is an issue that touches all of our work in our different outcome areas and has a profound impact on children and families and their communities.

So, again, the purpose of today's presentation is to share examples of policy and systems change efforts happening at the state and county level around trauma informed care and to update the board on staff's thinking around year-one implementation plans.

We hope this will give commissioners a better understanding of the types of efforts happening around the state, how First 5 LA can contribute to the statewide conversation, as well as paint a better picture of what this work could potentially look like for LA county and the roles for First 5 LA.

We have a few questions for commissioners to consider as you listen to the various panel presentations and we'll revisit these questions at the end of the presentations.

So I'd like to turn it over to Cecilia Chen, again, who is the associate director for policy at the Center for Youth Wellness in San Francisco.

MS. CHEN: Thanks, Pegah, for that great introduction. I am Cecilia Chen. I am the associate director of policy at the Center for Youth Wellness. We are a children's health organization that's based in the Bay View/Hunters Point neighborhood of San Francisco. We are founded in 2002 by Dr. Nadine Burke Harris, a pediatrician who really saw the impact of trauma affecting her patients and started to think about --

COMMISSIONER BROWNING: Could you speak just a little louder?

MS. CHEN: Sorry?

COMMISSIONER BROWNING: Could you speak a little louder or hold the microphone close? I'm not sure people in the back can hear.

MS. CHEN: Is this better? Sorry about that.

And she founded the Center for Youth Wellness to really be part of a pediatric response to addressing adverse childhood experiences and the impact that it has on early childhood development.

Our mission is to improve the health of children and adolescents who have been exposed to adverse childhood experiences. And our model is really focused on integrating clinical services through a behavioral health and physical health partnership with the Bay View Child Health Center, so advancing scientific research on ACEs and policy and advocacy.

I'm incredibly honored be here today to be able to share some of our work with the commission and to really be sharing -- to be partnering with First 5 LA, particularly Pegah and the staff at First 5 LA in advancing this work throughout the state.

So I'd like it start by defining the problem that we've been seeking to address, and that's really viewing adverse childhood experiences as a public health crisis. Although our work focuses on pediatric health, we really believe that ACEs as a public health crisis has impacts across multiple sectors, including education, health, child welfare, juvenile justice, and early childhood.

In order to understand why ACEs are a public health crisis, we really need to understand the history of ACEs and the science. As many of you know, The Adverse Childhood Experience Study was conducted by Drs. Anda and Felitti in Kaiser San Diego in 1998. And it surveyed over 17,000 adults about their experiences in childhood and compared their answers with their medical history. This population was predominantly white and predominantly college educated.

They looked at three different categories of ACEs: Abuse - physical, emotional, and sexual abuse. Neglect - physical and emotional neglect. And household dysfunction - having a parent with mental illness, having a parent or relative who was incarcerated, domestic violence in the home, substance abuse, and parental separation or divorce.

The findings of the ACE study were incredibly profound. They found that ACEs were incredibly common. Over two-thirds of study participants had experienced one or more ACEs. And they also found that 12.5 percent, or one in eight study participants had experienced four or more ACEs.

The other key outcome that came out of ACEs study was that the high numbers of ACEs increased a person's risk for poor health outcomes later in life. This slide that you're looking at shows a relative risk of the ten leading causes of death in the US for persons with four or more ACEs.

In addition, further studies have found that four or more ACEs lead to increased risk for negative health behavior, such as a person with four or more ACEs is 12.2 times as likely to attempt to suicide, 10.3 times as likely to use injection drugs, seven times -- four times as likely to be an alcoholic.

The ACE study was conducted on a limited population. It was conducted -- it was looking individuals who were patients in Kaiser Permanente. In 2014, CYW worked with the Public Health Institute, analyzed four years of data from the California Behavioral Risk Factors Surveillance System to better understand the problems of ACEs across California. Similar to the Kaiser study, we found that almost two-thirds of California adults have experienced one or more ACEs. However, we found that there is an increased number of individuals who experienced four or more ACEs. 16.7 percent, or one in six, California adults have experienced four or more ACEs in their lifetime.

We also found that ACEs affects everyone regardless of race or ethnicity and that they have no geographic boundaries. Even in counties with the lowest prevalence of ACEs, one out of every two individuals had experienced at least one ACE. In LA county, 60.7 percent of adults have experienced one or more ACEs, and 13.5 percent of adults have experienced four more or more ACEs.

Studies have also shown the high numbers of ACEs increase the risk for a child having learning or behavioral problems in school and also coming into contact with the juvenile justice system in adolescence.

The ACE study raised significant questions about the impact of early life experiences on future health and success for children. And in recent years, revolutionary breakthroughs in science have begun to deepened our understanding of the causes and helped us to understand the devastating impacts of ACEs are the result on childhood stress, extreme or frequent stress that's caused by childhood trauma that's severe and profound. And these high levels of stress can really affect a child's developing brain and body.

So since we're looking at a public health problems, CYW's approach is a public health response. Some of the steps that CYW has taken to catalyze a statewide cross-sector response to ACEs is attempting to really bring together a public health approach to this problem, and trauma informed care has emerged as a key strategy in these efforts.

The first step that we've engaged in was raising awareness about adverse childhood experiences as a public health crisis. As Bob Ross of the California Endowment said, childhood trauma is one of the largest public health crisis hidden in plain sight. So the critical first step was raising awareness about the issue through policy reports, legislation, and speaking engagements. We sought to raise awareness about this issue among key stakeholders including policymakers, partners across different sectors, and parents.

But as we all know, raising awareness isn't enough. Raising awareness is simply setting the stage for action. In November of 2004, the Center for Youth Wellness posted the first California ACEs summit in San Francisco where we brought together over 200 thought leaders from across different sectors to raise awareness about ACEs but also to think about what a statewide response to ACEs would look like.

This summit was setting the stage for our efforts in 2015 to begin to generate momentum and to build a cross-sector coalition of individuals to come together and really respond to adverse childhood experiences in California.

To this end, Centers for Youth Wellness has been convening and facilitating the California ACEs policy working group, which is utilizing a collective impact approach, bringing together partners across from five sectors: Early childhood, education, health, juvenile justice, and child welfare, to develop a common policy agenda that we can use to advance and respond to adverse child experiences in California over the next three years. We've also been coordinating with communications advisor group to build a statewide thought-leader outreach on public education campaign to really bring promising practices that are happening in communities across California and sharing them with other communities in the state.

The partners that we've been able to bring together have been critical in responding to childhood adversity. The policy working group is a public/private partnership bringing together folks from different sectors and different backgrounds. We have policy advocates and practitioners in the same room coming together to think about how we respond to adverse childhood experiences collectively.

We've been convening for the past nine months, through monthly conference calls and quarterly in-person meetings. I just want to also at this point shout out First 5 LA for hosting our June in-person meeting. It was a great opportunity to bring everyone together because the in-person meetings really give folks an opportunity to connect and develop deeper relationships, which is really what drives and undergirds this work. And together we have really been developing a common agenda for the next three years, including a problem statement, goals, objectives, strategies, principles, and working agreements. And throughout this process, our goal has been consensus. So the work has been to bring all the diverse stakeholders that you see on the slide before you to come together and to come to consensus on a single agenda in recognizing that this is part of the work that we have to do in order to respond to ACEs in California.

As we move together towards finalizing a common agenda, we'll be preparing to launch a campaign in 2016 where the common agenda will really be a foundation for our working moving forward. It will be the foundation for a multiyear policy and communications campaign to hopefully be able to pull some of the best practices that are coming out of the work happening at the local and county level and to bring it and lift it up at the statewide level.

Some of lessons learned so far in this effort. Much of this work has really been an iterative process, learning as we go, but there have been several key learnings along the way. First, it really does take everyone. And I can't stress this enough. ACEs, as we know, touches every aspect of our society and, therefore, we all need to be part of the solution. I think the First 5's commitment to partnerships is an important key step in insuring that this work is successful.

Also, adaptive leadership is really important. Leadership has to be shared in order to insure success. As I said, it doesn't take one person; it takes all of us. And so the more that we can get other folks to be bought into this work as well, the more successful we'll be in the long run.

And we have to seize opportunities to collaborate as well. This work isn't happening in a silo and requires everyone at the table to be equally invested in insuring that children and their families have the tools and supports that they need to be successful.

There's a lot of work happening on this issue at county level and at the state level as you'll hear from Lisa in a few moments. And one thing that's been particularly important in our policy work and group efforts is the ability to collaborate, to ensure that we're not duplicating efforts. There's always more than enough work to go around to address this issue, but we have to make sure that we're coordinated and aligned in our efforts.

And finally, the -- another issue or lesson learned has been the ability to leverage diverse backgrounds in order to enhance our shared knowledge. Having folks coming from different perspectives can be incredibly challenging but can also be incredibly enriching. So the more that we can embrace diverse perspectives and diverse experiences, the more rich and well-rounded our work will be.

Finally, we have to be committed to the vision, but we also have to be flexible for adaptation. This is a constantly changing environment. We recognize the decisions we make today may need be reflected on tomorrow and adaptive to the changing needs of our society and to our political landscape. So while we remain committed to the vision, we also give ourselves the ability to adapt and to respond effectively to the challenges that arise as we combat them.

I hope this presentation was informative and I really applaud First 5 LA for its commitment to trauma informed care. And as I was telling Pegah, I think that there's so much that the policy working group will be learning from your efforts moving forward and hoping to lift up to the statewide level as well.

COMMISSIONER BROWNING: Okay. Thank you. Lisa, you're up next.

MS. KOHN: Thank you, commissioners, for having me here today. I'm really pleased to be here.

Give one second. I really just want to start off by just crediting Commissioner Tilton who I hope will chime in during the Q and A portion because I think the development of this state policy initiative on defending childhood has only come about because of work that happened at the federal level many years ago. Commissioner Tilton served on the task force for defending childhood, the task force for children exposed to violence that was convened by then Attorney General Eric Holder, and really with the commitment of looking at how solving our criminal justice problems and tackling what's going on, what's not working with our juvenile justice system really can't be done in isolation and really is going to be really important that we look at childhood trauma because addressing that working to intervene earlier in a child's life course will pay dividends down the road. It will be less costly in human terms and it will -- you know, as discussed and as Cecilia went through, really have a profound impacts on our health care of adults later in life.

So this was a commitment that was borne out of a federal initiative and with involvement from across many states, California's representatives on that task force. And so I will just start off by noting and giving credit to that work.

And in 2012, that task force produced a really lengthy, comprehensive set of recommendations that, taken together, would really vastly change the landscape and looking at every system across sectors of how we can better address, identify, and treat children who've been exposed to violence and trauma. And that set of recommendations, as I mentioned, is incredibly comprehensive. It looks at federal policy changes down to very local community based strategies.

And the wonderful thing about that report was that it was released and then the Attorney General said, we don't want it just sitting on a shelf; we want to see those recommendations implemented. And from there, we began several years of funding different counties across the country. There are eight sites that are the pilots of defending childhood, and they were tasked with really creating a strategy for their local community that would integrate different elements. Some counties took on universal prevention measures like early childhood, universal pre-K. Some took on education of parents and a home visitation strategy. It really ran the gamut and was developed by the communities.

And then just last year, there was a call to states who wanted to be a part of a pilot initiative and lead a statewide planning process to create potentially a cross-sector collaboration and create a plan that would address some of the challenges with services and supports that are needed by children who've been exposed to violence and trauma.

So at that point, Attorney General Kamala Harris led an interagency application from across different state leaders. It had also the support from the City of Salinas, City of San Jose that had been involved in a national forum to prevent youth violence. It had the support of the State Association of Counties, CSAC. And so this interagency application went forward.

And I'm pleased to report that California was one of three states that was selected from that process. California, Michigan, and Massachusetts are the three states. And we are incredibly fortunate, actually, in California to have a funding mechanism that provides full-time staffing support for this initiative, and that is -- that is me. I'm working through a partnership. I'm in the Attorney General's office. I'm a specially deputy assistant, special deputy attorney general, and I also am a fellow through -- with Futures Without Violence that has been really deeply committed to this work. I wanted to see this application move forward and have appropriate staffing.

So Futures Without Violence, with funding California Endowment, as well as Blue Shield California Foundation, was able to support the application to ensure that there would be someone actually shepherding the interagency team and moving the application forward. So I joined in June after the state of California was selected to join the initiative.

And really the goals of the initiative are to find cross-sector work between state agency leaders and really think about what the barriers are to providing services in our state, craft that common agenda. And I think one of the things that's so great, having worked with Cecilia and some of the other efforts underway that are statewide focus and childhood policy work, is that we really compliment the -- this is the government initiative and the government working group that's going to support and build on that common agenda that is being developed by the public/private partnership that CYW's policy group is forming. So I think it's complimentary. I think, as you said, coordination is key, and that is what we are -- we're already doing.

So the real role of my work is, through the AG's office, facilitating but really looking at the child service systems which are really run out of various other departments at the state. So we have very a comprehensive group and high-level leadership involved from each agency that's part of the team for California. We have Health and Human Services Agency, social services, health care services looking at Medi-Cal an opportunities there. We have the Department of Public Health, the Department of Education, Finance to look at our funding and how we can better blend and braid funding, our Department of Corrections and Rehabilitation, which has had a lot of involvement with juvenile justice, and our mental health services authority.

We submitted our application and then, as we got into the planning process, realized that we really do want to focus on early childhood and First 5 California. We added them to our core team and they're joining and we're actually really prioritizing early intervention and early childhood work. So it's truly tremendously important that we partner with First 5 association and the various county commissions, and then of course with a lot of engagement from county, local, community-based stakeholder.

So our core team is made up of the state agencies, but we're, obviously, going to be partnering very closely with the other initiatives that are under ay.

So I kind of want to give you a sense of how the team has been built and what we've developed so far. Our first convening was in May. It was a site visit where

USDOJ came to Sacramento and met with our agencies to identified kind of the strength that we bring from California. And First 5 was mentioned really very early on. And then also the opportunities and where we should be looking.

From there, we went to the state policy meeting in DC in June. Unfortunately, the USDOJ in selecting California did not provide any funding to help support the implementation of the plan, but they are providing technical assistance and a consultant to help us kind of pull together our strategic plan. Our June meeting was centered around identifying our goal and our priority areas that we'll be looking at. And these are still very broad. And they're very broad for a reason. It's because in different sectors and with different agencies, there's going to be a better ability to look at one or other of these priorities.

And so I will go through them very quickly, but they are at this time very broad because, as I mentioned, we just are getting started with narrowing in on our strategies. And with that, I think it provides a lot of opportunity for First 5 LA to share kind of inputs and kind of county lessons that we should be looking at in forming our strategy.

So as I mentioned earlier, the key here is just looking at our funding streams and how can we blend and braid funding to better provide for services and delivery and also target prevention wherever possible. So looking at different ways that we can, for example, ensure that, where possible, Medi-Cal is able to provide screening services to schools that want to offer school-based mental health services, looking at ways that collaboration can better make up. So having the relevant agency at the table.

We also have an opportunity actually through -- Congress actually passed a change to our Victims of Crime Act funding so nationwide every state will be getting a significant increase in Victims of Crime Act assistance dollars, and that's grant funding that goes to community-based organizations to provide services to adult and child victims or witnesses of crime, which we think could be an opportunity to look at some ways to be innovative and provide additional training to service providers on trauma. So those are just some examples.

So we also are looking at data. And I think this is where I think some of First 5 LA's work and leadership with th Children's Data Network is already incredibly relevant and we've looked at as a model. I think many of our state agencies have identified the challenges and barriers to sharing data between agencies and how that could actually help us identify potential high-risk populations of children that we need to screen and intervene.

An example of that is with our work on chronic absence and in school truancy. If we even have had the school's ability to track the children who are absent ten percent of the time and then ensure that those children were given the screening to determine whether they need treatment. We know there's something going on if a child is absent at that point in kindergarten. And the outcomes that will happen later can be prevented. So just knowing that the data isn't necessarily -- the schools don't have that ability to track that data as much as they need to is an area that we're looking at and informs our work.

So I think there's a whole range of data projects that could be potentially really valuable in the space. And I think, as I mentioned earlier, we really just need more data on the scope of the problem and its impact in California. So some of the work that CYW is doing is tremendously helpful.

The third priority we looked at is increasing the workforce capacity. This is across systems. This is -- whether we're talking about doctors or early childhood providers or we're talking about teachers, we really want to get a trauma informed training infused in all of these sectors. And that is a barrier. It's -- within DOJ, we're looking at ways to do that with law enforcement, which I think can be really helpful and there is some programs available and how do we build on those.

Our fourth priority is really looking at early identification. And this goes to improvement of screening -- universal screenings of children at the pediatrician or within schools. And I think within this phase, some of First 5 LA's and First 5's statewide work on home visitation is a really critical preventive intervention. And so how do we infuse trauma informed practices within home visitation and make sure that the early childhood programs are as trauma informed as possible.

And the last priority is really a vision for the process that we're going to undertake, and it's about transparency and engagement with all of the relevant actors across the systems. So as we get more of our work underway, we intend to do many more convenings starting early next year where we are Taking in and really getting testimony, much like the Defending Childhood Task Force at the federal level, to really engage and understand with diverse communities across the state and the needs being very different, making sure that we're hearing from all of those sector communities.

So in terms of next steps, I just wanted to mention that we are grateful to have First 5 LA joining us. We are doing our next state team meeting. And I think Pegah is going to join us on September 22nd. We'll have our -- we'll have USDOJ there. We'll also have our consultant to really hone in on a couple of different areas that we think are the greatest opportunities statewide, home visitation among them. We'll also be looking at school-based mental health services and also dedicate a portion of our time to looking at funding strategies around Title IV-E and the child welfare space. So that convening will happen in just a couple of weeks. And from there, we're really hoping to create our kind of vision and guiding document that will convey kind of our interest in getting more feedback and where we're looking to go over the next several years. And that we hope to have available early next year.

And so we really hope First 5 LA can be a partner in this process. I look forward to following up with Commissioner Tilton and others that I've spoken with about some of the specific barriers in LA. I think it's true, if we can find something that works in LA, we want to scale it statewide and figure out what might be possible. So having your insight on some of the best practices will be -- will be wonderful. And I'd love to stay closely connected with Pegah and your work as you plan the convening.

I think that, in terms of opportunities, the leadership that First 5 LA has shown on just exploring trauma informed care in the health sector is huge, and I would love to partner and be whatever technical assistance we can provide from the state, from DOJ. I'm happy to join in that.

Today if there's any opportunities to work on data, to work together on focusing in on where we are -- we have gaps in data and can fill those gaps in LA county, that would be something we'd love to explore.

And so that is all I have. I'd really like to hear any questions and feedback that you might have. Commissioner Tilton can also tell you far more in depth about the process that went into forging the initiative -- the federal initiative. So I really want to thank you.

COMMISSIONER BROWNING: Before we go there, Mary Lou, are you going to present also?

MS. FULTON: Yes.

COMMISSIONER BROWNING: So we do we need to hear all of these and then have questions at end?

Okay. So go ahead, Mary Lou.

MS. FULTON: Thank you so much. Thank you to all of the commissioners and to Kim and Pegah and everyone for inviting me to be here today and share with you some of what we've learned at the California Endowment about trauma and resilience and what it means to acknowledge and address that in California.

The California Endowment is the largest health foundation in California. We have a mission focused on health disparities and reducing health disparities among underserved communities and people in groups. And we're in the middle of a ten-year initiative called Building Healthy Communities. It's a policy and systems change initiative that combines work in 14 underserved communities throughout the state with a state level policy agenda with the thinking being that, if we listen well to what's really happening at the grassroots level, we can learn what good policy is and how to carry that forward to Sacramento and throughout the state of California.

We really have a social justice lens on health disparities. We see health disparities as really connected to neighbor and school environments and the resources that we invest there or don't invest there. And we also see the building power in leadership in underserved communities as one of the keys to driving policy change. And those are essential elements of our work. And it's through that listening that we really came not just to know about the impact of trauma because we certainly knew about that through the Felitti study and other research, but to understand what it means in the lives of people who struggle every day.

So trauma emerged for us as a key theme in our work, not only the items that are listed in the original Adverse Childhood Experiences study, but really through the stories of people who lived with the impact of trauma every day, of the young people who -- who were children of undocumented Californians and weren't sure if their parents were going to be home when they got home from school that day, or young people who are LGBTQ and who were rejected by their families and communities and were trying to make sense of that, or people who lived in communities were overpoliced and where incarceration was present at far higher rates than in other places, and people who lived with food insecurity. And all these things are trauma. All these things are adverse experiences that we heard about. And so our view of trauma and our understanding of it is broad and informed by what we hear at the community level.

And what we heard at the community level is that it's not just about trauma; it's also about healing and resilience and the power that that can have in the lives of young people, the power of owning your own story, of telling somebody what happened to you and also understanding that you're not only what happened to you,

you're much more than that. And so it is through that connection, that story telling, that compassion that we're trying to build for one another that we see this work.

And I wanted to start with that because I think in our policy and systems change where we often -- we live in our heads. And this is work that's really as much about the heart as the head, at least it's been that way for me. And so I think, before I get into all of the head stuff about what's going on in California, I just wanted to share that because I think the policy and systems change in the end is about people; it's about how we understand each other, communicate with each other, react to one another, and have love and compassion for each other. And so that's the -- that's where it all ends up if we do it right. So I just wanted to share that at the beginning.

So I'll be using the rest of my time to share with you some examples of how in California trauma informed work is unfolding at the county level and also some information about the schools and the role that trauma informed work is playing in the schools.

So we've found that counties are really an important hub of the wheel when it comes to moving trauma informed work forward. When you think about it, county governments really hold so much of the money, the programs, the people power in the health system, child welfare, education, and the justice system to really have the collaboration and the understanding that will allow this -- this way of thinking to -- to be integrated throughout all the services that the county provides. But it's a large and complicated system. This is an org chart of the county of LA. We could take a highlighter, as I did, and say, okay, well, gosh, trauma informed systems should be present here and here and here and here. And pretty much you've filled up every single box. But every single box, of course, is a system unto itself with people who are trying their best to do their work but don't always know what's going on, don't always have the opportunity to collaborate. And so how do you get started?

What we found in the counties that have made progress is that it really first starts with awareness and understanding of what trauma is, how it impacts people, and how it can change you personally and how you go about doing your work and your job. So that orientation comes first, that change in orientation. And then we see that there's often a department, a champion department or organization that steps forward and says, We have got to do something. This information is compelling. It is the biggest public health crisis in plain sight that we know about. Why aren't we doing anything about this.

And we found that particular issues and particular departments provide a point of entry because, when you look at the scope of things that we call trauma and that are trauma, it's big, it's overwhelming. And sometimes people look at that list and they say, How on earth can we ever tackle this, it's so huge. So you often find a starting point with an issue or a department that allows the ball to get rolling.

The first county I want to talk about is San Diego, which is probably, at least to our knowledge, the most in-depth trauma informed -- subtrauma informed services and strategies that we have in California. Of course, San Diego is the home of the Adverse Childhood Experiences study. So maybe no surprise that the work that was seeded there ended up really taking root over a long period of time.

The key issues in San Diego have been violence prevention and also child sexual abuse. And the Department of Health and Human Services, the Children's Hospital, the County Office of Education, and the school district, and a powerful community-led group called the Trauma Informed Guide Team have all lifted up what this means in their work and their communities. And that collaboration and that convergence of all of these -- all these leaders have made a real difference in San Diego.

And what's happening there is that the Health and Human Services agency has said, We're going to train every single one of our employees in trauma and what it means in terms of our work. The supervisors have adopted something called the Live Well San Diego initiative, which includes violence prevention, but a lot of other things that are connected to trauma informed work.

Last year the San Diego Unified School District became the first restorative district in the state, restoration and restorative practices in healing of children in schools. Schools, after all, are the largest provider of mental health services to children, very important. And so they become leaders as well. And all of that has led to San Diego becoming what we think as the first trauma informed county in California.

And the key leader there is Paul [sic] Macchoine, who's the director of Health and Human Services. And he says, Being trauma informed is a way to more effectively engage all the people we serve and understand how we can better respond to those who have been impacted by trauma and promote stronger coordination of care. So that's sort of the philosophy in San Diego. It's been very exciting to see it. I think a good example for California.

Another example I want to highlight is the city and county of San Francisco. So there, the Department of Public Health has been the lead agency. And their focus has been different and interesting in that they really started with their workforce first. They said, we can't go out and implement a lot of new systems and policies until we deal with our own stuff. Right. We have to understand this issue from the inside out. We have to understand how it impacts us as people and how that understanding affects how we interact with everyone else. And so this has been the primary focus of their work and what will be the springboard for the policy and systems change that they hope to make. They've trained -- they're in the process of training 9,000 employees. They're really focusing on a common framework, a common language, a common understanding of what this is and what this means in their work.

And Ken Epstein is the key person there, director of Children Youth and Families. And his language you can tell kind of reflects the philosophies of, does this meet trauma informed systems, principles and practices support reflection in place of reaction, curiosity in lieu of numbing, self-care instead of self-sacrifice and collective impact rather than working in silos. So it's sort of a starting point for the leadership there in that department.

Next, I want to highlight for you Sonoma county where First 5 there has played a crucial role in really building momentum for trauma informed approaches. My understanding is the First 5 there began its work through joining an ACEs connection group. ACEs connection is the largest social network in the nation focused -- its for practitioners and policy makers and others interested in trauma informed care. It's quite a fascinating social network growing all the time and been a source of inspiration and leadership for a lot of the local work we see emerging around the country.

In Sonoma, child abuse was a key issue, but also parent education. We've seen this in other places as well, where the impetus to address trauma comes up in the context of parent education. And parents saying, we really need more resources, we need more information, we need to understand more about how we can be better parents so that we never find ourselves in a position of having to confront the possibility of child abuse or neglect in our own families.

And First 5 has playing an important role there as a convener, as a trainer, and a partner. Earlier this year First 5 Sonoma held a convening just to say, let's learn more about this as a community. And out of that, they received so many requests for more presentations, more information that they now have become a leader in the county in terms of moving the work forward, not only in the work that they do, but in all the child servicing systems. And we believe that they will be part of a new national network that's going to be launched soon sponsored by the Robert Wood Johnson Foundation called Mobilizing Action for Resilient Communities that will be a network a place-based trauma informed communities from across the country that come together to share what they're doing and what they've learned.

Lastly, I'd like to say a word about schools and the importance of the trauma informed perspective in schools. This was really my point of entry into the trauma informed work and for the endowment. School discipline reform has been a key opening. We didn't know much about the overuse of suspensions and expulsions in California until we heard about it from the communities where we work, particularly the youth leaders, and were stunned to hear, at the time we started engaging in this work four years ago, that California schools were issuing more than 800,000 suspension a year, the majority unrelated to violence or drugs, related to the type of behavior that we now know from research is predicted by trauma. So trauma is one of the very top predictors of school suspension, one of the top predictors of academic failure. And until and unless we bring this understanding to schools so that the behavior of children is not misunderstood, it's really a symptom of a health issue. That's how we see it and it should be reacted to in a way that you would treat any other symptom of a health issue.

And so it's been a very important way to elevate and move the trauma informed work forward in California through our public schools.

And the elements that we see in success for trauma informed schools are that training and professional development. Again, we see working with the adults first. Working with teachers, school staff, and parents. Parent education very important so that everybody is on the same page and has that same knowledge base.

Positive discipline keeps kids in school. Excluding a child from school, one of the most important places they have for, you know, to secure their own future is one of the most damaging things you can do in response to trauma. So positive discipline that holds children accountable, keeps them in school, teaching kids, teaching all of us what to do when that feeling of anxiety and trauma that triggering comes over us through meditation and breathing and other strategies that help kids, you know, do something with those emotions other than have behavior that's inappropriate. Health services at schools are very important in really creating this school-wide culture of compassion and understand for children and families.

In LA Unified, I'm excited to tell you that we have a lot of good leadership in the school district in mental health, in positive school discipline, and other in -- even in the school police force in learning more about trauma, understanding, being able to understand the student behavior in that way, and we're very hopeful that this will help more kids stay in school given that we know, even when suspension increases, the odds of high school dropout and involved in the justice system. We know sadly that school suspensions start as early as preschool and we know that the racial disparities in school suspension start in preschool as well.

So this understanding of how we react to the behavior of children in the home, in the school, in the community is so important. And I'm excited that we have some good work to build on here in LA.

I'd hope to share a video with you. I know we're running short on time, so I hope you have a chance to watch this video. It describes kind of how all this comes together at an elementary school in San Diego where we do a lot of work with school staff, children, and parents. It's very inspiring. So I hope you'll have a chance to take a look at that.

I wanted just to close with some thoughts as you think about your strategy for the next year for where you -- what you might put on your list to explore. I think parent education is super important. And being here earlier for the Welcome Baby presentation, just thinking about how does that runway for parent education get extended a little bit more to include, you know, these early years. I think it could be a very powerful thing to do. There are trauma informed models for early education. There's a Head Start Trauma Smart program in Missouri that's kind of a model program for that, an example of how that works for preschool.

I think the San Francisco approach in terms of staff development is one worth considering. If everyone comes to the table then with the same knowledge and understanding, it just makes the implementation of all this work go more smoothly. I think First 5's leadership role in the county as a convener, trainer, and thought leader could be very powerful, again, as a partner is saying, yes, this matters. This is matters a lot. We think so. Here's why. Here's what we're doing. Let's join together.

The place based work is an ideal setting to continue to experiment and pilot some of these approaches.

And it also gives you a way for advocacy to engage families and even children in advocacy on behalf of these approaches.

In the San Diego school I mentioned, there are children in first and second and third grade who are advocates for youth leadership for the things that they think are important. And interestingly, the issues that they brought forward as what they wanted to advocate on where things like taking care of animals and animal welfare, taking care of the homeless, the most vulnerable living things in the communities where the people and the living things they wanted to help and support. So even little kids get it and they have important stories to tell and important messages to deliver.

And so I just encourage you to think about all of that. Such an exciting time for this work. There's so much momentum building in LA and California, everywhere. So I feel like the wind is really in our sails right now. It's a great time for First 5 to enter into this work. And I look forward to hearing more about what you're going to do and partnering with you going forward.

Thank you.

COMMISSIONER BROWNING: You're obviously very enthusiastic and interested in this. I know we're running short of time, but do we have questions or comments from the commissioners?

COMMISSIONER DENNIS: Just one.

COMMISSIONER BROWNING: Duane.

COMMISSIONER DENNIS: You talked about the trauma informed care being linked to and leveraged with place-based initiative. And if I'm correct, the Endowment has a placed-based initiative.

MS. FULTON: We do.

COMMISSIONER DENNIS: So could you talk to some degree how you all have integrated what you've done in trauma informed care with your place-based initiatives?

MS. FULTON: Yes. Great question. Big question.

So we have done so in the different domains in which we work in the health care field as working with pediatricians. And as Cecilia said, that early screening and support of parents and new moms, especially to help them understand what this is, what it has been to their own lives, and what the implications are for them as parents. I think the pediatrician space has been an important one for us in health care. We do a lot of work in the schools, as I mentioned, in working with educators and youth and others to help bring this understanding of trauma into the school setting, particularly around discipline. We do a lot of work in youth development and youth self-expression in arts and culture because we found that, again, the story telling and self-expression is so important to healing. And we are also trying to work with law enforcement and the justice system. We know that more than 90 percent of children who are incarcerated in the justice system have had multiple forms of trauma in their lives. So trying to work with those systems to understand and correctly react to the behavior of children as a symptom of a health problem is also something that we're doing. And that work happens in the 14 places where we work as well as, you know, at the state policy level.

COMMISSIONER SOUTHARD: Then, Duane, I might also add to that answer. Specifically, in the place-based work that the Endowment is doing in Central Long Beach and Boyle Heights, the trauma informed initiative of Department of Mental Health in connecting up, using the MH innovations is a part of that dialogue as well. So the specific -- specifically engaging those communities in the process of deciding what trauma informed care would work best in those communities because our model is, we're not telling them, we're asking them what they would want to focus on for their communities. So that's -- that process is already started.

COMMISSIONER DENNIS: And the only reason I'm asking the question is it could be a platform in how we move forward with what we're doing. I mean, that's why I asked the question. And I think the more we hear about what the Endowment is doing and, Marv, what's happening in Central Long Beach, it's going to help us inform how we integrate this knowledge to what we're trying to do with our place-based initiatives.

COMMISSIONER SOUTHARD: So that you know, we're also engaged with all of the Best Start communities on the same kind of matters about how we do roll out the innovation trauma informed care for those communities as well. So we're starting in 11 communities in LA county that are either Endowment-based places or they're First 5-based community empowerment. So we're trying to weld that in immediately.

COMMISSIONER DENNIS: My second question -- I'm sorry. I'm trying to -- I forgot your name.

MS. KOHN: Lisa.

COMMISSIONER DENNIS: You were talking about the data and the data is telling us a lot of things currently. To what degree is the data helping us with predictability? Because what you described was just descriptive. And I think what's most important is how can we look at the data and look at the systems approach of defining the data and be able to predict, and that will help folks like Philip in doing the job that he does.

COMMISSIONER BROWNING: Thanks for helping.

MS. KOHN: I think that's where work is really needed. I don't have a great answer to your question. I think that -- I think that data can help in many ways if it's accessible. And in some state systems there are barriers to sharing, you know, data because of privacy reasons because of other policy concerns. And so -- but I think there may be opportunities even to think about that, to figure out what the strategy could be and how we could say, if we could grasp at this data and coordinate appropriately, we would be able to target and identify a population that really needs to be screened.

COMMISSIONER BROWNING: What about other question or comments?

Nancy.

COMMISSIONER AU: I guess I -- I'm listening and I think that your presentation has been very helpful. I mean, it really raises the level of awareness. And yet at the same time, I'm thinking in terms of the questions around our place-based work. I see -- I'm I guess separating out trauma informed care from the work that we're doing with our place based work in terms of strengthening families, which is more of a -- a truly prevention model in wanting to emphasize the importance of developing from the -- from the get go the relationship between a parent and child and to be able to strengthen that relationship so then there wouldn't be an opportunity for the child to be traumatized along its development. And yet, the reality is that it may happen, you know, even if the parent may want to be as protective as possible. Life happens. So then the -- the work that needs to take place in terms of, how then do we respond in supporting that family and continue to foster that resiliency within that family.

So I think though, in my mind, we need not forget that connection as well. So that's just my thoughts that, when we talk about wanting to link with the work that we're doing and our priority is, that it is made in terms of that context as well. Thank you.

COMMISSIONER BROWNING: Okay. We have comments? Deanne.

COMMISSIONER TILTON: Thank you so much, Lisa, Cecilia, Mary Lou. Excellent. I am so happy. I want a happy baby face now because this has been a long road. And it was here in this room when that report was first published. It was presented to this commission before it even was released online. So actually I think Kim found it online because I didn't have copies of this yet. Thank you so much.

I did want to respond a little bit to what Nancy said, and that is that trauma or the effects of trauma aren't always within the family. There's so much trauma related to just living in our communities, particular communities where violence is surrounding the neighborhood and also witnessing domestic violence is a huge issue. But there are -- there are issues that will affect our lives that occur in the first five years, which is what we're focused on, that can be submerged into our personalities and only emerge with someone you're working with, with someone you're married to, with somebody your daughter -- I mean, there is -- this is such an opportunity to improve the quality of life in our society. I think it's one of the most important issues that we could face, and that is realizing how much we are affected by adverse childhood experiences and how important it is to not only prevent them when we can but also acknowledge them and understand how to develop resilience or how to develop responses that don't smooth over them and say, oh, everything is going to be okay or -- but enable people to acknowledge them.

So I'm really excited about First 5 LA getting involved in this initiative. I'm so happy for this meeting today and for you being here. And I truly look forward to being involved as this is carried out.

It's been a long road. We did travel the country. We started with kids in juvenile detention, trying to figure out how to help them, what caused them to be there. We heard about their childhoods. We heard about their neighborhoods and, essentially, ended with a speech by Vince Felitti on adverse childhood experiences as the core of what our task force focused on.

So thank you so much and we look forward to working with you, and hopefully this commission will bask in the experience of San Francisco and San Diego.

Thank you.

COMMISSIONER BROWNING: We have a couple more items on our agenda. Can we have one more comment or question?

COMMISSIONER SOUTHARD: Just briefly.

Supplementing the comments that I made at the lunch, another group that may be worthwhile for you to be in contact with is Dr. Ken Wells at UCLA for Community Partners in Care, which has a really in-depth community intervention for depression and trauma that has research attached to it. It may be worthwhile to make a connection with them and see what they're doing.

COMMISSIONER BROWNING: I assume we have your e-mail address or other contact information if anyone wants to follow up personally or come visit you. We thank you for coming. We appreciate that.

And I think our next agenda item is Peter.

MS. BELSHE: Peter is going to be very brief.

Thank you all so much.

COMMISSIONER BROWNING: Let's give them a round of applause.

MR. BARTH: I won't bother going through the PowerPoint, all the couple points to make. First, tomorrow is the last day of the regular legislative session in Sacramento, which means that a lot of the work we've been doing focused on aligning with our strategic plan, the legislature has until tomorrow to figure out if they want to send these bills to the Governor. There's some updates on some of the bills that we've -- within your packet that we've been tracking.

One thing that's not ending tomorrow though are the special sessions; that the Governor announced when he signed the budget to focus on the revenue solutions for Medicaid and infrastructure. During these special sessions, as many of you may know, he introduced -- or not he -- members of the legislature introduced solutions around tobacco tax proposals and also taxing e-cigarettes. And while First 5s have always been very supportive of curbing smoking -- we think it's a huge public health issue -- we also are aware that, when taxes are levied without consideration on the impacts of First 5s, that it could have inadvertent negative impacts on our ability to continue to serve children and families. So we just wanted to make sure that you were aware that, in partnership with the association and with California Strategies who are doing an excellent job of making sure that we are part of conversations in Sacramento when I can't be there, when our team can't be there, and aligning our efforts, that we're just in discussions to make sure that any of these solutions that we think are important, new taxes, et cetera, take into consideration the First 5 perspective. And we are joining with a lot of the advocates in some of these discussions.

So the special session is not ending. It's continuing. We're continuing to pay attention to what's happening. And our executive director provided a write-up for more information. So feel free to ask me any other questions, but that is what we have going.

COMMISSIONER BROWNING: Are there questions for Peter? More to come. Thank you.

We have a couple of public comment individuals if they'll come up.

Kathy Shriner.

SPEAKER: Good afternoon. I'm Kathy Shriner, a member of the guidance body of the Best Start Panorama City and neighbors. I wanted to just thank you for approving the contract with Friends of the Family that was on the consent agenda earlier today. The purpose of that contract is to implement a three-prong program that was designed by our partnership to address important needs in the community.

And I think you should know that it took us 12 months, from February to February of 2015, to design the program. It's taken First 5 another seven months to help us get to a contract. So we really feel invested in this and we're excited that we're finally getting a chance to start.

Because the description in your contract was -- in packet was so short, I just want to tell you what the program includes. So first of all, our overall strategy is to provide opportunities for isolated parents of children zero to five to make social connections with other parents in the community and to become connected with services that can help each of these families. One activity will be the parent cafe held in three different geographic areas that will give isolated parents a chance to make relationships with other parents and to discuss protective factors which will help them in their parenting.

And we're excited that Friends of the Family was able to subcontract with Be Strong, which is a group from Illinois that actually initiated the whole idea of how

Parent Cafes should be run.

The second activity is a training program for a roll we're calling Parent Support Liaisons. And these people will learn about the different services that are available in the community and then be able to make a connection between these isolated parents and the type of services that might meet that family's need and introducing the agency and the parents to each other.

The third activity is a parent resource collaborative composed of outreach workers of family service agencies that serve these same isolated parents and meet at bi-monthly meetings. These outreach workers will share best practices, identify opportunities to cross-refer clients and discuss how to reduce barriers to service for isolated parents.

We're very excited about this. I hope you can tell. We really want to invite the commissioners to come and visit our partnership to learn more about our target population on our proposed programs.

COMMISSIONER BROWNING: What great timing. Thank you very much. Appreciate those positive comments and that update.

I think our next speaker is Ray Jones.

SPEAKER: Commissioners, Kim. I'm Ray Jones. I'm the executive director for Great Beginning For Black

Babies.

I just wanted to bring something to your attention today. In an -- in a move unprecedented in the six-year First 5 LA Welcome Baby program history, a community based organization, mine, was terminated from -- by Centinela Hospital from the Welcome Baby program in July. With one day's notice, I had to tell nine staff people that they no longer had jobs. And Great Beginning's budget was cut by $778,000, almost by half.

Although we were meeting and exceeding in some instances the Welcome Baby goals and objectives as set out by First 5, we were told by will Centinela CEO Linda Bradley that they wanted to give another community-based organization an opportunity to show what they could do even though Centinela had done absolutely nothing on this contract since its inception.

Within a matter of days, I got a call from Shields for Families CEO, Kathy Eisenhower, who told me that she'd been offered the contract and that she was wanting to take care of my people; that she was told that they did excellent work. And she was right. We worked like mules on this contract. She also said that she was told by Centinela that there was no performance issue. Right on that as well. And she further stated that she had been contacted by Centinela a full six weeks before we were notified that we were being terminated. She also since hired four of the nine staff that I was forced to terminate.

In addition, First 5 knew 30 days before and no one bothered to even notify us. We met all of our goals. Centinela did not.

GBB has been gutted. I feel like we've been raped and pillaged and we have not been given any due process in this.

The only common denominator I can come up with is that the CEOs of Centinela, Shields, and First 5 are headed by white women. Obviously, I'm not. If this is not a case of racism, what is? And I'd like to know what you're going to do about it.

Thank you.

COMMISSIONER BROWNING: Thank you. Appreciate those comments.

Do we have other business coming before this group? Okay. If not, I'm going to adjourn the meeting.

Thank you very much. Appreciate it.

(The meeting was adjourned at 4:39 P.M.)

Agenda Item: 2B
Date: October 8, 2015

FIRST 5 LA

<u>SUBJECT</u>:
Monthly Financial Reports

<u>RECOMMENDATION</u>:
Approval of the monthly financial statements for the month ending August 31, 2015.

<u>BACKGROUND</u>:
Staff routinely provides monthly financial reports for the Commission's review and approval to ensure transparency of the financial status of First 5 LA.

<u>DISCUSSION</u>:
This report includes detailed financial information for the month ending August 31, 2015. The financial statements are unaudited and reported as a "soft close." For the FY 2014-15 year-end closing purposes, we converted from a cash basis to modified accrual basis and accounted for all assets and liabilities as of June 30, 2015. Beginning July 1, 2015, these statements revert to a cash basis and account for reversals of any accruals for either revenues or expenditures.

Similarly, by presenting the monthly financial statements on a cash basis, payments for activities are recorded in the accounting period in which the payment occurs, resulting in a timing delay between activities taking place and actual payment since First 5 LA operates primarily on a reimbursement model. This delay results in fewer payments for FY 2015-16 activities being recorded in the financial statements for the early part of the fiscal year.

First 5 LA began the month with a cash balance of $545.7 million. During the month, we received $189,900 in revenues. We had $1.3 million in operating expenditures, $1.4 million in program expenditures, and $426,881 in pass-through expenditures. As a result, First 5 LA ended the month with a cash balance of $542.7 million.

All materials in this packet and check registers are available online. Statements in this report include the following:

- <u>Revenue and Expense Statement</u>: Summarizes financial statements to highlight the starting cash balance, revenues received, program and operating expenses, and the ending cash balance for the month.

- <u>Balance Sheet</u>: Provides a "snapshot" view of the Commission's assets, liabilities and fund balance as of August 31, 2015.

- <u>Detailed operating and program expenditures</u>: Shows expenses against the FY 2015-16 Budget approved on June 11, 2015, concluding with a report of expenditures related to programs functioning as pass-through agreements.

Los Angeles County Children and Family First -
Proposition 10 Commission (aka) First 5 LA
Revenue and Expense Statement
August 31, 2015, Unaudited

	REVENUES AND EXPENDITURES		
Cash Balance as of July 31, 2015	**$**	**545,666,099**	
Revenue			
Monthly State Allotments	$	-	
State Commission Matching Grant - Cares Program		-	
Medi-Cal Administrative Activities (MAA)		-	
State Commission - Other Program Funds		-	
Interest Income - Unreserved		179,919	
Investment Income - Other		-	
Rental Revenue - La Petite		9,981	
Partnerships for Families (PFF) - LA County Dept. of Children and Family Services (DCFS)		-	
Total Revenue	**$**	**189,900**	
Expenses			
Program Budget (Attachment A)			
2015-2020 Strategic Plan: Focusing For The Future	$	767,118	
Legacy Investments		470,272	
Research and Evaluation		209,312	
Total Initiative/Program Expenses	**$**	**1,446,702**	
Pass-Through (Attachment B)			
Medi-Cal Administrative Activities (MAA)	$	-	
Child Signature Program (CSP)		-	
Partnerships for Families (PFF) - LA County Dept. of Children and Family Services (DCFS)		426,881	
Total Pass-Through Expenses	**$**	**426,881**	
Operation and Administration (Attachment C)			
Personnel	$	1,054,864	
General Operating		84,513	
Professional Services		7,481	
Consultant Services		97,509	
Travel & Meetings		15,889	
Capital Improvements		-	
Total Operation and Administration	**$**	**1,260,256**	
Total Expenses	**$**	**3,133,839**	
Variance (Revenues - Expenses)	**$**	**(2,943,939)**	
Cash Balance as of August 31, 2015	**$**	**542,722,160**	**(1)**

NOTE:
1) Cash Balance excludes fixed assets and Liabilities.

Attachment A

LOS ANGELES COUNTY CHILDREN AND FAMILY FIRST - PROPOSITION 10 COMMISSION (AKA FIRST 5 LA)
PROGRAM EXPENDITURES BY FY 2015-16 BUDGET
AUGUST 31, 2015, UNAUDITED

INITIATIVE/PROGRAM	FY 2015-16 BUDGET*	AUGUST EXPENDITURES	FISCAL YTD EXPENDITURES	BALANCE REMAINING
2015-2020 STRATEGIC PLAN: FOCUSING FOR THE FUTURE				
Investments and Approaches Reaffirmed by the Board and Aligned with SP				
Families: Placed-Based - Welcome Baby/Select Home Visiting	36,603,000	435,182	435,182	36,167,818
Communities: Place-Based - Community Capacity Building	17,029,000	113,140	158,678	16,870,322
Policy Agenda/Advocacy	2,797,000	-	-	2,797,000
Communications & Marketing	4,672,000	105,920	106,180	4,565,820
Communications - Conference Funding	200,000	10,000	10,000	190,000
Existing Investments Potentially Aligned with SP				
Healthy Kids	2,250,000	-	-	2,250,000
Information Resource and Referral	1,360,000	102,443	102,443	1,257,557
New Investments Under Development (Strategic Plan Implementation Fund)				
Families	636,000	-	-	636,000
Communities	1,093,750	-	-	1,093,750
Early Care & Education (ECE) Systems	370,000	432	432	369,568
Health, Mental Health & Substance Abuse Systems	546,250	-	-	546,250
Other/Cross - Cutting Activities	490,000	-	-	490,000
LEGACY INVESTMENTS				
At-Risk Fathers Investment	150,000	-	-	150,000
Baby Friendly Hospitals	1,245,000	-	-	1,245,000
Black Infant Health	1,955,000	19,155	19,155	1,935,845
Children's Dental Care	10,656,000	-	-	10,656,000
Children's Vision Care	1,341,000	8,704	8,704	1,332,296
Early Identification and Intervention - Autism and other Developmental Delays	818,000	8,272	8,272	809,728
ECE Environmental Scan	80,000	-	-	80,000
Healthy Food Access	2,064,000	-	-	2,064,000
Little by Little/One Step Ahead	3,515,000	288,909	288,909	3,226,091
Los Angeles Universal Preschool (LAUP)	55,423,000	-	-	55,423,000
Oral Health & Nutrition - Dental Home	3,904,000	-	-	3,904,000
Parent Child Interaction Therapy	4,642,000	-	-	4,642,000
Partnerships for Families (PFF)	150,000	-	-	150,000
Peer Support Groups for Parents	1,469,000	-	-	1,469,000
Policy Advocacy Fund	2,194,000	-	-	2,194,000
Reducing Childhood Obesity	15,462,000	-	-	15,462,000
Resource Mobilization - ECE	1,225,000	15,375	15,375	1,209,625
Resource Mobilization - Funder Partnership	60,000	2,474	2,474	57,526
Resource Mobilization - Health	1,540,000	-	-	1,540,000
Resource Mobilization - Organizational Capacity Building	550,000	-	-	550,000
Tot Parks and Trails	660,000	-	-	660,000
Universal Assessment of Newborns	8,785,000	127,384	127,384	8,657,616
Workforce Development	2,522,000	-	-	2,522,000
Workforce Development - ECE Workforce Consortium	12,798,000	-	-	12,798,000
RESEARCH AND EVALUATION				
Data Development and Integration	2,527,000	152,970	169,407	2,357,593
Data Development with Funders	900,000	-	-	900,000
Program Evaluation	4,240,000	56,343	56,583	4,183,417
TOTAL	**208,922,000**	**1,446,702**	**1,509,178**	**207,412,822**

* The FY 2015-16 Budget was approved by the Board of Commissioners on June 11, 2015

NOTES -PROGRAM EXPENDITURES BY FY 2015-16 BUDGET:
Journal entries for FY 2014-15 accrued expenses were reversed in July 2015. The amounts reported are the actual program expenditures for August 2015.

LOS ANGELES COUNTY CHILDREN AND FAMILY FIRST - PROPOSITION 10 COMMISSION (AKA FIRST 5 LA)
EXPENDITURES - PASS-THROUGH
AUGUST 31, 2015, UNAUDITED

Attachment B

INITIATIVE/PROGRAM - PASS-THROUGH	AUGUST EXPENDITURES	YEAR TO DATE EXPENDITURES
Medi-Cal Administrative Activities (MAA) - LA County Charges	-	-
Medi-Cal Administrative Activities (MAA) - Participation Payment	-	-
Child Signature Program (CSP)	-	-
Partnerships For Families - LA County Department of Children and Family Services (DCFS)	426,881	426,881
TOTAL	426,881	426,881

Attachment C

Los Angeles County Children and Family First -
Proposition 10 Commission (aka) First 5 LA
Operating & Administrative Budget Update
August 31, 2015, Unaudited

OPERATION AND ADMINISTRATION EXPENSE	AUGUST ACTUAL	FISCAL YTD ACTUAL	FY 2015-16 BUDGET	FISCAL YTD VARIANCE
Personnel Related Expenses				
Salaries & Wages	808,710	1,370,337	12,387,038	11,016,701
Fringe Benefits	246,154	502,996	3,980,943	3,477,947
	1,054,864	**1,873,333**	**16,367,981**	**14,494,648**
General Operating Expenses				
ADP Payroll Charges	2,383	4,121	31,000	26,879
Workers Compensation Insurance	-	-	100,000	100,000
Corporate Insurance	-	-	76,000	76,000
Mileage Expense	1,873	2,289	61,850	59,561
Telephones & Modems	4,975	9,806	65,000	55,194
Printing	249	787	19,200	18,413
Postage & Delivery	1,100	3,300	13,300	10,000
Office Supplies	7,894	13,163	83,980	70,817
Subscriptions & Publication	270	270	10,060	9,790
Equipment Rental	4,126	12,074	118,200	106,126
Repair & Maintenance - Furniture & Fixtures	16,789	69,696	180,000	110,304
Repair & Maintenance - Equipment	565	690	32,000	31,310
Rents & Lease - Offsite Storage	4,059	9,465	23,700	14,235
Los Angeles County Overhead	-	-	27,000	27,000
Contingency	6,119	6,119	75,000	68,881
Facilities & Other Supplies	23	23	12,150	12,127
Utilities	15,065	46,551	155,000	108,449
Educational Supplies	341	341	5,300	4,959
Cell Phones	3,071	5,246	52,250	47,004
Hardware & Software Maintenance	15,612	15,612	258,000	242,388
	84,513	**199,552**	**1,398,990**	**1,199,438**
Professional Services				
Audit and Accounting Fees	-	-	70,000	70,000
Legal Fees	-	-	175,000	175,000
Membership Dues	1,062	1,062	82,100	81,038
Professional Development	3,347	3,347	210,800	207,453
Professional Dues First 5 Association	-	-	50,000	50,000
Staff Recruitment	-	-	25,000	25,000
Commission Stipends	-	-	34,000	34,000
Human Resources Related Costs	3,072	3,072	68,000	64,928
	7,481	**7,481**	**714,900**	**707,419**
Consultant Services				
Consultant Fees	70,994	70,994	1,491,000	1,420,006
Other Professional Fees	20,625	61,875	237,500	175,625
External Reviewers	5,890	5,890	5,000	(890)
	97,509	**138,759**	**1,733,500**	**1,594,741**
Travel & Meetings				
State Prop 10 Commission Activities	-	-	40,000	40,000
Conferences - Travel & Lodging	3,184	3,184	86,242	83,058
Conference - Registration Fees	4,420	4,420	89,485	85,065
Local Meeting Expenses	4,169	5,142	115,900	110,758
Lodging	3,056	3,056	84,876	81,820
Per Diem	1,060	2,156	42,488	40,332
	15,889	**17,958**	**458,991**	**441,033**
Capital Improvements				
Capital Outlay (Equipment Purchases)	-	-	120,000	120,000
TOTAL OPERATING EXPENSES	**1,260,256**	**2,237,084**	**20,794,362**	**18,557,279**

NOTES - OPERATING & ADMINISTRATIVE BUDGET UPDATE:

The admnistrative expenses are within the maximum authorized under the Board policy.

* The FY 2015-16 Operating Budget was approved by the Board of Commissioners on June 11, 2015.

Los Angeles County Children and Families First -
Proposition 10 Commission
Statement of Net Assets
August 31, 2015, Unaudited

Assets		
Current Assets:		
Cash	$	3,947,755
Cash- Morlin Mgmt Corp		26,950
Investment:		
Operating and Allocated funds		505,956,547
Operating Fund - SRI		-
Advance - LA Care Health Plan		8,930,459
Advance - LAUP		26,213,336
Advance - UCLA Dental Home Project		4,267,841
Interest Receivable		-
Other Receivables		7,505,905
Total Current Assets	**$**	**556,848,793**
Fixed Assets:		
Land	$	2,039,000
Building & Improvements		12,076,512
Furniture & Fixtures		627,671
Computer, Software & Accessories		1,755,170
Office Equipment		331,033
Accumulated Depreciation		(4,944,345)
Total Fixed Assets	**$**	**11,885,041**
Total Assets	**$**	**568,733,834**
Liabilities and Net Assets		
Current liabilities:		
Other Liabilities	$	195,146 **(1)**
Total Current Liabilities	**$**	**195,146**
Net Assets:		
Investment in capital assets	$	11,885,041
Restricted		556,653,647
Total Net Assets	**$**	**568,538,688**
Total Liabilities and Net Assets	**$**	**568,733,834**

NOTES:

(1) Other Liabilities include accounts payable, security deposit from La Petite Academy and other related liabilities.

Agenda Item: 2C
Date: October 8, 2015

FIRST 5 LA

SUBJECT:
Contracts for approval

RECOMMENDATION:
Approve one new agreement and one amendment and authorize staff to complete final execution of the agreements.

BACKGROUND:
First 5 LA's approved programmatic budget for FY 2015-16 totals $208,922,000 and the approved operating budget totals $20,794,362. The initiatives and programs for these agreements were included in the budget presented to the Board on May 14 and approved on June 11. For contracts that span across fiscal years, the estimated spending amount for each fiscal year will be included in First 5 LA's annual budgets for approval. Pursuant to the contract, if the Commission does not appropriate funds for the contract in future fiscal years, First 5 LA may terminate the contract. Upon approval of the agreements presented below, staff will complete final execution.

There is **one new agreement** with Long Beach Memorial Medical Center dba Miller Children's and Women's Hospital Long Beach to attain the Baby-Friendly Hospital designation during the course of the contract which will improve the initiation and duration of exclusive breastfeeding by improving breastfeeding policies and procedures in the hospital.

There is **one amendment** with Tulsi Consulting to allow for the completion of project goals to support the planning, design, and execution of the organization transformation project. The goal of the project is to prepare First 5 LA to effectively execute the Strategic Plan for 2015-2020. The contractor is responsible for coordinating and implementing an organizational transformation and change management process to support implementation of First 5 LA's 2015-2010 Strategic Plan

DISCUSSION:
Staff seeks the Commission's approval of these agreements summarized in Attachment A.

October 2015

NEW AGREEMENTS										
DEPARTMENT	INITIATIVE AND PROGRAM	CONTRACT (PROJECT) INFORMATION	BOARD APPROVAL DATE	PROCUREMENT METHOD	PROJECT LENGTH	ESTIMATED TOTAL PROJECT COST	*CONTRACT AMOUNT	ANTICIPATED CONTRACT START DATE	ANTICIPATED CONTRACT END DATE	ANTICIPATED PROJECT END DATE
Program Development	Baby Friendly Hospitals / Baby Friendly Hospital Project - Cycle 4	**LONG BEACH MEMORIAL MEDICAL CENTER DBA MILLER CHILDREN'S AND WOMEN'S HOSPITAL LONG BEACH** This investment enhances and supports a continuum of care to achieve the goals of improving the initiation and duration of exclusive breastfeeding by improving breastfeeding policies and procedures in birthing hospitals. The contractor will attain the Baby-Friendly Hospital designation during the course of the contract	3/12/2009	RFP	2 years	$345,452	$172,726	10/19/2015	6/30/2016	10/19/2017

*Final negotiated amount on the signed budget

October 2015

AMENDMENT									
DEPARTMENT	**INITIATIVE AND PROGRAM**	**CONTRACT (PROJECT) INFORMATION**	**BOARD APPROVAL DATE**	**PROCUREMENT METHOD**	**PROJECT LENGTH**	**CURRENT CONTRACT AMOUNT**	**AMENDMENT AMOUNT**	**NEW CONTRACT AMOUNT**	***SATISFACTORY PROGRESS ACHIEVED BY CONTRACTOR?**
Office of Strategic Planning and Integration	F5LA Operational Activities / Office of Strategic Planning and Integration	**TULSI CONSULTING (#08824)** **Amendment for additional funding and contract extension through May 31, 2016.** The contractor coordinates and implements an organizational transformation and change management process to support implementation of First 5 LA's 2015-2010 Strategic Plan. The amendment will be used to allow for the completion of project goals to support the planning, design, and execution of the organization transformation project.	6/11/2015	Solicitation to the Pool	1 year, 5 months	$357,750	$270,300	$628,050	Yes

*Satisfactory progress is based on whether contractors and grantees are making or will be expected to make satisfactory progress towards completion in the current agreement by the contract expiration date.

Agenda Item: 2D
Date: October 8, 2015

FIRST 5 LA

SUBJECT:
2014-2015 First 5 LA Annual Report to First 5 California (State Commission)

RECOMMENDATION:
Approve the 2014-2015 First 5 LA Annual Report to First 5 California (State Commission)

BACKGROUND:
Each year staff prepares a report to the State Commission that provides fiscal and programmatic information in response to a State Commission-designated template. This request was presented as an information item at the September 23, 2015 Executive Committee meeting (per the by-laws) and at the September 24, 2015 Special Meeting of the Board of Commissioners and Program & Planning Committee.

DISCUSSION:
Staff seeks approval of the First 5 LA Annual Report for Fiscal Year 2014-2015 (July 1, 2014 – June 30, 2015), which is due to First 5 California by October 31, 2015. First 5 LA staff will submit the entire report via the web-based forms provided by the State Commission.

Annual Report Forms

- Section 1: Revenue and Expenditure Summary
- Section 2: Demographic Worksheet
- Section 3: Evaluation Summary

Annual Report Form 1 (AR-1)
County Revenue and Expenditure Summary
For Fiscal Year July 1, 2014 - June 30, 2015

County: Los Angeles **Wednesday, September 30,2015**

Revenue Detail	
Tobacco Tax Funds	$89,475,135
CARES Plus Program Funds, Round 2	$399,855
CSP, RFA 1	$10,622,600
CSP, RFA 2	$0
CSP, RFA 3	$0
Small County Augmentation Funds	$0
Other Funds	$6,067,615
Grants	$0
Donations	$0
Revenue From Interest Earned	$3,903,275
Total Revenue	**$110,468,480**

Improved Family Functioning	
Community Resource and Referral	$1,248,287
Distribution of Kit For New Parents	$0
Adult and Family Literacy Programs	$2,716,006
Targeted Intesive Family Support Services	$12,837,112
General Parenting Education and Family Support Programs	$835,257
Quality Family Functioning Systems Improvement	$735,722
Total	**$18,372,384**

Annual Report Form 1 (AR-1)
County Revenue and Expenditure Summary
For Fiscal Year July 1, 2014 - June 30, 2015

Improved Child Development	
Preschool Programs for 3- and 4- Year Olds	$52,623,056
Infants, Toddlers, and All-Age Early Learning Programs	$0
Early Education Provider Programs	$11,750,691
Kindergarten Transition Services	$0
Quality ECE Investments	$4,135,273
Total	**$68,509,020**

Improved Child Health	
Nutrition and Fitness	$15,095,898
Health Access	$8,942,770
Maternal and Child Health Care	$7,100,404
Oral Health	$9,025,052
Primary and Specialty Medical Services	$1,333,450
Comprehensive Screening and Assessments	$765,772
Targeted Intensive Intervention for Identified Special Needs	$0
Safety Education and Injury Prevention	$0
Tobacco Education and Outreach	$0
Quality Health Systems Improvement	$1,172,579
Total	**$43,435,925**

Improved Systems of Care	
Policy and Broad Systems-Change Efforts	$6,411,923
Organizational Support	$41,541,602
Public Education and Information	$2,428,419
Total	**$50,381,944**

FIRST 5 CALIFORNIA

Annual Report Form 1 (AR-1)
County Revenue and Expenditure Summary
For Fiscal Year July 1, 2014 - June 30, 2015

Expenditure Detail	
Program Expenditures	$180,699,273
Administrative Expenditures	$8,427,500
Evaluation Expenditures	$10,637,063
Total Expenditures	**$199,763,836**
Excess (Deficiency) of Revenues Over (Under) Expenses	**($89,295,356)**

Other Financing Sources	
Sale(s) of Capital Assets	$0
Other: Specify Source Below	$0
Total Other Financing Sources	**$0**

Net Change in Fund Balance	
Fund Balance - Beginning July 1	$625,923,360
Fund Balance - Ending June 30	$536,628,004
Net Change In Fund Balance	**($89,295,356)**

FY Fund Balance	
Nonspendable	$39,411,636
Restricted	$0
Committed	$340,879,636
Assigned	$78,113,279
Unassigned	$78,223,453
Total Fund Balance	**$536,628,004**

FIRST 5 CALIFORNIA

Annual Report Form 1 (AR-1)
County Revenue and Expenditure Summary
For Fiscal Year July 1, 2014 - June 30, 2015

Expenditure Notes

FIRST 5 CALIFORNIA

AR1/AR2 Summary Report

For Fiscal Year July 1, 2014 - June 30, 2015

County: Los Angeles **Tuesday, September 22,2015**

Result Area	Service	Status	Total Dollars Spent	Total Number of Children Served	Total Number of Parents/Other Family Members/Providers Served
Improved Family Functioning	Community Resource and Referral	In Progress	$1,248,287	0	119302
Improved Family Functioning	Adult and Family Literacy Programs	In Progress	$2,716,006	91745	96988
Improved Family Functioning	Targeted Intensive Family Support Services	In Progress	$12,837,112	2872	4515
Improved Family Functioning	General Parenting Education and Family Support Programs	In Progress	$835,257	0	1472
Improved Family Functioning	Quality Family Functioning Systems Improvement	In Progress	$735,722	0	223
Improved Child Development	Preschool Programs for 3 and 4 Year Olds	In Progress	$52,623,056	10683	0
Improved Child Development	Early Education Provider Programs	In Progress	$11,750,691	0	3910
Improved Child Health	Nutrition and Fitness	In Progress	$15,095,898	16017	28281
Improved Child Health	Health Access	In Progress	$8,942,770	8448	3056
Improved Child Health	Maternal and Child Healthcare	In Progress	$7,100,404	5651	9482
Improved Child Health	Oral Health	In Progress	$9,025,052	32881	26468
Improved Child Health	Primary and Specialty Medical Services	In Progress	$1,333,450	31503	0
Improved Child Health	Comprehensive Screening and Assessments	In Progress	$765,772	10257	0
Improved Child Health	Safety Education and Injury Prevention	In Progress	$0	66235	78939
Improved Child Health	Tobacco Education and Outreach	In Progress	$0	0	1508
Improved Child Health	Quality Health Systems Improvement	In Progress	$1,172,579	0	2431
Improved Systems of Care	Policy and Broad Systems-Change Efforts	In Progress	$6,411,923	0	0
Improved Systems of Care	Organizational Support	In Progress	$41,541,602	0	0

FIRST 5 CALIFORNIA

AR1/AR2 Summary Report

For Fiscal Year July 1, 2014 - June 30, 2015

Improved Systems of Care	Public Education and Information	In Progress	$2,428,419	0	0

FIRST 5 CALIFORNIA

Annual Report Form 3 (AR-3)
County Evaluation Summary
For Fiscal Year July 1, 2014 - June 30, 2015

County: Los Angeles **Monday, September 14, 2015**

Provide a description of the evaluation activities completed during the fiscal year

First 5 Los Angeles conducted a number of evaluations in FY 2014-2015:

1. A developmental evaluation of the Best Start Initiative to gain a deeper understanding of what it takes to build community capacity and how that learning could be used to improve results.

2. Three studies of the Welcome Baby Initiative, which provides L.A. County pregnant women and new moms with information, support and a parent coach to help during the prenatal period and up to nine months postpartum:

A. A 24 month follow-up of families who participated in the program to see how they are doing on developmental, parenting and health measures.
B. A 36 month follow-up of families.
C. A Cost Study to estimate the cost per participant.
D. An Early Implementation Study to assess Welcome Baby's expansion.

3. A survey of families in the Best Start Communities to establish benchmark measures of child well-being in each of the 14 Best Start communities.

4. Two studies on the impact of Los Angeles Universal Preschool (LAUP), which provides preschool services to L.A. County 4-year-olds through direct funding of preschool spaces in new and previously empty classrooms, as well as through quality enhancement for many existing preschool sites:

A. The Universal Preschool Child Outcomes Study (UPCOS), which assessed language, literacy, and mathematics skills; social-emotional development; and body mass index among LAUP students from fall 2013 to spring 2014.
B. A longitudinal study of LAUP attendees in five school districts to see how they fared in 2nd and 3rd grade.

5. An assessment of First 5 LA's oral health portfolio to determine what has been done and to formulate a framework and strategies for future initiatives. 2006-2014 First 5 LA spent approximately $70 million for the support of 30 oral health projects under seven strategic categories: partnerships, community development, policy, capital improvement, dental health innovations, dental home and children's dental care program.

6. An evaluation of the three Los Angeles area Black Infant Health (BIH) jurisdictions (Long Beach Department of Health and Human Services, Los Angeles County Department of Public Health and Pasadena Public Health Department) to understand the overall work and effectiveness of the BIH program in addressing its primary goals, as well as to gather lessons learned that will inform related First 5 LA efforts, particularly its family strengthening strategies. The BIH program provides education, intensive case management and group support to pregnant and postpartum African-American women.

7. A formative evaluation of the Permanent Supportive Housing (PSH) for Homeless Families Initiative in order to described the implementation of the PSH program; generate information to inform policy and programmatic decisions related to servicing homeless families; and provide lessons learned for ongoing program improvement and inform the broader field. Through PSH, First 5 LA provided permanent supportive housing, temporary rental assistance and related services, for families with children aged prenatal to five that are homeless or at-risk of homelessness.

8. A descriptive study of the 211 Developmental Screening and Care Coordination Project, which offers development screening and service systems linkage to L.A. County residents.

9. A report on the Early Development Instrument (EDI)'s use and results in L.A. County. The EDI assesses kindergarteners on five domains of early development: physical health and well-being, social competence, emotional maturity, language and cognitive skills, and communication and general knowledge.

Describe the evaluation findings reported during the fiscal year

1. The developmental evaluation of Best Start found funder and community-level learning themes around how planning and collaboration could be improved.

2. The Welcome Baby Studies:

   A. The 24 month follow-up study showed positive impacts on a number of important domains, particularly with regard to positive parenting and child development, but no measurable effects on domains such as health coverage and maternal mental health.
   B. The 36 month follow-up study indicates that effects related to parenting quality and child development continue to be maintained more than two years after the home visiting services were delivered.
   C. The cost study estimated the average cost per woman in Welcome Baby to be $1,486.
   D. The early implementation study found a number of recommendations for program improvement.

3. The First 5 LA Family Survey conducted 4,232 interviews with adults about children under six years of age in 2,977 households. It provided measures of parental resilience, child bonding, access to early childhood education and adequate physical activity and health insurance coverage. The final report also compared these findings with similar scales on WIC, County, state and national surveys.

4. LAUP Studies:

   A. Children in LAUP ended the year performing at or above the national average in expressive Spanish-bilingual vocabulary skills and literacy. In math, they ended the year performing just below the national average (when assessed in English). They also ended the year performing below the national average for English expressive vocabulary skills. Their progress in all of these areas exceeded progress in national samples of peers.

B. Compared to school district peers who did not participate, LAUP students:
  - Were less likely to be classified as English as a second language or special need students.
  - Attended more school days and had fewer suspensions.
  - Had English language arts (ELA) and math scores at or above the proficient level in 2nd grade.
  - In third grade, most students scored at or above the proficient level in math; less than half did so in ELA.
  - Test score patterns for English language learner students differed from other matched groups, with math differences favoring participants in 2nd grade but in turn favoring nonparticipants in 3rd grade.

5. The Oral Health Portfolio Review summarized the major considerations for oral health investments for young children as follows:

- Integrate dental care with overall health for young children and their families.
- Ongoing needs assessment, monitoring and evaluation are needed to track progresses in children's oral health.
- Parent and caretaker education regarding the importance of dental health needs to be enhanced.
- Interventions at individual, family, provider, and policy levels are needed to increase access to dental care.

6. The Black Infant Health evaluation showed that BIH has a positive impact on client knowledge, practices and behavior, including increased breastfeeding duration for participants.

7. The Permanent Supportive Housing initiative helped families attain stable housing and taught them self-advocacy and self-sufficiency skills.

8. The descriptive study of the 211 Developmental Screening and Care Coordination project found that it provides access to effective, evidence-based developmental screening tools and care coordination, delivered by parent-friendly staff and coordinated through effective partnerships with a range or relevant referral agencies.

9. The Early Development Instrument report described how the EDI was implemented at 66 schools in 12 communities over three years. For each community the percent of children not on track developmentally was calculated by domain.

Describe the policy impact of the evaluation results

All of First 5 LA's evaluations become part of the general body of knowledge that informs current and future work, but three studies had particular impact.

The Best Start developmental evaluation (DE) sought to elevate salient, timely, and useful information in ways that support learning and adaptation. Thus, results were not circulated once, but were disseminated in regular organizational rapid feedback memos and briefs, community-specific briefs, and reports to Best Start leadership and staff, contractors and community partnerships. This allowed stakeholders to immediately react to observations and recommendations so that mid-course corrections could be made.

A major finding of the DE was the degree to which community partnerships members wanted to take greater ownership of the funded strategies being identified and implemented in their community and meeting facilitation. As a result, First 5 LA is working to build the partnership members' capacity in a variety of domains including governance, using data for decision making, and leadership. DE also guided First 5 LA to refine how it supports community partnerships to encourage more ownership amongst partnership members. For the community partnerships, the DE revealed the need for broader community involvement, which the partnerships are pursuing through increased community outreach.

Another opportunity for program improvement came from the Welcome Baby Early Implementation Study. This study revealed that providers observed a drop-off in client enrollment between the 3-4 month visit and the 9 month visit and believed an added 6 month visit would help. Based on this, further research was done that revealed a higher attrition from the 2 week visit to the 2 month phone call that wasn't observed among clients who received a 2 month home visit. With the Commission's approval, the 2 month call was turned into a 2 month visit for all clients. Additionally, the study found that the lack of an RN visit inhibited some clients from participating in home visiting programs that may be more suitable for them, so the Commission approved expanding the RN visit to all participants in First 5 LA's home visiting programs.

Based on the findings from the Early Development Instrument report, the 2015-2020 strategic plan includes a project to work on ways a kindergarten readiness assessment can be used to advocate for funding and policy changes.

Agenda Item: 2E
Date: October 8, 2015

FIRST 5 LA

SUBJECT:
Request to Extend a Strategic Partnership with Public Health Foundation Enterprises WIC Program (PHFE-WIC) for five years and Authorize First 5 LA Staff to Execute a Contract from November 1, 2015 through September 30, 2016 in the Amount of $320,000

RECOMMENDATION:
This memo was provided as information for the Board's consideration at the September 24, 2015 Special Meeting of the Board of Commissioners/Program and Planning Committee meeting. At today's October 8, 2015 Commission meeting, First 5 LA staff recommends that the Board approve the extension of a Strategic Partnership with PHFE-WIC for the Data Mining Project for five years, coinciding with the 2015-2020 Strategic Plan. First 5 LA staff also recommends that the Commission authorize staff to execute a contract from November 1, 2015 to September 30, 2016 for an amount not to exceed $320,000. The funds have been included in the First 5 LA 2015-2016 Programmatic Budget under the Data Development Initiative. All subsequent contracts for the remainder of the Strategic Plan will be brought to the board for approval on consent prior to execution. This approval does not obligate First 5 LA to contract with PHFE-WIC for the duration of the Strategic Plan if it is determined not to be in the best interest of the Commission.

BACKGROUND:
Staff presented this opportunity as an informational item at the Special Meeting of the Board of Commissioners/ Program and Planning Committee meeting on September 24, 2015, during which it was presented as a strategic partnership with Public Health Foundation Enterprises WIC Program (PHFE-WIC).

In the effort to collect critical data about low-income families with children aged 0–5 in Los Angeles County (LAC), in 2002 First 5 LA partnered with PHFE-WIC (formerly known as Public Health Foundation Enterprises WIC Program), the largest provider of the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) in LA County, to create the Data Mining Project. WIC regularly collects extensive information about WIC families in its administrative database, named the Integrated Statewide Information System (ISIS), which includes socio-demographic and health information. Through collaborations with all seven local WIC agencies and the California state WIC Branch, a system was created to electronically aggregate ISIS data across the County. This partnership also funded the Los Angeles County WIC Survey (2005, 2008, 2011, and 2014) to collect information to better understand health outcomes and factors associated with the well-being of WIC families. These two ventures provide comprehensive information to health planners, policy makers and community leaders about local families in need– a crucial first step to better serving this vulnerable population.

Pursuant to the Procurement Policy, Strategic Partners of $75,000 or more in a fiscal year must be presented to the Board for approval. Staff is requesting a five year extension of a strategic partnership to comply with this policy. Section IV.5 of the Procurement Policy also states that contracts of $75,000 or more requires Board approval prior to execution. Staff is seeking approval to execute a contract for the period of November 1, 2015 to September 30, 2016 for $320,000.

JUSTIFICATION:

This Strategic Partnership meets the criteria below:

☒ The Strategic Partnership can provide specific resources needed by First 5 LA to implement an approved program or initiative in a manner or on a scale that makes the Strategic Partnership more cost effective than resources provided through a competitive solicitation; or

☒ The Strategic Partnership can implement an approved program or initiative more expeditiously than resources provided though a competitive solicitation; or

☒ The Strategic Partnership can provide a demonstrated level of ability or expertise that is only available in the community through the proposed Strategic Partnership; or

☒ The Strategic Partnership provides an opportunity to leverage First 5 LA funds to produce additional funding for the program or initiative or service.

AND

☒ The proposed Strategic Partnership is aligned with the adopted Strategic Plan.

1. The proposed strategic partner will provide First 5 LA with access to PHFE-WIC's rich administrative data. In addition the partner will provide access to data acquired through previous survey data collection, this allows for continuation of data to make comparisons across years. Any other contractor would have to duplicate this work and/or acquire data from previous years which would be prohibitively expensive or unobtainable.
2. The proposed strategic partner has been conducting the WIC survey, in partnership with First 5 LA, since 2005. They have the infrastructure and knowledge base to manage and implement the survey. Any other contractor would be required to reproduce their work, which would be a significant delay and prevent the project from moving forward expeditiously.
3. Because the proposed strategic partner has been conducting the WIC Survey for several years, they bring an understanding of the project that any other contractor would be required to duplicate. In addition to their expertise in conducting the survey, they bring a unique understanding of the data collected to date.
4. Due to federal regulations regarding privacy for WIC participants, no other contractor would be able to gain access to this population to conduct the WIC survey. External contractors also cannot gain access to WIC administrative data.
5. The data gained through the Data Mining Project has been used to leverage funding for other projects, including Little By Little, two grants from USDA (one to study the impact of a Gestational Weight Gain intervention and the other to examine the impact of WIC nutrition education on healthy behavior change), and a large 5-year NIH grant examining neighborhood influences on childhood obesity.
6. The current strategic partnership coincides with the 2015-2020 Strategic Plan due to the emphasis placed on the use of data to advance strategies that change policies and systems for the benefit of children from prenatal to age 5 and their families. This strategic partnership provides data that can be used to help assess community and county level needs. Furthermore, data can be collected through WIC to assess family protective factors and community resources, as well as population level monitoring for our Monitoring, Evaluation, and Learning (MEL) Framework.

Memo

To: Board of Commissioners

From: Kim Belshé, Executive Director

Date: October 8, 2015

Subject: **EXECUTIVE DIRECTOR'S REPORT**

EXECUTIVE DIRECTOR'S HIGHLIGHTS

Top of mind for this month's Executive Director's report is the recent First 5 Association of California annual staff development Summit that was held in Los Angeles. We were fortunate to have Commissioner Browning join the opening session and help set the stage for this year's Summit, which focused on policy, systems change, and sustainability. Commissioner Browning noted that all First 5s are committed to improving the lives of California's children and their families. And, to do so, First 5s must work together and focus on building partnerships and advancing policy and systems change. His comments and advice for attendees regarding fun things to do in the LAX area were well-received.

First 5 LA staff was well represented at the Summit as well. We were very fortunate to have a number of our terrific administrative assistants - Myrna Gutierrez, Monica Nolasco, Marissa Carlos, and Jessica Mercado - lend their support to the event and help ensure all went smoothly. In addition, First 5 LA staff helped to lead a number of the plenary and breakout sessions. Peter Barth facilitated an opening panel on opportunities and challenges for First 5 Commissions in advancing policy change in Sacramento; Pegah Faed facilitated a panel on trauma informed care; Armando Jimenez led a session on evaluation and common indicators; Jennifer Eckert participated in a panel focusing on best practices in contracting and contract administration; and Gabriel Sanchez was a part of a communications roundtable.

Finally, I had an opportunity to introduce the opening speaker of the Summit, Dr. Manuel Pastor. Dr. Pastor is Professor of Sociology and American Studies and Ethnicity at USC, where he directs the USC program for environmental and regional equity and the Center for the study of immigrant education. Dr. Pastor spoke about the state's changing demographics and economy and the trends in social and economic inequity. He then spoke to the relationship between the work that First 5s do throughout California's diverse communities and the social, economic, and civic health and vitality of our state. He reminded the Summit attendees that our focus must be not just on changing the odds for individual children, but rather on shifting the odds for all children. Towards that end, Manuel

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emphasized the importance of policy and systems change for reaching and changing the life trajectory of all children.

Overall, the Summit was a terrific staff development opportunity to both learn from and with our colleagues throughout the state. In that regard, the themes that ran throughout the Summit sessions were well aligned with the work of First 5 LA relative to implementation of the new Strategic Plan. Such themes include:

- The role of parents. The parent role as a child's first teacher and strongest advocate remains of overarching importance for First 5s, as evidenced by multiple investment strategies with home visiting foremost among them.
- The value of partnerships. The work that First 5s do is too complex and consequential to do on our own. To maximize our effectiveness on behalf of young children, we must work in concert with others. Medi-Cal managed care organizations (MCOs) received dedicated attention as a powerful partner and "platform" for reaching large numbers of young children – an emphasis that aligns well with First 5 LA's shift in the orientation of our work with the MCO LA Care, which insures roughly 40 percent of all children in LA County 0-5.
- The imperative for policy and systems change. First 5s are increasingly clear that the path to scale and sustainability is through changes in the policies and systems with which families interact and that affect child outcomes. The First 5 Association of California policy priorities (Appendix A) align well with First 5 LA's priorities. Working with our Sacramento advocate, California Strategies, First 5 California, and the 58 County Commissions, we have an opportunity to leverage our collective experience and learning on behalf of policy improvements in such areas as home visiting, developmental screening, and early care and education.
- Developmental screening as a leadership opportunity. First 5s have an opportunity to stake out a leadership role in the effort to ensure that children receive timely and appropriate developmental screens, consistent with the requirements of the Affordable Care Act. There is extensive developmental screening activity across the state where First 5s are playing a leading role. ***Help Me Grow***– a systems approach that helps communities identify at-risk children and helps families find community-based programs and services – is a model that many First 5s are playing a leadership role in advancing in their counties. As a part of First 5 LA's early developmental efforts to advance the ***Help Me Grow*** model in LA County, we are working closely with various First 5s to learn from their experiences.

All and all, it was a terrific three days with good learning, collaboration, and some fun.

ORGANIZATION-WIDE ACTIVITY HIGHLIGHTS

I. PERINATAL SUPPORT

NATIONAL PEW WEBINAR: EXPLORING UNIVERSAL HOME VISITING

The Pew Charitable Trust's Home Visiting Project promotes cost-effective investments in high-quality, home-based family support and coaching programs for new and expectant families. On September 23, Pew sponsored a national webinar with a focus on how universal early childhood home visiting is helping to achieve population-level outcomes. The webinar highlighted three home visiting programs with a focus on a description of their service-delivery system, participant populations, program content, and costs.

First 5 LA highlighted its Welcome Baby program, emphasizing the key role of hospitals in providing access to hard-to-reach populations and the use of a risk screening tool in determining family needs and the appropriate level of services. Additionally, the presentation highlighted findings from the evaluation study of the Welcome Baby Pilot, demonstrating how a light touch program model that ends when the child is 9 months old is still able to yield significant findings as late as the child's third birthday. The presentation also provided information on upcoming evaluation, policy and advocacy efforts to help promote long term sustainability of Welcome Baby.

The webinar was publicized to more than 500 stakeholders from Pew's national list serve of home visiting programs, advocates and stakeholders. Given the movement toward prevention and population-level measures of health within the national public health agenda, the expansion of universal early childhood home visiting represents strong potential to positively impact families and communities nationwide.

Staff Contact: Diana Careaga (dcareaga@first5la.org)

II. PARENTING SUPPORT AND CHILD SAFETY

At-Risk Fathers Update

On September 9, First 5 LA attended the Los Angeles County My Brother's Keeper (MBK) VIP Reception at The California Endowment as a pre-event to the My Brother's Keeper Action Summit on September 10. Over 100 representatives from the White House, Federal, State and local elected officials, County Department Heads, MBK-Alliance members, foundations, and other key community leaders were in attendance. Youth leaders from Khmer Girls in Action and Community Coalition shared the benefits of supports to complete school and become advocates in their community.

First 5 LA participated in the Action Summit for the breakout session focused on identifying strategies to improve early learning and grade level reading for boys of color. Other participants included Children's Institute, LA City Library, LAUP, LAUSD, Hawthorne Unified School District and several county departments serving young children. The participants brainstormed strategies to address the goal areas of the MBK initiative. The County MBK Workgroup will use the strategies identified during the Summit to prepare a recommendation to the County Board of Supervisors.

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III. PHYSICAL AND MENTAL HEALTH

No highlights to report this month.

IV. SCHOOL READINESS

Los Angeles Unified School District

On September 16, First 5 LA staff and several partner organizations, including Advancement Project, Children Now, LAUP and Early Edge, met with LAUSD School Board Member Ref Rodríguez's Policy Director, Gabriella Barbosa, to discuss the District's early learning work. Board Member Rodríguez is new to his position and has been appointed Chair of the Ad Hoc Committee on Early Learning and Parent Engagement.

Staff Contact: Tessa Charnofsky (tcharnofsky@first5la.org)

L.A. Grade Level Reading (GLR) Campaign

First 5 LA, with facilitation support from the Glen Price Group (GPG), continues to convene a cross-sector group of local ECE stakeholders in the School Readiness Workgroup, a subgroup of the L.A. Grade Level Reading Campaign. The growing membership includes representation from the

Advancement Project, California Community Foundation, Cal State LA, CA Strategies, Child Care Alliance of LA, Child Care Resource Center, Children Now, Compton USD, Early Edge, Families in Schools, LA Area Chamber of Commerce, LA Best Babies Network, LA City Housing Authority, LA County Office of Child Care, LACOE, LA Partnership for Early Childhood Investment, LAUP, LAUSD, Public Counsel, Vista Del Mar, WIC, Zero to Three, and First 5 LA.

The School Readiness Workgroup adopted 3 priority outcomes, and then developed corresponding objectives and activities for which their respective organizations will agree to work collectively to achieve and measure progress over the course of the Campaign. The priority outcomes are:

- Increase the number of birth through age five licensed ECE programs participating in Quality Rating Improvement Systems (QRIS).
- Identify indicators to measure the extent to which policies in L.A. County effectively support family engagement.
- Adopt a common kindergarten readiness assessment (KRA) in L.A. County.

The School Readiness Workgroup subsequently formed three subgroups to develop action plans for each of the priority outcomes. As the subgroup work has progressed, First 5 LA staff recognized the need to expand GPG's original scope to support facilitation of each subgroup and the identification of mutually reinforcing activities (one of the conditions for a successful collective impact effort) supporting each of the priority areas. In July 2015, The LA Partnership for Early Childhood Investment—which is also a member of the workgroup—awarded GPG a $25,000 grant from the Baby Futures Fund to leverage First 5 LA's investment in the ongoing facilitation of the workgroup and ensure continued support and facilitation for subgroup action planning efforts in FY 14-15.

The most recent School Readiness Workgroup meeting was held on September 30, 2015, where members discussed their respective agencies' current and future contributions to this collective impact effort, including the assignment of key tasks. First 5 LA staff is also working to bring in guest speakers from other successful early learning collective impact efforts (e.g., Fresno Area Strive/Cradle to Career) who can share lessons learned that can be applied to the L.A. GLR Campaign. In addition, staff is exploring potential partnerships opportunities with other funders to advance the Campaign's School Readiness agenda.

Staff Contact: Jennifer Cowan (jcowan@first5la.org)

8/15 Dream Center Back to School Bash
The 20th Annual "Back to School Bash" provided resources for school readiness to families and kids faced with daily financial hardship. Children in attendance received backpacks filled with basic school supplies such as pencils, paper and notebooks. In addition, families in attendance received free services such as eye exams, haircuts and clothing. First 5 LA had a resource table and provided Family Resource Guides, Father Resource Guides, backpacks, books and school essentials to over 500 kids.

8/15 Child Alliance Back to School Fair
This back-to-school resource fair connected 300 families to local community organizations that provided medical screenings and free school supplies in order to prepare kids for school. First 5 LA provided Family Guides, Father Resource guides, backpacks, books and crayons.

8/15 Child Development Institute Back to School Health and Safety Fair
The CDI Back to School Health and Safety Fair offered families free health screenings, books and a variety of kid friendly games and activities. First 5 LA had a resource table and provided Family Resource Guides, Father Resource Guides, books, pencils and lunch totes to over 200 families.

Staff Contact: Violet Gonzalez (vgonzalez@first5la.org)

V. BEST START

Region 1: East LA, South El Monte/El Monte, Central Long Beach

The *Best Start* East LA Advisory Committee members, 14 in total, are participating in a Facilitation Capacity Building training to strengthen skills to coordinate and facilitate the monthly Partnership meetings. The goal is to set a foundation of learning to prepare for the implementation of their Capacity Building Activities. On September 19, the Outreach & Engagement Committee worked with First 5 LA staff to host a Resource Fair at the Tot Lot Grand Opening at City Terrace Park. *Best Start* South El Monte/El Monte Communications Workgroup members informed business owners about the "We Support *Best Start*" business engagement campaign during the monthly local Chamber of Commerce mixer at Alliance El Monte Care Center. The Partnership connected to resources in the community with a presentation from the Jeff Seymour Center, a "one-stop-shop" for resources available to all families who are served by local school districts. The *Best Start* Central Long Beach Partnership is working on finalizing performance measures to track the effectiveness of the strategies and activities designed through Capacity Building Activities. In the fall the Long Beach Health Department, who was awarded the contract to carry out the Capacity Building Activities will also be implementing several activities including parent trainings, police convenings and trainings for home visitation providers.

Region 2: Southeast Los Angeles, Wilmington, Metro LA

The *Best Start* Southeast Los Angeles Partnership reached a major milestone by completing their Learning by Doing process resulting in the release of a Request for Proposal (RFP) for a contractor to implement the Capacity Building Activities developed by the Partnership. In *Best Start* Metro LA, Koreatown Youth and Community Center, the selected contractor to implement the Capacity Building Activities, held a two-day retreat in August with nine subcontractors, 10 partnership members and First 5 LA and Para Los Niños staff. The purpose of this retreat was to deepen relationships across teams, work together to coordinate and plan the training and peer-to-peer learning activities. Attendees walked away with a shared understanding of the concept and importance of learning about a community culture of respect.

Region 3: Panorama City & Neighbors, Northeast Valley Community, Lancaster, Palmdale

On September 10, First 5 LA's Board of Commissioners approved a 17 month contract with Friends of the Family to implement the Capacity Building Activities identified by *Best Start* Panorama City & Neighbors (PCN). Activities are underway to build the Partnership's ability to work successfully with the Contractor in the areas of program implementation, outreach, performance measures and learning. Also in September, several PCN Communications Workgroup members attended Metro LA's Communications Workgroup to share about their parent engagement work in the Valley communities through classroom readings and Ready for Kinder workshops at local kindergartens, transitional kindergartens and preschools. To amplify their outreach efforts through social media, PCN Communications Workgroup members attended a month-long Facebook training on how to utilize this platform to build social connections and raise awareness about community issues affecting the prenatal to 5 population.

The *Best Start* Northeast Valley Partnership released their RFP in September and elected five additional Guidance Body Members. *Best Start* Lancaster released their Request for Proposal in September and are revisiting their by-laws and procedures in advance of the group's elections in December. *Best Start* Palmdale has released its RFP and is preparing for the selection process. They are also in the midst of revisiting their goals and refining their messaging in an effort to bring in more members.

Region 4: Broadway-Manchester, West Athens, Watts-Willowbrook, Compton-East Compton

All four South L.A. communities achieved a major milestone with the release of their RFP. Work in the South L.A. *Best Start* communities continues to focus on activities related to supporting their core results and target audiences, as well as Partnership capacity building. Watts-Willowbrook participated in a Back to School Resource Fair at Flournoy Elementary School, a Baby Shower event at Watts Health Center and the first Willowbrook National Night Out. They also began work on developing and practicing messaging about the Capacity Building Activities, and continued to finalize by-laws and other governance issues. Compton-East Compton's Communications and Membership Workgroup developed some new processes in their efforts to track success and work toward sustainability. This included developing an outreach tracking system that will measure how many community members were reached and how many materials were distributed. They also created a membership form and are the first community to pilot a membership card system that started at the September Partnership meeting.

Best Start West Athens is also focusing on messaging activities and developed a plan at the September Partnership meeting to conduct outreach to agencies in the area. The Leadership Group decided that they would showcase two of these agencies as concrete supports in presentations for the remaining Partnership meetings for 2015. *Best Start* Broadway-Manchester discussed community resources at their September Partnership meeting in their effort to map assets that will support their work to build family capacities. Their Communications Workgroup also developed a formal process to track materials distribution and identified specific schools and faith-based organizations that they will target for outreach events.

Staff Contact: Katie Kurutz (kkurutz@first5la.org)

VI. WORKFORCE DEVELOPMENT

No highlights to report this month.

VII. COUNTYWIDE SYSTEMS IMPROVEMENT

Nonprofit Overhead Project
First 5 LA, in partnership with California Association of Nonprofits (CalNonprofits) and a collaborative including the Weingart Foundation, the California Wellness Foundation, the California Community Foundation, the James Irvine Foundation, the National Council of Nonprofits, California Strategies, the Nonprofit Finance Fund and others, is leading a multicomponent initiative- the Nonprofit Overhead Project- to assist nonprofits in leveraging flexible dollars by changing government reimbursement rates, foundation grants and donor analyses.

A key component of this effort is revising funders' indirect cost rates or overhead policies, under which everything from information technology systems to staff training is budgeted. A window for changing the paradigm on nonprofit overhead and indirect costs has opened, thanks to the White House Office of Management and Budget (OMB) December 2014 issuance of the Uniform Grant Guidance. This Guidance provides an overhaul of federal grants policies as well as increased philanthropic attention to the funding of nonprofit overhead. This window presents a tremendous opportunity to improve the financial sustainability of nonprofits and service ecosystems, and to create government-foundation-nonprofit partnerships working together to make the nonprofit capital market more efficient.

CalNonprofits serves 9,400 nonprofits working in communities throughout the State and is uniquely positioned through this initiative to assist nonprofits in leveraging additional funds considering approximately $11 billion in government contracts and $2 billion in California foundation grants are awarded to California nonprofits annually.

First 5 LA will partner with CalNonprofits over the next ten months to:

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- Launch the Nonprofit Overhead Project website (http://calnonprofits.org/overhead) offering accounting procedures, an interactive chat function and frequently asked questions for nonprofits in determining overhead and indirect costs.
- Engage Los Angeles County nonprofit organizations with targeted outreach to those serving families with young children to participate in a three-part in-depth technical series on September 30, October 14 and 28.
- Support advocacy at the State and Los Angeles County level on proper implementation of the OMB Guidance.

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Conference/Events Grants

9/8 & 9/10 UC Davis PCIT Conference
The UC Davis Parent Child Interaction Therapy (PCIT) Training "15th Annual Conference on Parent-Child Interaction Therapy for Traumatized Children "Building Resilience with PCIT"" - provided information about PCIT to over 500 clinicians who have been trained or are currently in training to provide PCIT in L.A. County and across the country. The conference focused on PCIT provision to at-risk children and their families, and the many ways that PCIT can build resilience and strengthen healthy families. $15,000 was granted from the Event and Conference Sponsorship Grant and featured First 5 LA as a sponsor on all promotional materials and on-site during the conference. First 5 LA Program Officer Bill Gould presented a video on the effectiveness of PCIT on kinship populations and highlighted our support for the program.

Staff Contact: Violet Gonzalez (vgonzalez@first5la.org)

VIII. INTERNAL INITIATIVES

No highlights to report this month.

IX. FEDERAL AND STATE PUBLIC POLICY AND GOVERNMENT RELATIONS

Federal Budget and Legislation
President Obama signed a short-term continuing resolution (CR) approved by Congress on September 30 to avoid a government shutdown, authorizing spending at fiscal year 2014-15 levels through December 11, 2015. While this temporary solution prevented an immediate funding crisis, federal lawmakers will continue to negotiate a longer-term budget solution; First 5 LA continues to advocate for lifting the current discretionary spending cap in order to increase funding for early childhood programs.

In addition to the budget, First 5 LA is tracking a number of federal policy issues, including the potential reauthorization of the Elementary Secondary Education Act (ESEA), which expired in 2007. ESEA reauthorization provides Congress the opportunity to change existing or enact new education policies and programs. Since 2007, there has not been enough momentum or cooperation among lawmakers to pass a bill for the President's consideration. This year, however, both the Senate and House of Representatives have drafted versions of a bill, which must be negotiated in Conference Committee before being considered for a final vote.

Both versions of the proposed ESEA significantly cut funding to education, in part through the elimination of programs, including the Preschool Development Grants, for which California applied but was not funded. The Senate bill does include some new spending on early learning and provides increased flexibility to allow Departments of Education and School Districts to spend more resources on early education with existing funds. First 5 LA and other members of the LA Compact have sent a joint letter to Committee Chairs highlighting our shared priorities. See Attachment A for the letter and Attachment B for a copy of the early learning provisions in the Senate version of the ESEA bill.

Pending leadership changes in the House of Representatives will likely impact ongoing negotiations related to ESEA and other First 5 LA federal budget and policy priorities.

Staff Contact: Tessa Charnofsky (tcharnofsky@first5la.org)

State Legislative Update

On September 11, state lawmakers closed out the regular legislative session after taking action on more than 300 bills during the final week. Among those approved by legislators were four bills supported by First 5 LA, including AB 47 (McCarty, R-Sacramento), which would increase access to the state preschool program, and AB 50 (Mullin, D-San Mateo), which would require California to develop a feasibility plan for offering home visiting programs to Medi-Cal eligible pregnant women and mothers. An additional bill, AB 648 (Low, D-Cupertino), which would establish a Virtual Dental Home grant program, was held in committee; advocates expect the bill to be reintroduced in 2016. AB 74 (Calderon), which would increase the frequency of child care licensing visits, was vetoed by Governor Brown on September 30 (Attachment H).

Throughout the legislative session, First 5 LA has been educating lawmakers about the importance of these bills by providing letters of support, meeting with legislators and their staff, and sending "floor alerts" (reminders to legislators to vote on key legislation) as needed. An updated version of First 5 LA's Legislative Agenda is included (Attachment C).

First 5 LA staff has in recent months been tracking two state budget trailer bills relevant to early care and education. The first, SB 94, the child care and development budget trailer bill, included language that would provide priority enrollment to foster children and children with parents under the Child Protective Services (CPS) supervision in subsidized child care development services. A budget hearing for the bill was cancelled in August; as a result, the bill is not proceeding this year. First 5 LA staff is supporting L.A. County officials as the County works with state leaders and other advocates on potential alternative solutions.

In addition, SB 101 (Committee on Budget and Fiscal Review), would change the allocation formula for the California State Preschool Program (CSPP) grants in order to ensure that high-need areas with many thousands of unserved children are not disadvantaged as dollars are distributed for the 9,530 new preschool slots created this year. The bill was signed into law by the Governor on September 22nd.

Medi-Cal Special Session. In addition to the regular session activities, legislators introduced a number of bills under two extraordinary sessions convened by the Governor. Both sessions focused on generating new revenues, one for infrastructure and the other for Medi-Cal, primarily to find a solution for the expiring Managed Care Organization (MCO) tax. The current MCO tax, which expires in June 2016, is used by the state to draw down approximately $1.1 billion in federal matching funds. As of this update, legislators and health plans have not arrived at an agreement regarding a new tax; as a result, California Health and Human Services Secretary Diana Dooley issued a statement noting that without additional revenue there would be no alternative to substantial reductions in state health care spending.

During the Medi-Cal special session, lawmakers also introduced several pieces of legislation related to tobacco taxes (see Attachment D). First 5 LA supported two matching bills -- ABx2 11 (Nazarian, D-Van Nuys) and SBx2 10 (Beall, D-San Jose) -- which would increase licensing, distribution and wholesale fees for tobacco retailers. Passage of these bills would help decrease the reliance of tobacco licensing programs on Proposition 10 funds, which are intended to fund First 5 programs, not tobacco regulation and administration. No action was taken before the adjournment of the regular Legislative session on September 11. See a copy of our letter of support (Attachment E). Letters of support for SB 50 and AB 47 are also attached (Attachments F & G).

Another special session bill, SBx2 14 (Hernandez, D-West Covina) proposed both a new MCO tax and a $2-per-pack tax on traditional cigarettes and an equivalent tax on e-cigarettes. The bill also addressed a number of the Governor's priorities for the special session, such as funding for Medi-Cal provider rates and for developmental services. SBx2 14 also included backfill language for Proposition 10 and Proposition 99-funded programs; the language is intended to prevent revenue losses for these programs that would result from consumption changes triggered by the new proposed tax. At the time of this writing, the bill is in the Assembly without a floor vote.

Unlike the regular legislative session that ended on September 11, the special sessions will remain open until legislation addressing the primary issues have been passed. Lawmakers have the opportunity to return to take action before the next legislative year begins in January.

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X. CONTRACTS EXECUTED BETWEEN $25K - $75K

No contracts to report this month.

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FIRST 5 ASSOCIATION OF CALIFORNIA

Prioritizing Young Children in All Policies

Family Strengthening

- Formally adopt the Strengthening Families Protective Factors Framework as the "north star" in the statewide early childhood system of care, guiding investments in policy, program, training, and assessment systems.
- Provide universal access to a continuum of evidence-based voluntary newborn home visiting programs.
- Implement evidence-based family strengthening programs, particularly those with evidence of reducing the risk for child abuse and neglect.

Early Identification and Intervention

- Implement a universal state plan to ensure all children receive periodic and routine developmental screening and connection to needed services through care coordination.
- Improve data collection, data sharing and data reporting on key indicators of screening activities, including referral and follow-up as a result of the screening results.
- Increase access to comprehensive approaches (such as Help Me Grow) to enhance communication and care coordination to ensure children are connected to services as quickly as possible.

Oral Health

- Provide financial incentives to ensure access to essential dental services for the youngest children enrolled in Medi-Cal.
- Invest in community-based programs, such as the Virtual Dental Home, that bring preventive dental services to young children where they are (e.g., Head Start, Early Head Start, clinics) through the innovative use of workforce solutions and technology.
- Ensure the Department of Health Care Services implements the recommendations to increase utilization of dental services—especially for younger children—included in the recent state audit of Medi-Cal's dental program.

Quality Early Learning

- Require that early learning programs utilizing federal, state, or local funding participate in continuous improvement processes with benchmarked tiers of quality rating with action plans and resources tied to improvement plans.
- Ensure counties, early learning consortia, and early learning programs have the supports needed to successfully implement the QRIS statewide.
- Strengthen the qualifications, compensation, and stability of the ECE workforce.
- Continue to expand access to high quality preschool for four-year-olds and grow the capacity statewide to serve infants and toddlers in quality licensed settings.

System Sustainability and Reach

- Work with statewide partners to explore and advance opportunities to increase funding streams dedicated to early childhood health and development.

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- The inclusion of early learning provisions throughout the bill, such as the new Early Learning Alignment and Improvement Grants and early literacy programs. We ask that the Preschool Development Grants be sustained and expanded to increase the number of states eligible to apply.
- The weighted student funding flexibility pilot program that provides school districts, such as LAUSD, with flexibility to consolidate federal, state, and local funding in order to create a single school funding system based on weighted per pupil allocations for low-income and otherwise disadvantaged students. This is consistent with California's Local Control Funding Formula.

We hope to see the conference committee further improve ESEA by considering the inclusion of programs and resources focused on improving both middle schools and high schools, strengthening provisions to ensure equity in resources for high-poverty schools and students, strengthening provisions on educational services for foster youth, and further strengthening the linkage between schools and the workplace.

As the Senate and House conferees meet later this fall, we hope to see ESEA reauthorized. We stand ready to provide you and your staff with any needed information on these issues and look forward to working with you to help enact an ESEA reauthorization bill that replaces and modernizes the outdated No Child Left Behind Act.

Sincerely,

Kim Belshé

Kim Belshé
Executive Director
First 5 LA

Elise Buik

Elise Buik
President & CEO
United Way of Greater Los Angeles

Gary Toebben

Gary L. Toebben
President & CEO
Los Angeles Area Chamber of Commerce

Ramon C. Cortines
Superintendent
Los Angeles Unified School District

The L.A. Compact is a bold commitment by Los Angeles leaders from the education, business, government, labor and nonprofit sectors to transform education outcomes from cradle to career, ensuring that today's youth have the skills necessary to compete and succeed in a 21st century global workforce.

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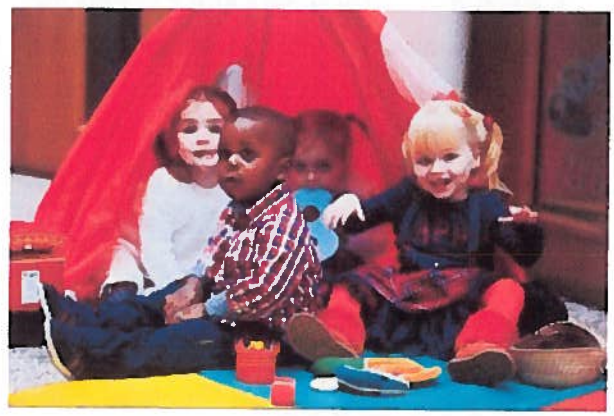
Attachment B

JULY 23, 2015

WHAT ECE PROVISIONS MADE THE FINAL SENATE ESEA BILL? FFYF BREAKS IT DOWN.

BY MEGAN SALZMAN

Early childhood education had a big win last week as the U.S. Senate passed the reauthorization of the Elementary and Secondary Education Act (ESEA) with historic support for early learning. So which early childhood investments made it into the final bill? We've put together a list of the early learning provisions that were included, and what they really mean. Take a look at a summary of each provision.



- **1111(b)(1)(D) – State Title I Plans:** State K-12 standards are aligned to state early childhood education standards.
- **1111(c)(1) – State Title I Plans:** If a state uses Title I dollars to fund ECE programs, the state needs to explain how the money will be used to create, expand, or improve the ECE programs.
- **1112(b) – LEA Title I Plans:** If schools or school districts use Title I dollars to fund ECE programs, the school and/or district needs to explain how they will coordinate with other ECE programs, like Head Start, and their plans for how they will help participants transition from pre-K to kindergarten.
- **1113(a) – School Wide Programs and Targeted Assistance Areas:** Funds that are given to schools, in which a majority of students are from low-income families, can be used to run programs specific to that school can be used for ECE.
- **1115 – Parent and Family Engagement:** Title I dollars used for parent engagement can include ECE educators and families in that use.
- **Section 1008 – Coordination Requirements:** States and districts using Title I dollars for ECE programs must coordinate amongst all ECE programs and not just Head Start.

Attachment B

- **2101(c)(4)(B) – Title II Formula Grants:** Professional Development for ECE educators and professionals can be funded using Title II dollars.
- **2103(b)(4)(G) – Local Use of Title II Funds:** Title II funds can be used for professional development that focuses on the transition from ECE programs to elementary school.
- **2401 – Literacy Education:** Funds to improve literacy education can be used in ECE settings.
- **2401(b), Sec. 2402, Sec. 2403, Sec. 2404 – Literacy Education:** Funds to improve literacy education can be given to state ECE programs, including home-based programs.
- **Section 3003 – English Language Acquisition:** Provide funds to assist ECE educators in becoming more effective at preparing English Language Learners (ELL) (also known as English as a Second Language speakers).
- **Section 3115 English Language Acquisition Subgrant Purposes and Activities:** Funds to help create programs that will improve language instruction for English learners.
- **Section 3131 – National Professional Development (ELL Students) – Allowable Uses:** Funds in Title III can be used to help English Language Learners become school ready upon entering Kindergarten.

- **Section 4101(b) – Safe and Healthy Students (Needs Assessment):** School districts and/or schools must consult ECE educators and leaders when creating their application for Title IV funds.
- **Section 4105(a)(4) LEA Safe and Healthy Student Activities:** Title IV funds can be used for counseling in ECE programs. These programs can include education around nutrition, exercise, lifestyle choices, sex education, sexual abuse, and child sexual abuse policies.
- **Section 4105(b) – Safe and Health Students Principles of Effectiveness**: Funds under this part of Title IV can be used to carry out programs in an ECE setting that promote students' physical and mental well-being as well as promote parent engagement to promote a healthy school environment.
- **Section 5102(h) – Charter School Authorization**: Charter schools can use federal funding to create ECE programs.
- **Section 5601(a) – Ready to Learn Television:** Ready to Learn Television works to produce educational TV and digital media that helps prepare young learners in science and/or literacy. This section requires grantees to work with HHS in order to effectively utilize and distribute the media being created.
- **Sec. 5801(a)(2)(B) – Literacy and Arts Education:** Grants can be awarded to programs that provide early learning literacy services, including ones given through medical visits with pediatricians.
- **Section 5901 – Early Learning Alignment and Improvement Grants:** This is the Murray Isakson amendment that would create a new competitive grant program solely dedicated to funding early learning. States who receive funding could use it towards aligning various early learning programs within the state and expanding access to those programs.
- **Section 7121- Improvement of Educational Opportunities for Indian Children and Youth:** Title VII funds (Indian education) can be used for ECE programs.

Attachment B

- **Section 7304(a)(4) – Alaska Native Education (Permissible Activities):** Title VIII funds (Alaska Natives education) can be used for ECE programs.
- **Section 9101 – Definitions:** Early Childhood Education Program: Programs that serve children birth through age six. Professional Development: Professional development that addresses school readiness is considered an appropriate use of professional development funding.
- **Section 9601 – Evaluations:**A proportion of funds can be used to carry out research that analyzes the results and cost-effectiveness of ECE programs.

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Attachment C

First 5 LA
2015 Legislative Agenda
(updated September 14, 2015)

Bill #	**Author**	**Description**	**Status**
AB 47	McCarty	Requires all children who are not enrolled in transitional kindergarten to have access to the state preschool program the year before they enter kindergarten, if their parents wish to enroll them, contingent upon the appropriation of sufficient funding in the annual Budget Act for this purpose. Requirements would take place on or before June 30, 2018 (as amended 9/4/15).	9/10: Passed Senate 9/11: To enrollment
AB 50	Mullins	Requires the State Department of Health Care Services to develop a feasibility plan that describes the costs, benefits, and any potential barriers to offering evidence-based home visiting program are offered and provided to Medi-Cal eligible pregnant and parenting women. The bill would also require the department, in developing the plan, to consider, among other things, establishing Medi-Cal coverage for evidence-based home visiting program services and incentives for Medi-Cal providers to offer those services, and would require the department, in developing the plan, to prioritize the identification of funding sources, other than General Fund moneys, to fund evidence-based home visiting program services (as amended 9/4/15)	9/10: Passed Senate 9/11: To enrollment
AB 74	Calderon	Makes a number of facilities, including child day care center, and family day care homes, subject to an annual unannounced visit by the State Department of Social Services on and after July 1, 2018. Bill also requires the department to conduct annual unannounced visits to no less than 30% of facilities on or before July 1, 2016, and no less than 40% of those facilities on or before July 1, 2017 (as amended 6/25/15)	9/9: Passed both Assembly and Senate. Sent to enrollment.
AB 648	Low	Establishes the Virtual Dental Home (VDH) grant program at the California Health Facilities Financing Authority and appropriates $3 million from the California Health Facilities Financing Authority Hospital Equipment Loan Program to expand the VDH model of community-based delivery of dental care (as amended 9/1/15).	9/9: From third reading. Sent to inactive file at request of Senator Monning.
AB 1321	Ting	Establishes the Nutrition Incentive Matching Grant Program in the Office of Farm to Fork. Creates the Nutrition Incentive Matching Grant Account to collect matching funds received from federal grant programs and funds from other public and private sources to provide grants under the Nutrition Incentive Matching Grant Program and to administer the Nutrition Incentive Matching Grant Program.	09/04: Passed both Assembly and Senate. Sent to enrollment.
SB 277	Pan	Removes the personal belief exemption from school immunization law and requires the governing board of a school district to notify parents or guardians of school immunization rates.	Signed by Governor on 6/30
ACR 77	Stone	Urges the Legislature to leverage existing efforts and statutes to ensure an accountable, results-oriented, and coordinated network of resources to provide multidisciplinary early identification and intervention services and supports to infants and toddlers. Also urges Legislature to support and promote community-driven efforts to coordinate referrals and linkages between, and guide families through the complexities of, the early identification and intervention systems, through programs and models such as Help Me Grow California.	08/24: Passed both Assembly and Senate. 09/03: Chaptered by Secretary of State

Special Session Bills:

ABx2 11	Nazarian	Updates the Cigarette and Tobacco Products Licensing Program under the Board of Equalization (BOE) by increasing licensing, distributor, and wholesaler fees.	9/10: In Assembly and read second time. To third hearing.
SBx2 10	Beall	Amends the Cigarette and Tobacco Products Licensing Act. Requires a fee to be submitted with each license application. Require every retailer to file an application for renewal of a retailer's license accompanied with a fee per retail location, in the form and manner prescribed by the Board of Equalization. Increases certain wholesaler and distributor fees.	8/27: Passed Senate. Sent to Assembly. (24-15)

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Attachment D

Special Session: Tobacco-Related Legislation

Bill #	Author	Description	Status
ABx2 6	Cooper	Changes the Stop Tobacco Access to Kids Enforcement (STAKE) Act's definition of tobacco products to include electronic devices. Requires a retailer that seeks to sell a tobacco product that is not subject to imposition of a tax to pay a one-time license fee. Includes in the definition of tobacco products the STAKE Act's new definition. Requires all cartridges for electronic cigarettes and solutions for filing or refilling an electronic cigarette to be in child-resistant packaging. Changes restrictions	9/10: In Assembly. Read second time. To third reading
ABx2 10	Bloom	Authorizes the board of supervisors of a county or city and county to impose a tax on the privilege of distributing cigarettes and tobacco products in the county or city and county, including within an incorporated city within the county.	08/27: In Assembly. Read second time. To third reading.
ABx2 11	Nazarian	Updates the Cigarette and Tobacco Products Licensing Program under the Board of Equalization (BOE) by increasing licensing, distributor, and wholesaler fees.	9/10: In Assembly and read second time. To third hearing.
ABx2 16	Bonta	Expands the definition of tobacco projects to include electronic cigarettes, thereby subjecting manufacturers, importers, distributors, wholesalers, and retailers of electronic cigarettes to the specified licensing requirements. Imposes an additional tax on the distribution of cigarettes. Imposes a related floor stock tax. Requires distributors to pay a cigarette indicia adjustment tax. Provides that tax revenues will be deposited in a specified fund to fund health care and prevention programs.	08/27: To Assembly Committee on PUBLIC HEALTH AND DEVELOPMENTAL SERVICES.
SBx2 5	Leno	Defines the term smoking for purposes of the STAKE Act. Changes the STAKE Act's definition of tobacco products to include electronic devices, such as electronic cigarettes, that deliver nicotine or other vaporized liquids, and make furnishing the tobacco product to a minor a misdemeanor. Requires the retailer who sells the product be subject to a one-time license fee. Requires all cartridges and solutions for filling or refilling be in childproof packaging.	8/27: Passed Senate. To Assembly.
SBx2 7	Hernandez	Relates to existing law which prohibits the furnishing of tobacco products to, and the purchase of tobacco products by, a person under 18 years of age. Extends the applicability of these provisions to persons under 21 years of age. Authorizes the Department of Public Health to conduct random, onsite sting inspections of tobacco product retailers with the assistance of persons under 21 years of age.	8/27: In Assembly. Read first time. Held at Desk.
SBx2 9	McGuire	Authorizes the board of supervisors of a county or city and county to impose a tax on the privilege of distributing cigarettes and tobacco products in the county or city and county, including within an incorporated city within the county.	8/27: Passed Senate. To Assembly.

Bill #	Author	Description	Status
SBx2 10	Beall	Amends the Cigarette and Tobacco Products Licensing Act. Requires a fee to be submitted with each license application. Require every retailer to file an application for renewal of a retailer's license accompanied with a fee per retail location, in the form and manner prescribed by the Board of Equalization. Increases certain wholesaler and distributor fees.	8/27: Passed Senate. Sent to Assembly. (24-15)
SBx2 13	Pan	Expands the definition of tobacco products to include electronic cigarettes, thereby subjecting manufacturers, importers, distributors, wholesalers, and retailers of electronic cigarettes to the same licensing requirements. Imposes an additional tax on the distribution of cigarettes. Imposes a related floor stock tax. Requires distributors to pay a cigarette indicia adjustment tax. Provides tax revenues will be deposited in a specified fund to fund health care and prevention programs	08/26: INTRODUCED.
SBx2 14	Hernandez	Expands the definition of tobacco products to include electronic cigarettes thereby subjecting specified related entities to licensing requirements. Imposes an additional tax on the distribution of cigarettes. Imposes a related floor tax. Requires the tax revenues to be deposited into a specified fund for specified medical-related purposes. Establishes a new managed care organization provider tax with State contracted entities. Provides for a fund for developmentally disabled regional centers funding.	9/11: In SENATE. Read second time. To third reading

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August 21, 2015

The Honorable Adrin Nazarian
State Capitol, Room 41456
Sacramento, CA 95814

Re: ABx2 11: Cigarette and tobacco product licensing: fees and funding – SUPPORT

Dear Assemblyman Nazarian,

On behalf of First 5 LA, I am writing to express our support for ABX2 11, which would play a vital role in preserving critical funding for early childhood programs and initiatives. The bill would achieve this by updating the Cigarette and Tobacco Products Licensing Act in two significant areas: increasing the current licensing fee for tobacco retailers from the current one-time $100 fee to an annual fee of $265 per retailer location, and increasing the wholesaler and distributor fee from $1,000 to $1,200 per year.

First 5 LA is a child advocacy and grantmaking organization created by California voters to invest Proposition 10 (the California Children and Families Act) tobacco tax revenues in health care, early education and child development programs for L.A. County children from the prenatal stage to age 5 and their families. In partnership with others, First 5 LA strengthens families, communities, and systems of services and supports so that all children in L.A. County enter kindergarten ready to succeed in school and life.

By establishing a recurring fee at the retailer level, ABx2 11 implements the recommendation made by the Legislative Analyst's Office (LAO) that licensing fees—not excise tax revenues-- should pay for the cost of tobacco licensing programs. A brief issued by the LAO in April 2015 noted that the use of excise tax revenues for licensing costs is expressly forbidden by Proposition 10, which was approved by California voters in 1998. Passage of ABx2 11 would ensure that funds intended to support children and families throughout the state are preserved for what voters originally intended: to bolster the health, safety and school readiness of young children and their families.

Thank you again for your attention to this important issue. We look forward to working with your office to provide support on this important legislation.

Sincerely,

Kim Belshé
Executive Director

KB:rn
cc: Members, Assembly Public Health and Developmental Services

COMMISSIONERS
Los Angeles County Mayor Michael D. Antonovich, *Chair*
Philip L. Browning, *Vice Chair*
Judy Abdo
Nancy Haruye Au
Jane Boeckmann
Duane Dennis
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Kim Belshé

CHIEF OPERATING OFFICER
John A. Wagner

A PUBLIC ENTITY
750 N. Alameda Street, Suite 300 Los Angeles, CA 90012 Phone: 213.482.5902 Fax: 213.482.5903 First5LA.org

Attachment F

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June 24, 2015

The Honorable Ed Hernandez
Chair, Committee on Health
California Senate
State Capitol, Room 2191
Sacramento, CA 95814

Re: AB 50 (Mullin): Evidence-based Home Visiting Programs – SUPPORT As Amended In Assembly Appropriations Committee.

Dear Senator ~~Hernandez~~: Ed

On behalf of First 5 LA, I am writing to express our support for AB 50 (Mullin), which would strengthen the parent-child relationship and connect families with vital information and resources during the pivotal time from pregnancy to age 5. The bill would do so by authorizing the California Department of Health Care Services (DHCS) to develop a plan that would ensure that voluntary evidence-based home visiting programs are offered and provided to pregnant and parenting women who are eligible for Medi-Cal. The development of this plan would also enable California to draw down federal Medicaid funds for these programs.

First 5 LA is a child advocacy and grantmaking organization created by California voters to invest Proposition 10 tobacco tax revenues in health care, early education and child development programs for L.A. County children from the prenatal stage to age 5 and their families. Research shows a child's success in school and life starts from the earliest moments — before birth and at home with his or her parents/caregivers.

Through our Welcome Baby initiative, First 5 LA currently supports voluntary home visiting programs throughout Los Angeles County. We recognize the need to collaborate with state and federal partners in order to ensure all families in California have access to these cost-effective prevention oriented programs. Statewide, 22 First 5 County Commissions invested almost $56 million in home visiting programs for about 27,000 families in 2014.

Research shows that home visiting programs improve the health and development of young children; prevent child injuries, child abuse, neglect or maltreatment; improve school readiness; and reduce newborn hospital readmissions, all of which lead to significant cost savings at the county, state and federal levels. In order to realize the full potential for a return on the state's home visiting investments, California must establish state plans and mechanisms for drawing down federal Medicaid dollars to fund evidence-based home visiting programs; more than 20 states, including Illinois, New York and Virginia have already taken advantage of this opportunity. AB 50 would require DHCS to develop a plan to ensure that evidence-based home visiting programs are offered and provided to Medi-Cal eligible pregnant and parenting women, on or before January 2017.

COMMISSIONERS
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CHIEF OPERATING OFFICER
John A. Wagner

A PUBLIC ENTITY
750 N. Alameda Street, Suite 300 Los Angeles, CA 90012 Phone: 213.482.5902 Fax: 213.482.5903 **First5LA.org**

AB 50 can help California promote young children's health and well-being in a cost-effective manner, as well as increase the effectiveness of the Medi-Cal system. We urge your support for this important bill and look forward to working with you to improve the future for California's children.

Sincerely,

Kim Belshé
Executive Director

KB:rn

cc: Assemblyman Kevin Mullin (Author)
Senator Janet Nguyen, Vice Chair
Senator Isadore Hall, III
Senator Holly J. Mitchell
Senator Bill Monning
Senator Jim Nielsen
Senator Richard Pan
Senator Richard D. Roth
Senator Lois Wolk
Melanie Moreno Committee Staff Director

A PUBLIC ENTITY

750 N. Alameda Street, Suite 300 Los Angeles, CA 90012 Phone: 213.482.5902 Fax: 213.482.5903 First5LA.org

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August 6, 2015

The Hon. Kevin McCarty
California Assembly
P.O. Box 942849
Sacramento, CA 94249-0007

RE: AB 47 (McCarty): Preschool for All Act of 2015– SUPPORT AS AMENDED ON 7/2/15

Dear Assemblyman McCarty,

On behalf of First 5 LA, I am writing to express our support for AB 47, the Preschool for All Act of 2015. This bill will ensure progress in meeting the commitment made by Governor Brown and the Legislature, as part of the 2014-15 state budget, to provide preschool to all eligible children.

First 5 LA is a child advocacy and grantmaking organization created by California voters to invest Proposition 10 tobacco tax revenues in health care, early education and child development programs for L.A. County children from the prenatal stage to age 5 and their families. In partnership with others, First 5 LA strengthens families, communities, and systems of services and supports so that all children in L.A. County enter kindergarten ready to succeed in school and life.

As home to one in eight of the nation's children, it is vital for California to provide early learning opportunities to every low-income 4-year old and secure a brighter future for our state. Research shows that investing in quality early education is highly effective in promoting student academic success. Early intervention in a child's education increases cognitive, language, social, and emotional development. This leads to increased high school graduation rates, greater college attendance, decreased crime, and a stronger middle class.

As amended on July 2, 2015, AB 47 enables California to take a crucial step in this direction by requiring that children who do not have access to transitional kindergarten or the federal Head Start program be given access to the state preschool program the year before they enter kindergarten, if their parents wish to enroll them. This bill does not appropriate funds for this purpose, but rather makes the expansion of preschool to all eligible children contingent upon the appropriation of sufficient funding in the annual budget act.

Investing in California's future means investing in our next generation. AB 47 will ensure that we keep the promise made to our preschoolers last year and provide each of our low-income children access to preschool. We urge your support for this important bill and look forward to working with you to improve the future for California's children.

Sincerely,

Kim Belshé
Executive Director

KB:rn
cc: Members, Senate Standing Committee on Appropriations

COMMISSIONERS
Los Angeles County Mayor Michael D. Antonovich, *Chair*
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750 N. Alameda Street, Suite 300 Los Angeles, CA 90012 Phone: 213.482.5902 Fax: 213.482.5903 First5LA.org

Attachment H

OFFICE OF THE GOVERNOR

SEP 30 2015

To the Members of the California State Assembly:

I am returning Assembly Bill 74 without my signature.

This bill would require the Department of Social Services to inspect licensed child care facilities once a year beginning January 1, 2019.

Earlier this year, the 2015-16 Budget Act increased the frequency of inspections of licensed child care facilities to once every three years. Further increasing the frequency of these inspections may be a worthy goal, but the cost of this change should be considered in the budget process.

Sincerely,

Edmund G. Brown Jr.

GOVERNOR EDMUND G. BROWN JR. • SACRAMENTO, CALIFORNIA 95814 • (916) 445-2841

Agenda Item: 5
Date: October 8, 2015

FIRST 5 LA

SUBJECT:
EXPIRING INITIATIVES PROCESS: FALL 2015/SPRING 2016

BACKGROUND:
Expiring Initiatives Review and Board Report
Per the Board approved Governance Guidelines (Guideline #7) all First 5 LA service related investments end pursuant to the time stated in their original allocation or grant award. Guideline #7 also requires staff to review and report to the Board on expiring initiatives. In preparation for the annual report to the Board, First 5 LA staff review expiring initiatives to successfully close out and capture lessons learned from our expiring investments.

The Expiring Initiatives Review and Board Report encompasses six principal components:

To capture lessons learned, the Report examines:

1. Whether the initiative is time-limited and/or has a capacity-building focus
2. The success of the initiative in completing its intended deliverables and achieving outcomes
3. The initiative's impact on a countywide or population level (if applicable)

In addition, the Report considers:

4. Whether the initiative has a clear, viable sustainability opportunity
5. Whether the initiative aligns with the 2015-2020 Strategic Plan (at the outcomes, strategy, and investment guidelines level)
6. Relevant changes in the current landscape and environmental context

The Expiring Initiatives Review Process was completed and reported to the Board in spring 2015 and included all initiatives ending in FY14-15 and FY15-16. Permanent Supportive Housing (PSH) was not included due to the initiative's end date of FY17-18. PSH has two distinct programs, Rental Assistance and Capital Development, which operate under different timelines. The Rental Assistance program ends in March 2016, while the Capital Development program ends in November 2017. Considering this 2 program structure, First 5 LA staff determined PSH needed to go through the review process this fall in advance of the rental assistance program's March 2016 end date. First 5 LA staff will come back to the Board in spring 2016 to present on other expiring initiatives scheduled to end by December 2017.

DISCUSSION:
Fall 2015: Permanent Supportive Housing (PSH)
First 5 LA's PSH initiative is a $35 million allocation aimed at providing supportive housing and related services for families that are homeless or at-risk of homelessness. Funding ($25 M) was advanced to the Community Development Commission (CDC) of the County of Los Angeles in 2011 to serve as the lead contractor for this investment. Additional resources ($10 M) were provided by the Commission in 2013. The CDC and First 5 LA collaborated to conduct two solicitations through which a total of 25 subcontractors were selected to implement the initiative. The initiative is expected to serve over 1,400 families with rapid re-housing rental assistance and support five capital projects to provide 86 units of permanent supportive housing.

First 5 LA staff will present the review and report for the PSH investment at the October 29th Special Meeting of the Board of Commissioners/Program and Planning Committee.

Spring 2016: Other Expiring Initiatives
A review and Board report for expiring initiatives listed below will be presented in spring 2016.

Initiatives ending by June 2016

- Information Resource and Referral
- Workforce Development- CARES Plus
- Workforce Development- ECE Workforce Consortium

Initiatives ending by December 2017

- Early Identification and Intervention- Autism and Other Developmental Delays
- Parent Child Interaction Therapy

Expiring Initiatives Process: Fall 2015/Spring 2016

October 8, 2015

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Goals of Today's Presentation

- Provide update on Expiring Initiatives Review and Report Process
  - Purpose
  - Considerations
  - Legacy Investments to be reviewed in Fall 2015 and Spring 2016
- Next Steps

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Governance Guidelines #7

The Governance Guidelines are foundational to our management of First 5 LA investments:

- Each First 5 LA contract/grant will have an expiration date
- Multi-year services-related investments will end based on date in original allocation or grant award
- First 5 LA staff will provide annual update to Commission on expiring initiatives

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Purpose of the Expiring Initiatives Review and Report Process

To successfully close out and capture lessons learned from First 5 LA's expiring investments

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Review and Board Report Components

Capturing lessons learned:

- Was the initiative time-limited and/or capacity-building focus?
- Did the initiative complete its deliverables and achieved its desired outcome(s)?
- Did the initiative have an impact at a countywide or population level?

Additional considerations:

- Does the initiative have a clear, viable sustainability opportunity?
- Does the initiative align with the 2015-2020 Strategic Plan (at the outcome, strategy, and investment guidelines levels)?
- Have there been relevant changes in the current landscape and environmental context?

Legacy Investments to be Reviewed

Fall 2015: Permanent Supportive Housing

- $35 million allocation to provide supportive housing and related services for families that are homeless or at-risk of homelessness
- First 5 LA advanced the funds to the Community Development Commission of the County of Los Angeles (CDC)
- Multiple program components that and will be reviewed this month
    - Rental Assistance: scheduled to end by March 2016
    - Capital Development: scheduled to end by November 2017

Legacy Investments to be Reviewed

Spring 2016: Other Expiring Initiatives

- Upcoming expiring Legacy Investments that will be presented to the Board in Spring 2016:
  - Ending by June 2016
    - Information Resource and Referral
    - Workforce Development – CARES Plus
    - Workforce Development – ECE Workforce Consortium
  - Ending by December 2017
    - Early Identification and Intervention – Autism and Other Developmental Delays
    - Parent Child Interaction Therapy

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Next Steps

- Fall 2015: Permanent Supportive Housing
  - October 29: Present review and findings as information item
  - November 12: Seek Board approval on recommendations, if applicable

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- Spring 2016: Other Expiring Initiatives
  - February 2016: Present findings as information item
  - March 2016: Seek directional endorsement or Board approval on recommendations, if applicable

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Thank you

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Los Angeles County Children and Families First – Proposition 10 Commission Comprehensive Annual Financial Report For the Year Ended June 30, 2015

Meeting of the
Board of Commissioners

October 8, 2015

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First5LA.org

Presentation Overview

- Independent Auditor’s Report
- Achievements
- Changes to the presentation of the Financial Statements
- FY 2014-15 Highlights
- 3 Year comparisons
- Next Steps

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CAFR Overview

- CAFR = Comprehensive Annual Financial Report
  - Detailed view of the Commission's financial position at a moment in time 195
  - Activities and results of operations for the fiscal year
  - Presentation of the Commission's overall financial condition

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Process Overview

- Audit process:
  - Fieldwork (3 weeks)
  - Reporting (2 weeks)
- Board of Commissioners' approval

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Independent Auditor's Report

- The CPA firm of Vavrinek, Trine, Day & Co. noted that the financial statements are presented fairly, which represents a clean audit
  - No adjusting entries required
  - No findings or observations

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Achievements

- August 2015 – First 5 LA earns Certificate of Achievement for Excellence in Financial Reporting for FY 2013-14 from the Government Finance Officers Association

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Changes to Presentation of Financial Report

- Pass-through expenditures (e.g. Child Signature Program and PFF – Jan-June 2015) presented separately from Provider Grants and Allocations
- Fair Market Value adjustment presented separately from investment income
- Presentation of Assigned fund balance

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FY 2014-15 Highlights

- June 2014: Commission approves FY 2014-15 total budget of $240.56 million:
  - Program Budget = $221.20 million
  - Operating Budget = $19.36 million

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- The Board approved a revised budget in March 2015 of $225.47 million:
  - Program Budget = $206.11 million
  - Operating Budget = $19.36 million

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FY 2014-15 Highlights Cont'd

- Total revenue of $110.61 million, of which $89.48 million is for tobacco tax
- Total expenditures of $199.97 million:
  - Program expenditures = $182.99 million
  - Operating expenditures = $16.98 million
- Fund Balance as of June 30, 2015 = $536.63 million
  - Decrease of $89.30 million from prior year

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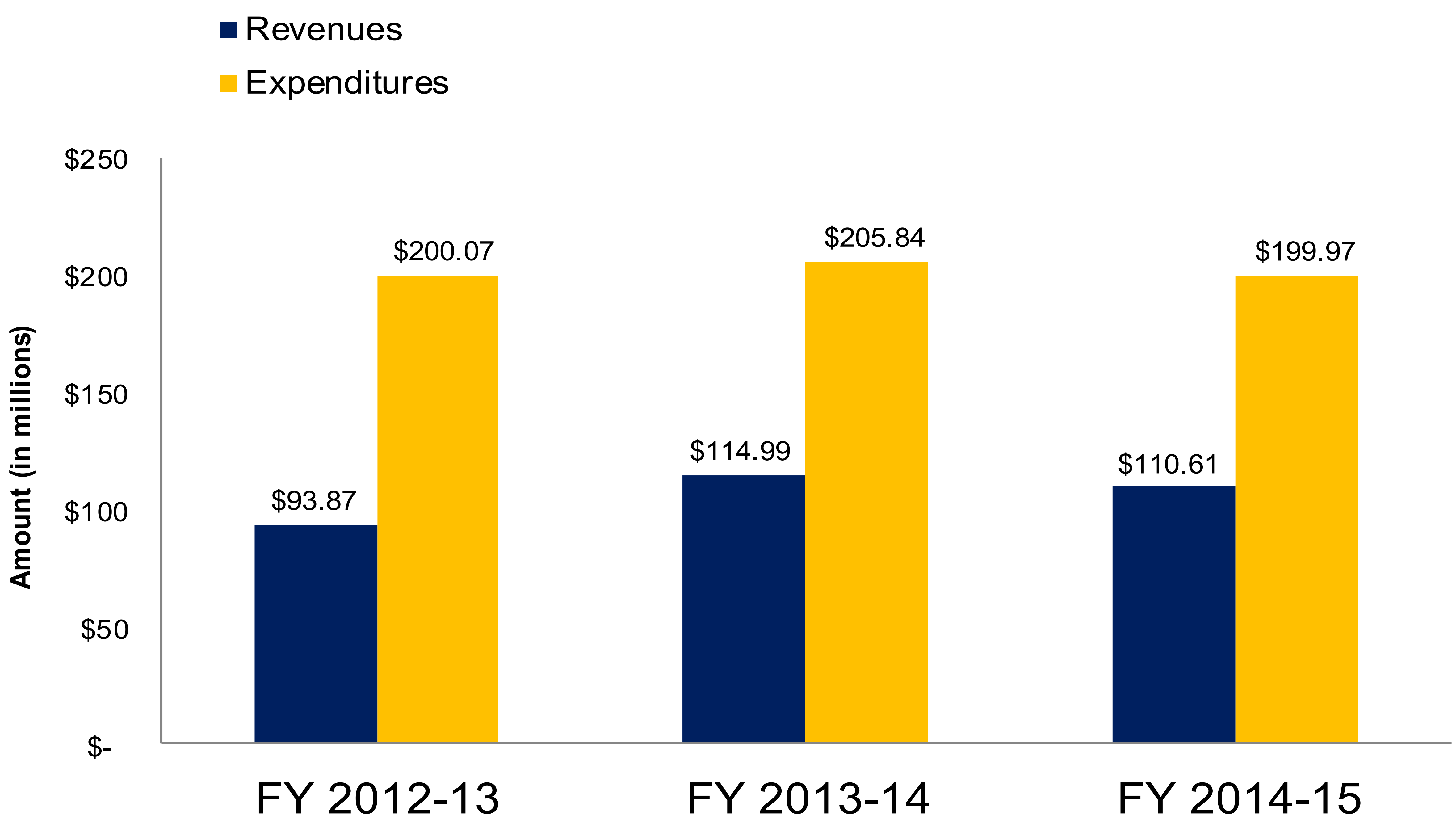
3 Year Comparison: Revenues vs. Expenditures



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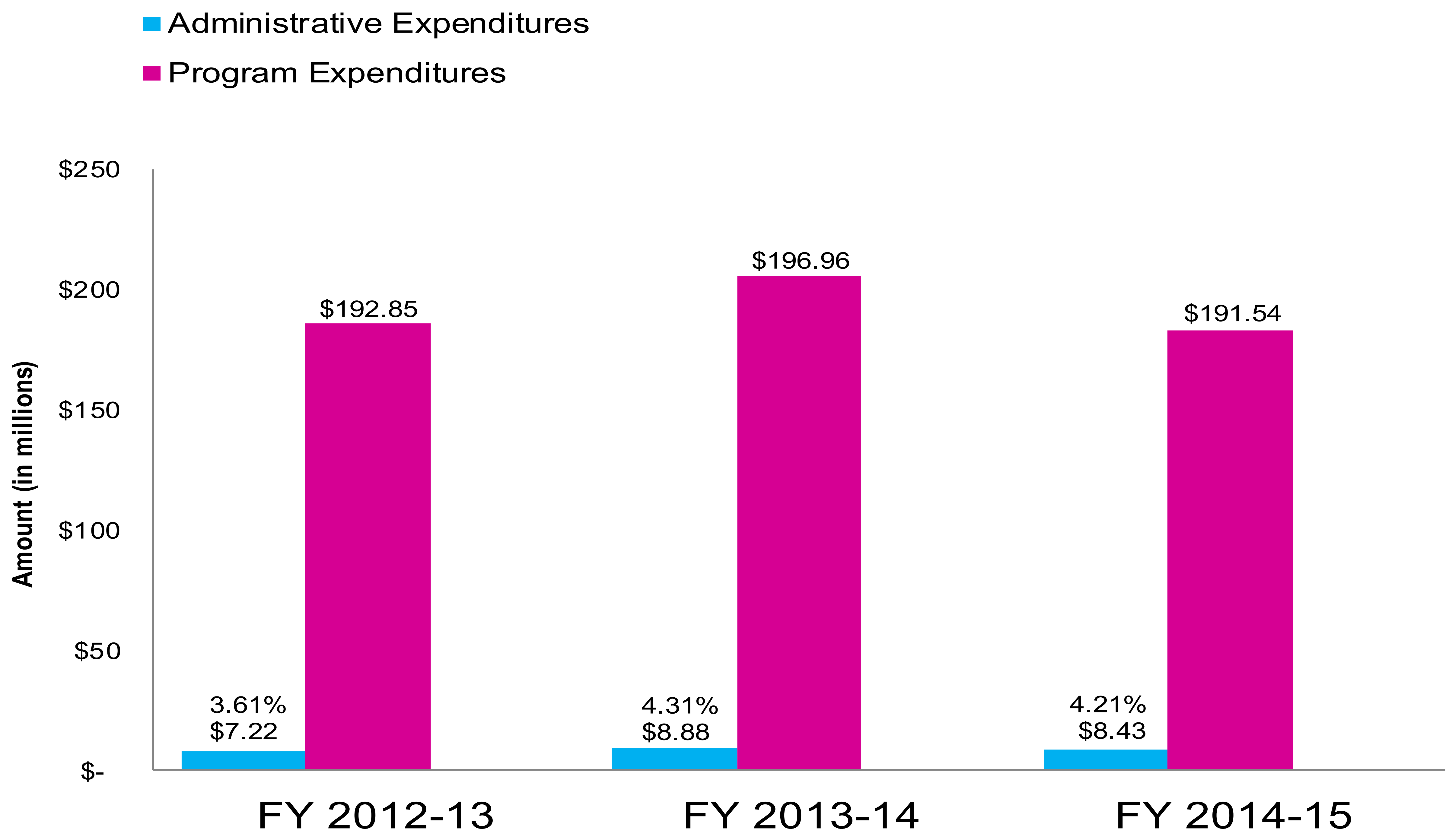
3 Year Comparison: Program and Administrative Expenditures



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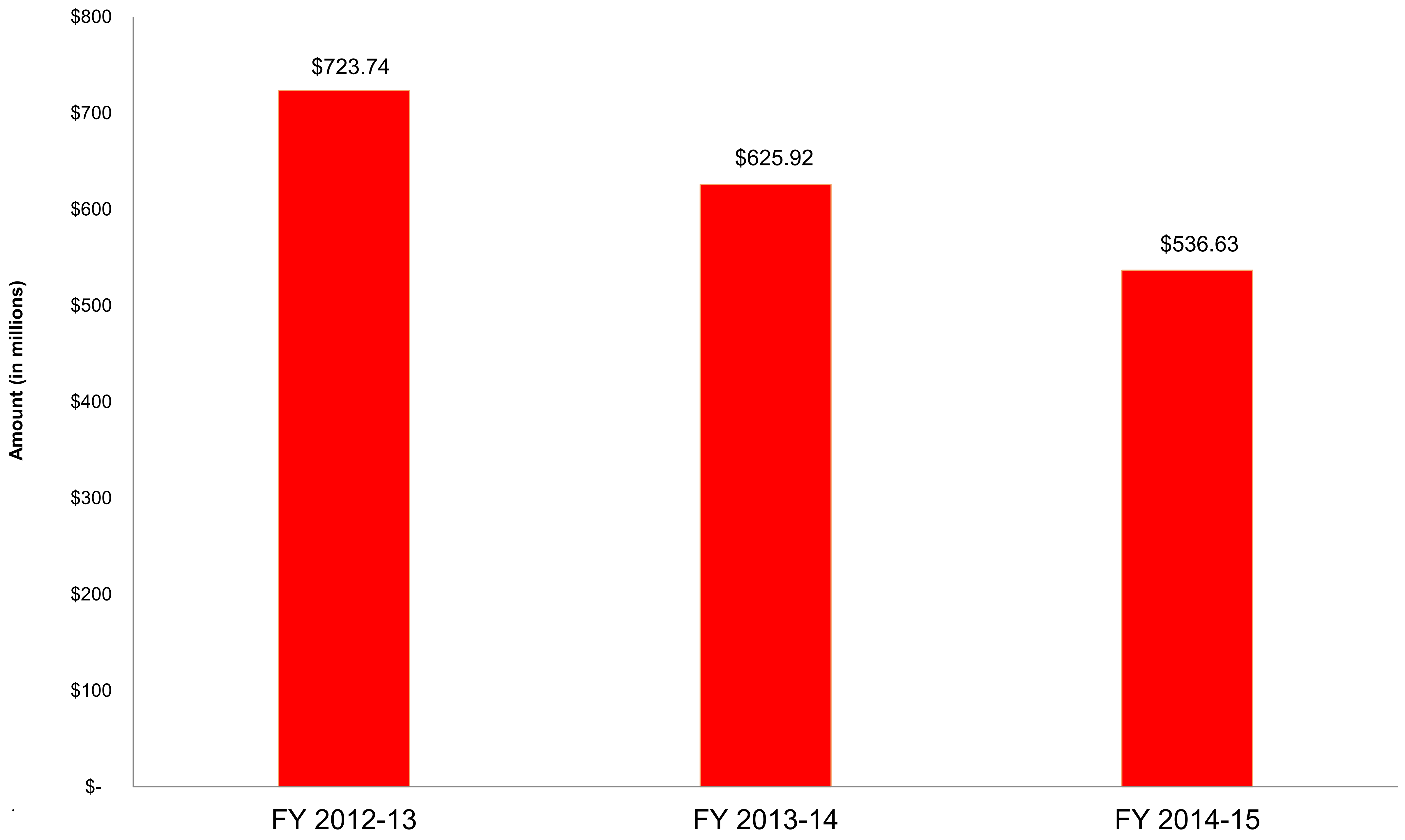
3-Year Comparison: Fund Balance



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Fund Balance Categories

As defined by the Fund Balance Policy:

Nonspendable: Funds that have been advanced to a contractor or grantee for services to be provided in the future and are considered to be an asset of the Commission.

Committed: Funds allocated for a specified purpose and directed by the Commission via Resolution. The Commission must adopt another Resolution to reappropriate these funds for other purposes.

Assigned: Funds are reserved for Commission use consistent with the 2015-2020 Strategic Plan.

Unassigned: Funds designated for the Operating Budget and Reserve.

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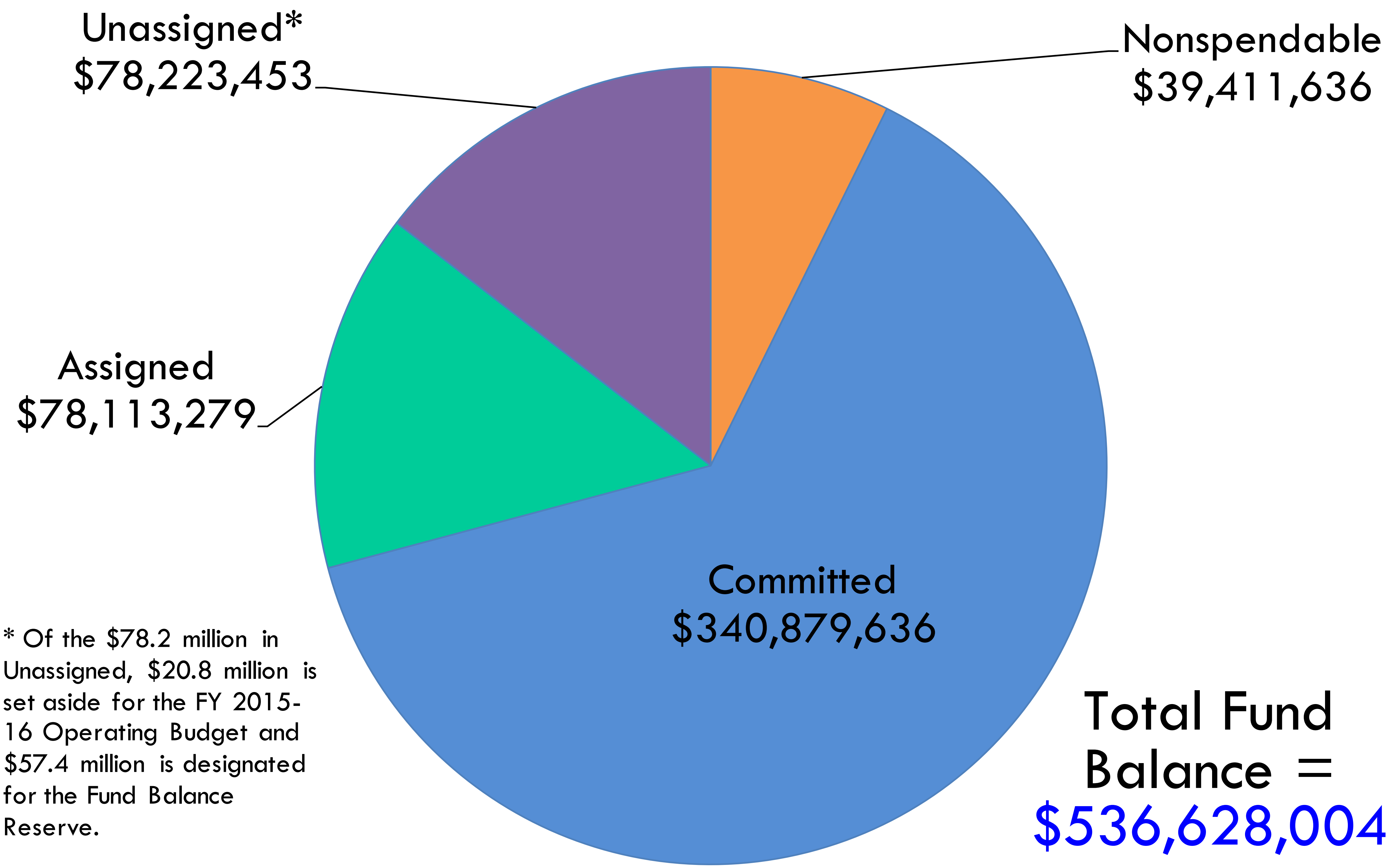
Fund Balance as of June 30, 2015



* Of the $78.2 million in Unassigned, $20.8 million is set aside for the FY 2015-16 Operating Budget and $57.4 million is designated for the Fund Balance Reserve.

Total Fund Balance = $536,628,004

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Next Steps

- Submission of approved CAFR to:
  - First 5 California
  - State Controller's Office

- Update the Long Term Financial Projection (LTFP)
- Continue to monitor FY 2015-16 budget and revise as needed during mid-year

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Questions?

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LOS ANGELES COUNTY
CHILDREN AND FAMILIES
FIRST – PROPOSITION 10 COMMISSION
(a Component Unit of the
County of Los Angeles, California)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2015

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Draft Copy 09/30/15

LOS ANGELES COUNTY
CHILDREN AND FAMILIES
FIRST – PROPOSITION 10 COMMISSION
(a Component Unit of the
County of Los Angeles, California)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2015

Raoul Ortega

Finance Director

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
FOR THE YEAR ENDED JUNE 30, 2015

Draft Copy 09/30/15

Table of Contents

Draft Copy 09/30/15

October 10, 2015

Board of Commissioners
First 5 LA
750 North Alameda Street, Suite 300
Los Angeles, CA 90012

Dear Commissioners:

The Comprehensive Annual Financial Report (CAFR) of the Los Angeles County Children and Families First – Proposition 10 Commission (First 5 LA) for the year ending June 30, 2015, is hereby submitted, as mandated by applicable statutes. These statutes require First 5 LA to annually issue a report of its financial position and activity.

A complete audit of the report by an independent firm of certified public accountants is also required. Responsibility for both accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Commission's management. The information in this report is intended to present the reader with a comprehensive view of the Commission's financial position and the results of its operations for the fiscal year, along with additional disclosures and financial information designed to provide an understanding of First 5 LA's financial activities.

Vavrinek, Trine, Day & Co., LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on First 5 LA's financial statements for the year ending June 30, 2015. The independent auditors' report is located at the beginning of the financial section of this report. Management also provides a narrative introduction, overview and analysis of the basic financial statements in the form of the Management's Discussion and Analysis (MD&A).

PROFILE OF THE COMMISSION

First 5 LA was created by the Los Angeles County Board of Supervisors in December 1998 following the passage of Proposition 10, through which California voters made an unprecedented investment in early childhood development.

Over the last fifteen years, First 5 LA has made a lasting positive impact in Los Angeles County through its allocations of more than $1.5 billion toward grants, programs and operations that improve the well-being of young children and families.

LOCAL ECONOMY

Despite the recent economic downturn, the Los Angeles County economy has seen significant growth over the past decade. The overall population reached its peak of 10.5 million in 2009, followed by a 6.0% decline in 2010. In recent years, the population has gradually begun to increase, with the total population climbing to 10.1 million in 2014. The most recent data for the County shows that per capita personal income increased to its highest level of $46,506 in 2013, 1.5% above the 2012 level.

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The County unemployment level rose significantly from a low of 4.8% in 2006 to a high of 12.6% in 2010, declining to 8.3% in 2014. The trade, transportation and utilities sector remains the dominant industry in the County with the highest number of employees and the largest percentage of total countywide employment. The educational and health services sector is currently the second largest employer, rising from fourth in 2013. The professional/business services and government sectors dropped to third and fourth, respectively, with the leisure and hospitality sector currently ranking as the fifth largest industry in the County.

MAJOR ACCOMPLISHMENTS

First 5 LA is in its first year of implementing the 2015-2020 Strategic Plan: "Focusing for the Future". The 2015-2020 Strategic Plan was approved by the Commission in November 2014, and is intended to sharpen our focus, improve the impact we seek, live within our means, and strengthen internal capacity to deliver on our mission.

This Strategic Plan lays out a clear path for First 5 LA to maximize its impact to strengthen families and improve outcomes for the greatest number of children prenatal to age 5 in Los Angeles County. Consistent with the Commission's strategic direction, First 5 LA will place greater emphasis on efforts to contribute to sustainable public financing, public policy and systems-level change, and less emphasis on funding direct services.

To ensure that all children in LA County enter kindergarten ready to succeed in school and life, the Strategic Plan directs that the Commission's work focus on the following four priority outcome areas, as defined below:

Families: Increased family Protective Factors

- Work with parents and caregivers so that they have the skills, knowledge and access to resources they need to support their child's development.

Communities: Increased community capacity to support and promote the safety, healthy development, and well-being of children prenatal to age 5 and their families

- Support a community's ability to foster safe, healthy, engaged neighborhoods that help children and their families thrive.

Early Care and Education Systems: Increased access to high-quality early care and education

- Increase access to affordable, quality child care and preschool.

Health-Related Systems: Improved capacity of health, mental health, and substance abuse services systems to meet the needs of children prenatal to age 5 and their families

- Improve how health-related systems coordinate and deliver care to young children and their families in L.A. County.

The Commission continues to conduct all decision making processes in accordance with the governance guidelines, approved in March 2014 with the intention of advancing important First 5 LA goals, including:

- Transparency and consistency in First 5 LA's decision-making;
- Coordination, coherence and integration of First 5 LA investments; and
- Accountability for First 5 LA's declining revenues.

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These guidelines continue to ensure that decisions made by the Commission are guided by the principles of financial responsibility, accountability, and adherence to the Commission's Strategic Plan.

Finally, First 5 LA is proud to have received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the seventh consecutive year for the Commission's CAFR.

LOOKING AHEAD

First 5 LA enters into the first year of the 2015-2020 Strategic Plan mindful of the fiscal reality of declining resources, as well as the need to continue both refining the strategies and activities outlined in the 2015-2020 Strategic Plan, and assessing the alignment of current work to the new outcomes. We will continue working to advance Commission priorities with a renewed focus on sustainability and leveraging, and with consideration paid to the fiscal outlook presented in the most recent Long Term Financial Projection.

The next fiscal year represents a transitional year, as spending continues for roughly two dozen ongoing initiatives that will soon either end or ramp down, while simultaneously accounting for recent commitments made by the Commission to continue to prioritize investments in Welcome Baby and Select Home Visiting, the Best Start Communities, and policy efforts, as well as providing resources for more developmental activity to advance the 2015-2020 Strategic Plan.

OTHER FINANCIAL INFORMATION

Internal Control

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that has been established for this purpose. The internal control structure is designed to protect the Commission's assets from loss, theft or misuse and to ensure that adequate accounting data is compiled for the preparation of the financial statements in conformity with Generally Accepted Accounting Principles. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

Budgetary and Accounting System

The Commission is not required to adopt a budget for the following year before the end of each fiscal year. However, the Commission has historically adopted a budget to ensure controlled spending. Any increase to previously adopted appropriations during the fiscal year requires Commission approval. The Executive Director has the authority to make adjustments to the operating budget in an amount not to exceed $25,000, and any adjustments to the adopted fiscal year budget for programs must be approved by the Commission. Monthly financial updates are also provided to the Board of Commissioners. The Commission has not adopted or revised any financial policies that may have a significant impact on the current period's financial statements.

Long Term Financial Planning

Each year, First 5 LA updates its Long Term Financial Projection (LTFP), a five-year forecast that includes revenue, fund balance, program commitments, expenditure projections and operating expenses. The goal of the LTFP is to aid in the Commission's financial stewardship role by showing the long-term implications of funding decisions. Changes to the LTFP may be driven by updates to actual financial data or action taken by the Commission. The most recent LTFP approved by the Commission in February 2015 demonstrates that while resources are adequate to cover existing obligations in the short-term, the current rate of spending is unsustainable in the long-term.

ACKNOWLEDGEMENTS

The Commission's Comprehensive Annual Financial Report was prepared through the combined efforts of all First 5 LA staff. Special recognition is due to the Finance Department staff for their effort to ensure timely and accurate reporting. I would also like to thank the Board of Commissioners for their continued support and interest in planning for the financial operations of First 5 LA in a responsible and thoughtful manner.

Sincerely,

Kim Belshé
Executive Director

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FIRST 5 LA

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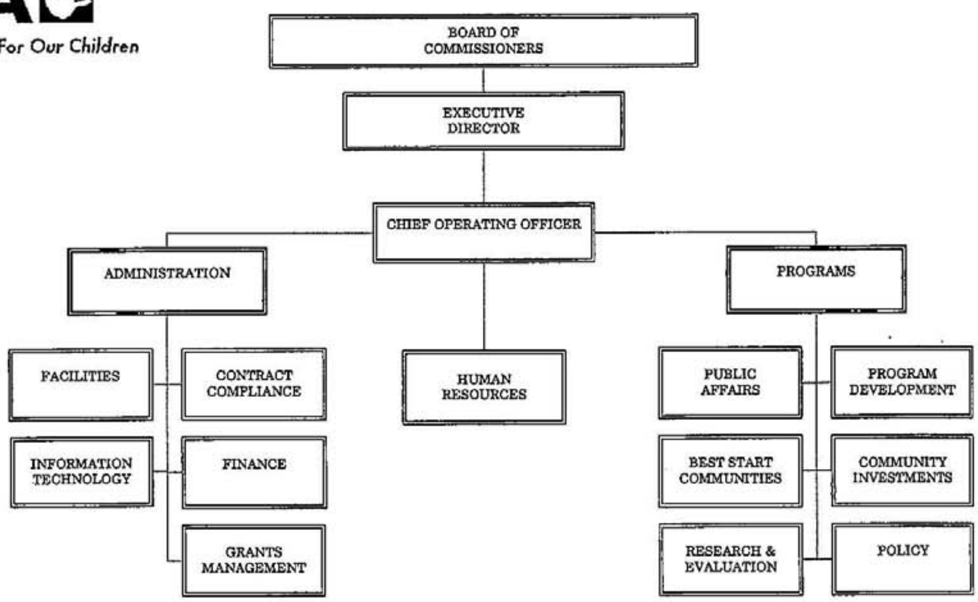
FIRST 5 LA

Champions For Our Children



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for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Los Angeles County Children and Families
First – Proposition 10 Commission
Los Angeles, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the Los Angeles County Children and Families First – Proposition 10 Commission (Commission), a component unit of the County of Los Angeles, California, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Commission, as of June 30, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 12 and 29 through 30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The introductory section, schedule of CARES Plus funding, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of CARES Plus funding is the responsibility of management and was derived from and relates directly to the underlying accounting and other records to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the schedule of CARES Plus funding is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated __________, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Rancho Cucamonga, California
__________, 2015

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This section of the Los Angeles County Children and Families First – Proposition 10 Commission (the "Commission") comprehensive annual financial report presents management's discussion and analysis of the Commission's financial performance during the year ending June 30, 2015. This discussion and analysis is intended to be read in conjunction with the Commission's basic financial statements and accompanying notes.

Financial Highlights

- The Commission received a total of $99.8 million in revenues from First 5 California (the State), reflecting a 7.88% decrease of $8.5 million from $108.3 million in FY 2013-14. Total program revenues for FY 2014-15 in the amount of $104.5 includes tobacco taxes, as well as pass-through funds for programs such as the Child Signature Program, Medi-Cal Administrative Activities and the LA County Partnership for Families program funded through the Department of Children and Family Services.

- Commission expenses totaled $200.0 million in FY 2014-15, representing a 2.85% decrease of $5.9 million from $205.8 million in FY 2013-14.

- The Commission's liabilities increased from $39.3 million in FY 2013-14 to $41.2 million in FY 2014-15, reflecting a total increase of approximately $1.9 million, or 4.89%.

- The Commission's total net position decreased from $644.8 million in FY 2013-14 to $555.4 million in FY 2014-15, a decline of approximately $89.4 million, or 13.86%.

Overview of the Financial Statements

The comprehensive annual financial report consists of two parts, this management's discussion and analysis and the basic financial statements, including: government-wide financial statements, fund financial statements, and notes to the basic financial statements. The Commission's financial statements offer key, high-level financial information about its activities.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private-sector business. These statements provide both long-term and short-term information about the Commission's overall financial status.

The Statement of Net Position includes information on all of the Commission's assets and liabilities, with the difference between assets and liabilities reported as net position. Changes in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The Statement of Activities presents information showing how the Commission's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the Commission's activities are accounted for in the general fund.

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Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the year.

While a nine-member Board of Commissioners governs the Commission, the Commission was created by, and ultimately is, under the authority of the Los Angeles County Board of Supervisors, in accordance with California State Law, through its appointment of the Board of Commissioners and its ability to remove the Commissioners at will. Consequently, the County of Los Angeles Auditor-Controller's Office has designated the Commission as a "discretely presented component unit" of the County of Los Angeles and includes a summary of the Commission's basic financial statements in the County's basic financial statements.

Government-wide Financial Statements Analysis

The following is a summary of the Commission's assets, liabilities and net position comparing FY 2014-15 with FY 2013-14:

	FY 2014-15	FY 2013-14	Percent Increase (Decrease)
Assets:			
Current and other assets	$ 584,759,224	$ 671,992,828	-12.98%
Capital assets	11,885,041	12,082,438	-1.63%
Total assets	$ 596,644,265	$ 684,076,266	-12.78%
Liabilities:			
Long-term liabilities	$ 577,909	$ 568,434	1.67%
Other liabilities	40,659,573	38,745,228	4.94%
Total liabilities	41,237,482	39,313,662	4.89%
Net Position:			
Unrestricted	543,521,742	632,680,166	-14.09%
Net investment in capital assets	11,885,041	12,082,438	-1.63%
Total net position	555,406,783	644,762,604	-13.86%
Total liabilities and net position	$ 596,644,265	$ 684,076,266	-12.78%

The Commission's total assets of $596.6 million represent a decrease of $87.4 million, or a 12.78% decline, compared with the prior year. Of this total, the decrease in current and other assets is approximately $87.2 million. The key factor contributing to this reduction in total assets is that total expenses, including program expenses (such as pass-through grants and other allocation), were greater than the total revenue by $89.4 million.

The $197,397 decrease in capital assets resulted from continued depreciation of the Commission's capital assets. The depreciation expense for FY 2014-15 was $322,346. Additional information on capital assets can be found in Note 3 of this report.

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Other liabilities in FY 2014-15 increased by 4.94% over the prior year and are primarily due to greater activities related to Account Payable in the current year compared to the prior year in the amount of $1.82 million.

The following is a summary of the Commission's revenues, expenses and change in net position comparing FY 2014-15 with FY 2013-14:

	FY 2014-15	FY 2013-14	Percent Increase (Decrease)
Revenues:			
Program revenues			
Tobacco taxes	$ 89,475,135	$ 90,280,307	-0.89%
Other State Commission program funds	10,283,414	18,009,907	-42.90%
Medi-Cal Administrative Activities	80,799	232,407	-65.23%
Partnership for Families funds	4,615,313	-	100%
Total program revenues	104,454,661	108,522,621	-3.75%
General revenues			
Investment income	3,903,275	6,368,593	-38.71%
Net increase in FMV of investments	2,152,879	-	N/A
Other income	104,072	100,320	3.74%
Total general revenues	6,160,226	6,468,913	-4.77%
Total revenues	110,614,887	114,991,534	-3.81%
Expenses:			
Provider grants and other allocations	168,766,806	189,910,283	-11.13%
Pass-through grants	14,225,131	N/A	N/A
Salaries and benefits	13,423,832	12,682,373	5.85%
Operating services	1,346,532	1,207,258	11.54%
Consultant services	1,216,609	956,488	27.20%
Professional services	404,560	543,038	-25.50%
Other expenses	264,892	183,974	43.98%
Depreciation	322,346	353,258	-8.75%
Total expenses	199,970,708	205,836,672	-2.85%
Change in net position:	(89,355,821)	(90,845,138)	-1.64%
Net position – beginning	644,762,604	735,607,742	-12.35%
Net position – ending	$ 555,406,783	$ 644,762,604	-13.86%

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Revenues

The Commission received a total of $110.6 million in revenues for FY 2014-15, reflecting a decrease of $4.4 million, or 3.81% compared with the prior year's total revenues of $115.0 million. The overall changes in revenue are due to the following.

Tobacco Tax

Tobacco tax revenue decreased from $90.3 million in FY 2013-14 to $89.5 million in FY 2014-15, a reduction of $805,172, or 0.89%. This decrease is primarily due to declining sales of tobacco products and increased administrative fees assessed by the State Board of Equalization for the collection of tobacco taxes.

Other State Commission Program Funds

Other State Commission program funds decreased from $18.0 million in FY 2013-14 to $10.3 million in FY 2014-15, a reduction of $7.7 million, or 42.90%. $9.9 million was recorded in FY 2014-15 for the Child Signature Program. In addition, $27,872 from the First 5 California Surplus Money Investment Fund (SMIF) was also recorded for FY 2014-15. The decrease from FY 2013-14 is primarily related to the timing of when First 5 LA received roughly $7.2 million in reimbursement for the FY 2012-13 First 5 California Child Signature Program and $293,725 for the FY 2012-13 First 5 California CARES Plus program, amounts that were recorded in FY 2013-14.

Medi-Cal Administrative Activities

The Medi-Cal Administrative Activities (MAA) program decreased from $232,408 in FY 2013-14 to $80,799 in FY 2014-15. The program, contracted through the County of Los Angeles, assists in the administration of the Medi-Cal program by improving the availability and accessibility of Medi-Cal services to eligible participants. While this decrease is a result of less activity reported this year than in the prior year, it is important to note that MAA reimbursements are based on activities that are reimbursed from 18 months prior to billing.

Investment Income

The Commission earned $3.9 million of investment income in FY 2014-15, which was an increase of roughly $300,000, or approximately 8.3%, compared with the $3.6 million earned in the prior year. In previous years, First 5 LA included the Fair Market Value adjustment under investment income within the Statement of Activities. For FY 2014-15, in order to promote greater transparency and to more accurately reflect true interest earned, First 5 LA separated these amounts within the Statement of Activities. For FY 2014-15, the Fair Market Value adjustment is $2.2 million, compared to $2.8 million in FY 2013-14.

Partnership for Families Fund

The Commission recorded $4.6 million in revenue under a new contract agreement with the Department of Children and Family Services (DCFS) to fund the Partnership for Families (PFF) program. While First 5 LA funding for PFF ended in December 2014, the program continued through funding from DCFS. First 5 LA agreed under contract to manage the program structure in order to allow DCFS additional time to continue with their formal procurement process and the eventual management of the program.

Other Revenues

The Commission generated other revenue primarily through a lease agreement it has with La Petite Academy. This revenue increased by $3,752, from $100,320 in FY 2013-14 to $104,072 in FY 2014-15.

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Expenses

The Commission expended approximately $200.0 million in FY 2014-15 compared with $205.8 million in FY 2013-14, a decrease of $5.87 million, or 2.85%. The $5.87 million net decrease in overall expenses encompasses the following from FY 2013-14.

Provider Grants and Other Allocations

In previous years, the Commission included expenditures related to "pass-through grants" within the line item "Provider grants and other allocations". For FY 2014-15, these pass-through funds were reflected separately in order to promote greater transparency and to more accurately reflect true "Provider grants and other allocations" expenditures. Because of this change, the table above reflects a larger variance compared to the prior year of 11.13%. When adjusted for prior year pass-through funds, the Commission experienced a decrease of $2.91 million, or 1.70%, expending approximately $168.8 million in FY 2014-15 compared to $171.7 million in FY 2013-14 for "Provider grants and other allocations". The net decrease is a result of many initiatives ramping down or ending, even while some initiatives began to experience a ramp up of activities during FY 2014-15. The following details activity based on the Commission's investment categories during the fiscal year:

- Place-Based Investments: Spending for Place-Based investments increased by over $9.2 million from the prior year primarily due to a continued ramp up of the Welcome Baby and Select Home Visitation programs, as well as activities ramping up within the 14 Best Start Communities with further implementation of the Building Stronger Families Framework.

- Countywide Strategies: An overall decrease within this investment category is due to the end of funding for the Matching Grant program and the Early Head Start Matching Grant program, as well as lower expenditures for Health Access (Healthy Kids) due to a decline in enrollment during FY 2014-15 and two program enhancements that were accounted for in FY 2013-14.

- Countywide Initiatives: Significant increases over prior year expenditures were noted in Children's Dental Care ($1.1 million, or 22.33%), Little by Little/One Step Ahead ($0.9 million, or 56.62%), Reducing Childhood Obesity ($5.0 million, or 67.72%), and Universal Assessment of Newborns ($3.4 million or 156.59%). These were offset by initiatives with decreases from the prior year, including Substance Abuse Treatment Services ($1.5 million, or 29.69%), Tot Parks and Trails ($3.2 million, or 74.15%), and a decrease in Permanent Supportive Housing in the amount of $10.0 million, which was recognized in FY 2013-14 with no further expenditures in FY 2014-15.

- Prior Strategic Plan Investments: As anticipated for initiatives originating from the prior strategic plans, many of these investments ended or were winding down in FY 2014-15, including Baby Friendly Hospitals, Community Opportunities Fund, Family Place Libraries, and Oral Health & Nutrition. A number of initiatives also ended in FY 2013-14, with no expenditures in FY 2014-15, including Family Friends and Neighbors, School Readiness Initiative, Healthy Births, and Family Literacy.

Pass-through Grants

In previous years, the Commission included expenditures related to "pass through grants" within the line item "Provider grants and other allocations". For FY 2014-15, these expenditures were separated in order to promote transparency and to more accurately reflect true "Provider grants and other allocations" expenditures against the approved fiscal year budget. $14.2 million was recorded in FY 2014-15 as "pass through grants" compared to $18.2 million in FY 2013-14. Of the $14.2 million, $9.8 million was for the First 5 California Child Signature Program (CSP), $4.4 million was for the Los Angeles County Department of Children and Family Services Partnership for Families (LAC-PFF) program, and $33,456 was for Medi-Cal Administrative Activities.

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Salaries and Benefits
Salaries and Benefits increased from FY 2013-14 by $741,459 or 5.85%. The increase is due to fewer vacant positions than in FY 2013-14, as well as the implementation of Phase 1 of the recently adopted compensation philosophy by the Commission in November 2014. The adopted compensation philosophy included changes to the organization's salary structure, a modification to the existing 403(b) match to lower the maximum contribution from six to three percent, and the introduction of a new non-elective employer contribution component to the plan. The increase in FY 2014-15 related to the new non-elective component is roughly $225,646.

Operating Services
Compared to the prior year, there was an 11.54% increase in costs related to general operating services. The Commission experienced significant increases in costs related to corporate insurance, workers compensation, printing, human resources costs, hardware and software maintenance and contingency funding. These increases were offset by decreases in office supplies, subscriptions and publications, capital outlay (equipment), Los Angeles County overhead, facilities and utilities expenses.

Consultant Services
Consultant services increased from FY 2013-14 by $260,121 or 27.21%. The increase is primarily due to continued organizational development efforts, ongoing strategic planning processes and the compensation study.

Professional Services
Professional services decreased from FY 2013-14 by $138,478 or 25.50%. The decrease is primarily due to fewer costs related to legal fees, membership dues, and staff recruitment, as well as to the fact that First 5 LA prepaid dues for the FY 2014-15 First 5 Association annual memberships in FY 2013-14. The decrease was offset by increases in auditing fees and costs for Commission stipends.

Budgetary Highlights

Based on the information provided in the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund, the following analysis is presented.

Final Revenue Budget vs. Actual Revenue

The information below provides a summary of the primary factors that caused the variance between revenue estimates and actual revenue.

Tobacco Taxes
Actual tobacco tax revenue of $89.5 million was approximately 1.89% higher than the anticipated amount of $87.8 million. The original estimate was based on data from the State Board of Equalization dated June 4, 2014. On June 2, 2015, updated State projections estimated $84.7 million in revenue for FY 2014-15, roughly $4.8 million below actual.

State Commission Program Funds
State Commission Program Funds in the amount of $11.1 million were recorded in FY 2014-15 for the First 5 California Child Signature Program, the CARES Plus program and SMIF.

Investment Income
Investment income of $3.9 million was earned in FY 2014-15. The monthly average return of 0.72% is lower than the 0.75% anticipated and included in the Long Term Financial Projection approved by the Commission in February 2015.

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Original Expenditure Budget vs. Final Expenditure Budget

The following provides a brief summary of the primary factors that contributed to the increase in the final budgeted expenditures compared with the original budgeted expenditures.

Provider Grants and Other Allocations
The overall Program Budget (Provider Grants and Other Allocations) was adjusted downward during the year by $15.1 million, or 6.82%. In March 2015 the Commission approved a mid-year budget revision reducing the Best Start - Family Strengthening investment by $4.1 million, the Countywide Strategies by $2.0 million, the Countywide Initiatives by $7.2 million, and the Research & Evaluation projects by roughly $2.0 million. The overall reduction is driven by slower than anticipated ramp up, actual contracts coming in lower than the original budget estimates and underutilization within some of the direct service programs.

General Operating Expenditures
Funds were adjusted downward by $114,150 at mid-year. This decrease, which includes a number of transfers both in and out, is primarily due to a transfer of $85,000 in Contingency funding from the Executive and Best Start Communities Departments to cover needs within Consultant Services.

Professional Services
Funds were adjusted downward by $4,600 at mid-year to reflect a revised projection based on expenditures through January 2015.

Consultant Services
Funds were adjusted upward at mid-year, resulting in a net increase of $471,000. This is driven primarily by additional needs identified to support the continued organizational development efforts and ongoing strategic planning implementation, as well as a small amount to support analysis and convening of stakeholders interested in informing the development of a future funding model for First 5 LA.

Travel and Meeting
Funds were adjusted upward at mid-year by $129,282 to reflect revised projections based on expenditures through January 2015. Specifically, the primary driver was $100,000 estimated for local meetings to convene external stakeholders around First 5 LA's 2015-2020 Strategic Plan to create greater awareness and understanding about the Strategic Plan as well as provide an opportunity for parents, community leaders, nonprofit, and public representatives to share their insights and best thinking about implementation activities.

Final Expenditure Budget vs. Actual Expenditure Amounts

The following provides a summary of the primary factors causing the significant variances in the actual expenditures compared with the final budgeted expenditures.

Provider Grants and Other Allocations
The total Provider Grants and Other Allocations variance for FY 2014-15 is $37.3 million, excluding pass-through costs. Of that variance, the Countywide Initiatives represent $13.6 million, or 36.50%, Prior Strategic Plan Initiatives represent $12.0 million, or 32.12%, and Place-Based Initiatives represent $6.9 million, or 18.41%. Underutilization is primarily due to slower ramp up than originally anticipated, and in the case of Black Infant Health, other sources like Title V, State General and Title XIX funds that were identified, preserving allocated First 5 LA funds for use in later years.

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Pass-through Grants
The Commission's annual fiscal year budget is developed to include planned expenditures of Commission funds only, programs that are funded via pass-through grants in which the Commission acts as an intermediary are not included in the annual budget. Because pass-through grants were included with Provider Grants and Other Allocations in previous years, expenditures related to pass-through grants were reflected separately beginning in FY 2014-15 to more accurately represent expenditures of Commission funded provider grants and other allocation and to promote transparency.

Salaries and Benefits
Salary and benefit costs were lower than budgeted, with a variance of $1.3 million. This is due to a combination of regular employee turnover and vacant positions, as well as a conservative budgeting approach. Specifically, for FY 2014-15 vacant positions were budgeted at the mid-range of the salary guidelines and were also budgeted for a full 12 months.

Workers Compensation Insurance
Costs related to Workers Compensation Insurance were higher than budgeted, with a variance of $43,520, or 35%. This is due to a deposit made during FY 2014-15 for FY 2015-16 premiums.

Corporate Insurance
Corporate Insurance costs were higher than budgeted, with a variance of $30,812, or 42%. This is due to payment for FY 2015-16 premiums that was paid in FY 2014-15.

Telephone & Modems
Expenditures exceeded the budget by $27,644, or 37%. The overage is primarily due to a significant increase in long-distance telephone charges related to conference calls.

Equipment Repairs and Maintenance
Equipment Repairs and Maintenance costs were lower than budgeted, with a variance of $56,081, or 95%. This is due to fewer repairs and maintenance than originally anticipated for FY 2014-15.

Miscellaneous Service Charges
Miscellaneous Service Charges, representing Los Angeles County Overhead costs, were lower than budgeted, with a variance of $51,415, or 90%. This underspending is primarily due to lower claims processed by Los Angeles County on behalf of First 5 LA under the Medi-Cal Administrative Activities program due to a lower participation rate.

Professional Development
Professional Development costs were lower than budgeted, with a variance of $209,906, or 85%. This is primarily due to the cost-effective approach of utilizing coaching consultants to support organization-wide development efforts through the course of the Strategic Planning and Implementation process. Further, due to the organization's efforts to establish a comprehensive professional development approach, some intended expenses were temporarily placed on hold.

External Reviewers
Costs for External Reviewers were lower than budgeted, with a variance of $2,560, or 64%. This is due to the need being less than originally projected.

Program Events
Costs for Program Events were lower than budgeted, with a variance of $12,916, or 86%. This is because anticipated policy and advocacy events in Sacramento and Washington D.C. did not take place as originally expected.

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The final budget for Operations remained the same at $19.4 million for FY 2014-15, while the Program Budget was decreased by $15.1 million due to reductions driven by slower than anticipated ramp up, actual contracts coming in lower than the original budget estimates and underutilization within some of the direct service programs.

Other Potentially Significant Matters

The State projects a continuing decrease of State Tax Allocations revenue. The projected annual revenue decrease is estimated to be 9.60% through FY 2015-16 based on the Department of Finance May revised published June 2, 2015.

Contacting the Commission's Financial Management

This financial report is designed to provide the public with an overview of the Commission's financial operations and condition. If you have questions about this report or need additional information, please contact the Commission's Director of Finance at (213) 482-5902 or 750 N. Alameda Street Suite 300, Los Angeles, California 90012.

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LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST - PROPOSITION 10 COMMISSION
STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
JUNE 30, 2015

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	General Fund	Adjustments (Note 1)	Statement of Net Position
Assets			
Cash	$ 1,411,326	$ -	$ 1,411,326
Investments	519,357,312	-	519,357,312
State receivable	24,052,149	-	24,052,149
Investment income receivable	526,801	-	526,801
Advances to grantees	39,411,636	-	39,411,636
Capital assets:			
Not depreciated	-	2,039,000	2,039,000
Depreciable capital assets (net)	-	9,846,041	9,846,041
Total assets	$ 584,759,224	$ 11,885,041	$ 596,644,265
Liabilities			
Accounts payable and accrued liabilities	$ 40,643,093	$ -	$ 40,643,093
Other liabilities	-	16,480	16,480
Compensated absences:			
Due within one year	-	75,544	75,544
Due in more than one year	-	502,365	502,365
Total liabilities	40,643,093	594,389	41,237,482
Deferred Inflows of Resources			
Unavailable revenue - State Commission Program Funds	6,574,807	(6,574,807)	-
Unavailable revenue - Partnership for Families Funds	913,320	(913,320)	-
Total deferred inflows of resources	7,488,127	(7,488,127)	-
Fund balance/net position			
Fund balance:			
Nonspendable	39,411,636	(39,411,636)	-
Committed	340,879,636	(340,879,636)	-
Assigned	78,113,279	(78,113,279)	-
Unassigned	78,223,453	(78,223,453)	-
Total fund balance	536,628,004	(536,628,004)	-
Net position:			
Net investment in capital assets	-	11,885,041	11,885,041
Unrestricted	-	543,521,742	543,521,742
Total net position	-	555,406,783	555,406,783
Total liabilities, deferred inflows of resources and fund balances/net position	$ 584,759,224	$ 11,885,041	$ 596,644,265

See accompanying notes to the basic financial statements.

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LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST - PROPOSITION 10 COMMISSION
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund	Adjustments (Note 1)	Statement of Activities
Revenues			
Program revenues			
Operating grants and contributions:			
Tobacco taxes	$ 89,475,135	$ -	$ 89,475,135
State Commission Program Funds	11,050,327	(766,913)	10,283,414
Medi-Cal Administrative Activities	80,799	-	80,799
Partnership for Families Funds	3,701,993	913,320	4,615,313
Total program revenues	104,308,254	146,407	104,454,661
General revenues			
Investment income	3,903,275	-	3,903,275
Net increase in FMV of investments	2,152,879	-	2,152,879
Other revenues	104,072	-	104,072
Total general revenues	6,160,226	-	6,160,226
Total revenues	110,468,480	146,407	110,614,887
Expenditures/expenses			
Provider grants and other allocations	168,766,806	-	168,766,806
Pass-through grants	14,225,131	-	14,225,131
Salaries and benefits	13,414,357	9,475	13,423,832
Operating services	1,346,532	-	1,346,532
Consultant services	1,216,609	-	1,216,609
Professional services	404,560	-	404,560
Other expenses	264,892	-	264,892
Capital outlay	124,949	(124,949)	-
Depreciation	-	322,346	322,346
Total expenditures/expenses	199,763,836	206,872	199,970,708
Excess/(deficiency) of revenues over/(under) expenditures	(89,295,356)	-	-
Change in Fund Balance	(89,295,356)	89,295,356	-
Change in Net Position	-	(89,355,821)	(89,355,821)
Fund balance/net position			
Beginning of year	625,923,360	18,839,244	644,762,604
End of year	$ 536,628,004	$ 18,778,779	$ 555,406,783

See accompanying notes to the basic financial statements.

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NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

With the passage of a ballot initiative in November 1998, California (the "State") voters approved the establishment of the Los Angeles County Children and Families First – Proposition 10 Commission (the "Commission"), a component unit of Los Angeles County. A thirteen-member Board of Commissioners governs the Commission. The Commission was created by and ultimately is under the authority of the Los Angeles County Board of Supervisors, in accordance with California State Law, through its appointment of the Board of Commissioners and its ability to remove the commissioners at will. The Commission is a public entity legally separate and apart from the County. The initiative, Proposition 10, mandated an additional 50-cent-per-pack tax on cigarettes and a comparable increase in the tax of other tobacco products and required that the new funds be used on programs focused exclusively on early childhood development for children prenatal up to five years of age.

Following the directive of Proposition 10 to fund programs at the community level, each of the State's 58 counties created a Proposition 10 Commission as well as a trust fund to receive Proposition 10 revenues. In Los Angeles County, the Board of Supervisors passed an ordinance in December 1998 to establish the Los Angeles County Children and Families First – Proposition 10 Commission, and in May 1999 the Commission held its first meeting, elected officers and established a number of ad hoc committees to address organizational and planning issues. The Commissioners and others who were involved in the effort regarded Proposition 10 as an extraordinary and unprecedented opportunity to begin making a difference in the lives of pregnant women, young children and their families, and to do so at a point in their lives when it can make the most difference. In August 2002, the Commission introduced a new branding identity, First 5 LA, to signify the importance of the first five years of life.

The Commission's vision statement is that all children throughout Los Angeles' diverse communities, "are born healthy and raised in a safe, loving and nurturing environment so that they grow up healthy in mind, body, and spirit, are eager to learn with opportunities to reach their full potential." The Commission's mission, in partnership with others, is to "strengthen families, communities, and systems of services and support so all children in LA County enter kindergarten ready to succeed in school and life."

Upon termination of the Commission, all assets of the Commission shall be returned to the State of California. The liabilities of the Commission shall not become liabilities of the County upon either termination of the Commission or the liquidation or disposition of the Commission's remaining assets.

Basis of Accounting and Measurement Focus

Government-wide Financial Statements

Government-wide financial statements consist of the statement of net position and the statement of activities. These statements are presented on an economic resources measurement focus. All economic resources and obligations of the reporting government are reported in the financial statements.

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NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Financial Statements (Continued)

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with operation of the Commission's fund are included on the statement of net position. The statement of activities presents a comparison of the direct expenses and program revenues for the Commission's governmental activities. Program revenues include grants and contributions restricted for the operational requirements of a particular program. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Program revenues include tobacco taxes, and state school matching funds. General revenues are all revenues that do not qualify as program revenues and include investment income and other income. Net position represent the resources that the Commission has available for use in providing services. Net position is composed of net investment in capital assets and unrestricted funds. At June 30, 2015, the Commission reported unrestricted net position of $543,521,742.

Fund Financial Statements

The fund financial statements consist of the balance sheet and the statement of revenues, expenditures and changes in fund balance of the Commission's general fund. These statements are presented on a current-financial resources measurement focus. The fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. The statement of revenues, expenditures and changes in fund balance for the governmental fund generally presents increases (revenues) and decreases (expenditures) in net current assets. All operations of the Commission are accounted for in the general fund.

The fund financial statements have been prepared on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are considered available if they are received within 60 days after year-end. Revenues susceptible to accrual include tax revenues, grants, and investment income. Expenditures are recognized in the accounting period in which the fund liability is incurred except for compensated absences which are recorded only when payment is due.

Adjustments Between Fund Financial Statements and Government-Wide Financial Statements

Capital Assets

Capital assets are not considered to be financial resources and therefore, are not reported as an asset in the fund financial statements. Capital assets in the amount of $11,885,041 are capitalized and reported at cost, net of accumulated depreciation, in the government-wide financial statements. Capital assets purchased during the year in the amount of $124,949 are reported as expenditures on the fund financial statements and capitalized on the government-wide financial statements. Depreciation expense for the year ended June 30, 2015 amounted to $322,346 and is included in the government-wide financial statements.

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NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adjustments Between Fund Financial Statements and Government-Wide Financial Statements (Continued)

Long-Term Liabilities

As of June 30, 2015, the Commission estimated its liability for vested compensated absences to be $577,909. Compensated absence obligations are considered long-term in nature and are reported in the fund financial statements as expenditures in the period paid or when due and payable at year-end under the modified accrual basis of accounting. The compensated absences have been accrued in the government-wide financial statements and are included in long-term liabilities. The change in compensated absences during the year of $9,475 is reported in the statement of activities and does not require the use of current financial resources.

For the year ended June 30, 2015, the Commission maintained a security deposit in the amount of $16,840 related to a facility use agreement with La Petite Academy for use of the first floor of the Commission's building for the period of July 1, 2012 through June 30, 2020.

Unavailable Revenue

Under the modified accrual basis of accounting, revenue is recognized in the fund financial statements if it has been collected after year-end within the Commission's established availability period of 60 days. All other accrued revenues due to the Commission are recognized as unavailable revenue at year-end in the fund financial statements. Governmental funds recognized unavailable revenue where receivables are not available to liquidate liabilities of the current period. As of June 30, 2015, the Commission has unavailable revenue of $7,488,127. The change in unavailable revenue during the year of $146,407 is reported in the statement of activities as this revenue was recognized in the prior year statement of activities.

Net Position

In the government-wide financial statements, net position represents the difference between assets less liabilities and is classified into two components.

- Net investment in capital assets – This balance reflects the net position of the Commission that are invested in capital assets. This amount is generally not accessible for other purposes.
- Unrestricted net position – This balance represents the net amount of the assets and liabilities that are available for general use.

Fund Balance

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. With the implementation of GASB 54, the Commission established the following classifications and definitions of fund balance for the year ended June 30, 2015:

a. Nonspendable
   Portion of net resources that cannot be spent because they are not in an expendable form (e.g. Prepaid Expense) or the portion of net resources that cannot be spent because they must be maintained intact (e.g. revolving fund or the principal of an endowment).

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NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adjustments Between Fund Financial Statements and Government-Wide Financial Statements (Continued)

Fund Balance (Continued)

b. Restricted (externally enforceable limitations on use)
Amounts constrained to specific purposes by their providers (such as creditors, grantors, contributors, or laws and regulations of other governments (e.g. funds advanced by First 5 CA under specific agreements for services such as matching funds for specific initiatives). Amounts constrained by limitations imposed by law through constitutional provisions or enabling legislation (e.g. funds legally restricted by County, state, or federal legislature, or a government's charter or constitution; or amounts collected from non-spendable items such as long term portion of loan outstanding if those amounts are subject to legal constraint).

c. Committed (self-imposed limitations in place prior to end of the period)
Amounts constrained by limitations imposed at the highest level of decision making authority that requires the same formal action at the same level to remove or modify. The formal action required by the Board of Commissioners for funds to be committed is action by way of resolution allocating funding for a specific program or initiative.

d. Assigned (limitation resulting from intended use)
Amounts or limitations that are constrained by the Commission's intent to be used for a specific purpose (the purpose of the assignment must be narrower than the general fund itself) and are not either restricted or committed. Adoption of a Strategic Plan or Long Term Financial Plan with general spending parameters would be examples of the Commission's intent and would constitute an assignment. Accordingly, modification to the Commission's intent would not require formal action. Further, the Commission may designate a body/committee or an official who can specify such purposes. However as of June 30, 2015, the Commission had not made such a designation.

e. Unassigned (residual net resources)
Resources in the fund balance that cannot be reported in any other classification including a minimum fund balance reserve based on 25% of the operating and programmatic budget.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first and then unrestricted resources as needed. The spending priority of fund balance is restricted, committed, assigned, and then unassigned.

Effect of New Governmental Accounting Standards Board (GASB) Pronouncements

Effective This Fiscal Year

GASB Statement No. 68 – In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27.* This Statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2014. The Commission has determined that this statement does not have a material impact on the financial statements.

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NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Effective This Fiscal Year (Continued)

GASB Statement No. 69 – In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. This Statement is effective for periods beginning after December 31, 2013. The Commission has determined that this statement does not have a material impact on the financial statements.

GASB Statement No. 71 – In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. This Statement addresses an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2014. The Commission has determined that this statement does not have a material impact on the financial statements.

Effective in Future Fiscal Years

GASB Statement No. 72 – In February 2015, GASB issued Statement 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This statement is effective for periods beginning after June 15, 2015. The Commission has not determined the effect on the financial statements.

GASB Statement No. 73 – In June 2015, GASB issued Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes. This statement is effective for periods beginning after June 15, 2015. The Commission has not determined the effect on the financial statements.

GASB Statement No. 74 – In June 2015, GASB issued Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This statement is effective for periods beginning after June 15, 2016. The Commission has not determined the effect on the financial statements.

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NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Effect of New Governmental Accounting Standards Board (GASB) Pronouncements (Continued)

Effective in Future Fiscal Years (Continued)

GASB Statement No. 75 – In June 2015, GASB issued Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This statement is effective for periods beginning after June 15, 2017. The Commission has not determined the effect on the financial statements.

GASB Statement No. 76 – In June 2015, GASB issued Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). This statement is effective for periods beginning after June 15, 2015. The Commission has not determined the effect on the financial statements.

GASB Statement No. 77 – In August 2015, GASB issued Statement 77, *Tax Abatement Disclosures*. This Statement requires governments that enter into tax abatement agreements to disclose certain information about the agreements. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. The Commission has not determined the effect on the financial statements.

Investments

The Commission participates in the common investment pool of Los Angeles County. Investments are recorded at fair value at June 30, 2015.

Advances to Grantees

The Commission may provide advances to grantees/contractors that are repayable by the end of the fiscal year unless otherwise stipulated by contract or agreement. The Commission provided three advances to grantees for the fiscal year ended June 30, 2015. The largest of the advances is provided to Los Angeles Universal Preschool which provides quality preschool education and early childhood programs regardless of their families' income.

Capital Assets

Capital assets are composed of buildings, building improvements, computer software and accessories, office equipment and furniture and fixtures and are recorded at cost. The Commission capitalizes assets with a cost in excess of $5,000 and/or special projects with a useful life greater than one year. The Commission depreciates capital assets using a straight-line method over the estimated useful life of fifty years for buildings, four years for computers and five years for office equipment and furniture and fixtures. Building improvements are depreciated over the remaining useful life of the building.

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NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of fund balance that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The Commission has one type of deferred inflow, unavailable revenue, which occurs only under the modified accrual basis of accounting. Accordingly, the item is reported only in the governmental fund balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

NOTE 2 – CASH AND INVESTMENTS

Total cash and investments at fair value, as of June 30, 2015 are as follows:

Cash:	
Cash on hand	$ 150
Cash in bank	1,411,176
Total Cash	1,411,326
Investments with County Treasurer:	
Pooled cash and investments	519,357,312
Total investments with County Treasurer	519,357,312
Total Cash and Investments	$ 520,768,638

Cash in Bank

The *California Government Code* requires California banks and savings and loan associations to secure the Commission's deposits by pledging government securities as collateral. The market value of pledged securities must equal 110 percent of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150 percent of an agency's total deposits and collateral is considered to be held in the name of the Commission. At June 30, 2015, cash held by financial institutions of $3,376,402 was entirely insured and collateralized as described above. The book balance at June 30, 2015 was $1,411,176.

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NOTE 2 – CASH AND INVESTMENTS (Continued)

Pooled Cash and Investments

Investments with the Los Angeles County Treasurer at June 30, 2015 are stated at fair value. The fair value of pooled investments is determined annually and is based on current market prices. The fair value of each participant's position in the pool is the same as the value of the pool shares. The method used to determine the value of participants' equity withdrawn is based on the book value of the participants' percentage participation at the date of such withdrawals. The Los Angeles County Treasury is sponsored and administered by the County of Los Angeles and oversight is conducted by the County Treasury Oversight Committee. At June 30, 2015, the weighted average maturity for the County pool approximated 595 days and the County pool is not rated. For further information regarding the Los Angeles County Investment Pool, refer to the County of Los Angeles Comprehensive Annual Financial Report.

The table below identifies the investment types that are authorized by the California Government Code or the Commission's investment policy, where more restrictive. The table also identifies certain provisions of the California Government Code or the Commission's investment policy for the Specifically Invested Portfolio, where more restrictive, that address interest rate risk, credit risk, and concentration of credit risk.

Type	Limit Per Issuer	Total Limit	Maximum Maturity
Certificates of Deposits (CDs)	5%	30%	5 Years
Commercial Paper (CP)	5%	40%	5 Years
Corporate Notes	5%	30%	5 Years
Federal Agencies	15%	60%	5 Years
U.S. Treasuries	100%	100%	5 Years
Los Angeles County Investment Pool	None	None	N/A

The County Treasurer's Investment Policy diversifies investments among issues and issuers with a minimum credit rating to mitigate credit risk. For an issuer of short-term debt, the rating must be no less than P-1/A (Moody's) or A-1/A (S&P) while an issuer of long-term debt shall be rated no less than A.

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NOTE 3 – CAPITAL ASSETS

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
Capital assets not depreciated:				
Land	$ 2,039,000	$ -	$ -	$ 2,039,000
Capital assets, depreciable:				
Building and improvements	12,076,512	-	-	12,076,512
Computer software and accessories	1,630,221	124,949	-	1,755,170
Office equipment	331,035	-	-	331,035
Furniture and fixtures	627,670	-	-	627,670
Total Depreciable Capital Assets	14,665,439	124,949	-	14,790,387
Less accumulated depreciation:				
Building and improvements	(2,192,536)	(242,680)	-	(2,435,216)
Computer software and accessories	(1,597,141)	(17,635)	-	(1,614,776)
Office equipment	(235,980)	(30,705)	-	(266,685)
Furniture and fixtures	(596,343)	(31,326)	-	(627,669)
Total Accumulated Depreciation	(4,622,000)	(322,346)	-	(4,944,346)
Total Capital Assets, Depreciable (Net)	10,043,438	-	-	9,846,041
Capital Assets, Net	$ 12,082,439	$ (197,397)	$ -	$ 11,885,041

NOTE 4 – CHANGES IN COMPENSATED ABSENCES

Compensated absences liability activities for the year ended June 30, 2015 is as follows:

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015	Due Within One Year
Compensated absences	$ 568,434	$ 575,883	$ (566,408)	$ 577,909	$ 75,544

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NOTE 5 – FUND BALANCE

Fund balance is classified using a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance at June 30, 2015 consists of the following:

INITIATIVE/PROGRAM ALLOCATION		
		NONSPENDABLE
Advances:		
LA Care Health Plan	$	8,930,459
LAUP		26,213,336
UCLA Dental Home Project		4,267,841
TOTAL	$	39,411,636
		COMMITTED
At-Risk Fathers Investment	$	598,500
Baby Friendly Hospitals/Family Place Libraries		24,688,576
Black Infant Health		7,078,043
Children's Dental Care		28,400,965
Children's Vision Care		2,915,722
Communications & Marketing		4,672,000
Communications - Conference Funding		200,000
Communities: Place-Based - Community Capacity Building		17,029,000
Data Development & Integration		2,527,000
Data Partnership with Funders		3,242,605
Early Identification & Intervention - Autism & Other Developmental Delays		1,529,514
ECE Environmental Scan		80,000
Families: Place-Based - Welcome Baby/Select Home Visiting		36,603,000
Healthy Food Access		3,365,802
Healthy Kids		2,087,201
Information Resource and Referral		1,360,000
LAUP		61,040,779
Little by Little/One Step Ahead		24,592,135
Parent-Child Interaction Therapy		14,375,845
Partnerships for Families		150,000
Peer Support Groups for Parents		1,311,148
Reducing Childhood Obesity		20,240,665

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NOTE 5 – FUND BALANCE (Continued)

Policy Advocacy Fund	$	2,194,000
Policy Agenda/Advocacy		2,797,000
Program Evaluation		4,131,000
Research and Evaluation - Early Learning (LAUP)		2,792,529
Resource Mobilization - ECE		1,225,000
Resource Mobilization - Funder Partnerships		60,000
Resource Mobilization - Health		1,540,000
Resource Mobilization - Organizational Capacity Building		550,000
Strategic Plan Implementation Fund: Families		636,000
Strategic Plan Implementation Fund: Communities		1,093,750
Strategic Plan Implementation Fund: Early Care & Education (ECE) Systems		370,000
Strategic Plan Implementation Fund: Health, Mental Health & Substance Abuse Systems		546,250
Strategic Plan Implementation Fund: Other/Cross-Cutting Activities		490,000
Substance Abuse Treatment Services		1,599
Tot Parks and Trails		831,010
Universal Assessment of Newborns		46,041,038
Workforce Development		2,522,000
Workforce Development - ECE Career Development Policy Project (LACOE)		30,917
Workforce Development - ECE Workforce Consortium		14,939,046
TOTAL	$	340,879,636
		ASSIGNED
Strategic Plan		78,113,279
TOTAL	$	78,113,279
		UNASSIGNED
Unassigned	$	78,223,453
TOTAL	$	78,223,453
Total Fund Balance	$	536,628,004

The minimum fund balance reserve is included as part of unassigned fund balance.

NOTE 6 – PROGRAM EVALUATION

In accordance with the *Standards and Procedures for Audits of California Counties Participating in the California Children and Families Program*, issued by the California State Controller, the Commission is required to disclose the amounts expended during the fiscal year on program evaluation. Program evaluation costs pertain to those activities undertaken to support the collection, production, analysis and presentation of evaluation information for Commission management, Commissioners and other interested parties.

The Commission spent $10,177,880 on program evaluation during the year ended June 30, 2015.

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NOTE 7 – DEFERRED COMPENSATION PLANS

All regular and limited-term employees of the Commission participate in the 403(b) Savings and Investment Plan, a defined contribution plan administered by The Standard. Benefit provisions under the plan are established by the California Government Code Section 31694(a) and other applicable statutes. The 403(b) Savings and Investment Plan provides for service retirement, death, and disability benefits to plan members. The plan can be amended by executive management of the Commission.

For the period of July through December 2014, employees hired before March 15, 2007, the Commission's contribution is equal to 100% of the employee's contribution, not to exceed 6% of the employee's annual compensation. For employees hired on or after March 15, 2007, the Commission's contribution is equal to 100% of the employee's contribution up to 1% of the employee's annual compensation after the employee's one year employment anniversary, increasing by 1% each year to 6% after the employee's sixth year employment anniversary.

Effective January 1, 2015, changes to the Commission's 403(b) Savings and Investment Plan were made such that all regular and limited-term employees are eligible to receive both an elective and a non-elective contribution based on years of completed service with the organization. The elective contribution requires employee participation in order to receive the employer match, and is between 1% and 3% depending on the employee's contribution and the years of service the employee has completed with the organization: 1% for less than one year, 2% after one year and 3% after two years or more of completed service. The Commission also makes a separate, non-elective contribution into the retirement plan regardless of employee participation. This non-elective employer contribution is between 3% and 7.5% based on years of completed service with the organization: 3% for less than 5 years, 4.5% for 5 to 9 years, 6% for 10 to 14 years, and 7.5% after 15 years or more of completed service. Employer contributions are not 100% vested until an employee has completed three years of service with the organization, with a graded vesting schedule for employees who complete at least one year of service. The Commission contributed a total of $508,470 which comprised of $314,755 in elective contribution and $193,715 in non-elective contribution for the fiscal year ended June 30, 2015.

NOTE 8 – UNAVAILABLE REVENUE

The general fund reports unavailable revenue on the governmental fund balance sheet in connection with resources that have been earned, but are not yet available to finance expenditures of the current fiscal period. This type of deferred inflow of resources occurs only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the general fund balance sheet. At the end of the current fiscal year, the components of unavailable revenue resulting from State Commission Program Funds not received within the 60-day period of availability were as follows:

Unavailable Revenue:	
Child Signature Program	$ 6,243,274
CARES Plus Program	331,533
Partnership for Families Program	913,320
Total Unavailable Revenue	$ 7,488,127

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NOTE 9 – RISK MANAGEMENT

The Commission is exposed to various risks of loss related to general liability, property liability, health benefits, workers' compensation and auto. These risks are addressed through commercial insurance policies.

The Commission's property and liability insurance is provided by insurance companies that are "Non-Admitted" insurance companies in the State of California. If such a company becomes insolvent, the California Insurance Guarantee Association will not settle unpaid claims.

No claims or suits are pending against the Commission arising out of proposed claim settlements covered by insurance. No settlements exceeded insurance coverage during the last three years.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Operating Lease

The Commission leases equipment from a third party which expires in July 2019 and is non-cancelable. The future minimum rental payments due under the lease are as follows:

For Year Ending June 30,	Annual
2016	$ 61,957
2017	58,338
2018	18,522
2019	18,522
2020	1,544
Total	$ 158,882

The Commission recognized $61,957 in lease expense for the year ended June 30, 2015.

Future Funding

The Commission has entered into future funding commitments with various entities, which are contingent on State funding.

NOTE 11 – RELATED PARTY TRANSACTIONS

The Commission incurred expenses totaling $52,574 for County of Los Angeles services provided during the year ended June 30, 2015.

The Commission paid $148,211,092 of provider grants, operating services, consultant services, and professional services to organizations which are represented by 18 members of the Board of Commissioners.

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NOTE 12 – FIRST 5 CALIFORNIA CARES PLUS PROGRAM

CARES Plus is designed to improve the quality of early learning programs by focusing on increasing the quality, effectiveness, and retention of early educators. As a statewide professional development program, its main objectives are to improve both the quality of early learning programs, and ultimately, learning and developmental outcomes for young children. The Commission claimed $399,855 in CARES Plus Phase II reimbursable expenses for the period ended June 30, 2015. Phase II funds have a four-to-one Commission match to each dollar of First 5 funding.

NOTE 13 – CHILD SIGNATURE PROGRAM

The Child Signature Program is designed to prepare at-risk children for kindergarten by increasing opportunities for children to advance into elementary school with a focus on language, literacy, early math skills, and social and emotional development. As a statewide program, the Child Signature Program works to invest in high quality preschool programs that enhance the quality of care and education that children receive. The Commission claimed $9,855,687 in Child Signature Program reimbursable expenses for the period ended June 30, 2015.

REQUIRED SUPPLEMENTARY INFORMATION
LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST - PROPOSITION 10 COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

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	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Tobacco taxes	$ 87,816,752	$ 87,816,752	$ 89,475,135	$ 1,658,383
State Commission Program Funds	-	-	11,050,327	11,050,327
Medi-Cal Administrative Activities	-	-	80,799	80,799
Partnership for Families Funds	-	-	3,701,993	3,701,993
Investment income	6,395,464	6,395,464	3,903,275	(2,492,189)
Net increase (decrease) in FMV of investments	-	-	2,152,879	2,152,879
Other revenues	99,000	99,000	104,072	5,072
Total revenues	94,311,216	94,311,216	110,468,480	16,157,264
Expenditures				
Program Costs				
Provider grants and other allocations	221,203,000	206,113,000	168,766,806	37,346,194
Pass-through grants	-	-	14,225,131	(14,225,131)
Total Program Costs	221,203,000	206,113,000	182,991,937	23,121,063
Operations & Administration				
Personnel related expenditures				
Salaries and wages	11,741,943	11,347,496	10,520,471	827,025
Fringe Benefits	3,496,729	3,409,644	2,893,886	515,758
Total Personnel Related Expenditures	15,238,672	14,757,140	13,414,357	1,342,783
General Operating Expenditures				
ADP Payroll Charges	31,000	30,000	35,374	(5,374)
Workers' Compensation Insurance	125,000	123,500	167,020	(43,520)
Utilities	160,000	160,000	124,817	35,183
Corporate Insurance	75,000	73,500	104,312	(30,812)
Mileage and Parking	74,250	63,150	47,303	15,847
Telephones and Modems	77,700	75,650	103,293	(27,643)
Cell Phones and Mobile Devices	74,150	70,620	42,429	28,191
Outside Printing	24,500	24,500	21,226	3,274
Other Supplies	12,150	12,150	8,415	3,735
Postage and Delivery	12,850	13,300	12,965	335
Educational Supplies	5,600	5,600	6,666	(1,066)
Office Supplies	73,700	67,980	59,286	8,694
Subscriptions and Publications	9,850	6,850	5,803	1,047
Equipment Rental	120,000	120,000	110,603	9,397
Building Repairs and Maintenance	195,000	195,000	133,559	61,441
Equipment Repairs and Maintenance	60,500	59,200	3,119	56,081
Offsite Storage	20,500	20,600	15,390	5,210
Hardware and Software Maintenance	166,500	166,500	243,832	(77,332)
Miscellaneous Service Charges	56,000	57,000	5,585	51,415
Miscellaneous/Contingency	135,000	50,000	55,823	(5,823)
Capital Outlay	160,000	160,000	4,501	155,499
Human Resources Related Costs	40,000	40,000	35,211	4,789
Total General Operating Expenditures	1,709,250	1,595,100	1,346,532	248,568
Professional Services				
Audit	72,556	70,056	65,506	4,550
Legal	175,000	175,000	162,389	12,611
Professional Dues	81,040	78,140	47,340	30,800
Professional Dues - First 5 Association	50,000	50,000	50,000	-
Professional Development	248,750	246,550	36,634	209,916
Staff Recruitment	24,500	24,500	14,014	10,486
Commission Stipends	31,000	34,000	28,677	5,323
Total Professional Services	682,846	678,246	404,560	273,686
Consultant Services				
Consultant Fees	1,155,400	1,622,400	1,008,525	613,875
Other Professional Fees	239,500	239,500	206,644	32,856
External Reviewers	-	4,000	1,440	2,560
Total Consultant Services	1,394,900	1,865,900	1,216,609	649,291
Travel and Meetings				
Airfare	79,042	79,292	52,221	27,071
Program Events	15,000	15,000	2,084	12,916
Lodging	68,896	83,222	56,774	26,448
Conference Registration	73,885	82,495	58,436	24,059
Local Meetings	55,700	159,700	69,118	90,582
Per Diem	36,988	39,084	26,259	12,825
Total Travel and Meetings	329,511	458,793	264,892	193,901
Capital Improvements	-	-	124,949	(124,949)
Total Operating Expenditures	19,355,179	19,355,179	16,771,899	2,583,280
Total Program Costs and Operating Expenditures	240,558,179	225,468,179	199,763,836	25,704,343
Excess (deficiency) of revenues over (under) expenditures	$ (146,246,963)	$ (131,156,963)	$ (89,295,356)	$ 41,861,607
Fund balance - Beginning of year			625,923,360	
Fund balance - End of year			$ 536,628,004	

See accompanying note to required supplementary information.

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NOTE 1 – BUDGET ADOPTION

The Commission adopts a budget annually in accordance with generally accepted accounting principles based on estimates of revenue and anticipated expenditures. The Board of Commissioners has given the Executive Director authority to make budget adjustments between line items in the Commission's annual budget for Operating and Administrative costs in an amount not to exceed $25,000. Any budget adjustment between line items in excess of $25,000 requires approval of the Board of Commissioners.

The accompanying Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund includes the budgeted expenditures for the year, along with management's estimate of revenues for the year. The legal level of budgetary control is at the total fund level. The total budget for FY 2014-15 was $225.5 million, which included $206.1 million for Program costs and $19.4 million for Operating and Administrative costs.

In previous years, the Commission included expenditures related to "pass-through grants" within the line item "Provider grants and other allocations". For FY 2014-15, in order to promote greater transparency and to more accurately reflect true "Provider grants and other allocations" expenditures against the approved fiscal year budget, the Commission separated these amounts within the Schedule of Revenues, Expenditures, And Changes in Fund Balance – Budget and Actual – General Fund. In FY 2014-15, $14.2 million was recorded as "pass through grants", which includes $9.8 million for the First 5 California Child Signature Program (CSP), $4.4 million for the Los Angeles County Department of Children and Family Services Partnership for Families (LAC-PFF) program, and $33,456 for Medi-Cal Administrative Activities. The Commission does not establish a budget for pass-through grants.

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OTHER SUPPLEMENTARY INFORMATION

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST - PROPOSITION 10 COMMISSION
SCHEDULE OF CARES PLUS FUNDING
FOR THE YEAR ENDED JUNE 30, 2015

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Program	Source	Revenue Funds	Expenditures
CARES Plus	First 5 LA Program Funds	$ 399,855	$ 399,855
	County, Local Funds	1,599,420	1,599,420

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
STATISTICAL SECTION
(UNAUDITIED)

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The information in this section is not covered by the Independent Auditor's Report, but it is presented as supplemental data for the benefit of the readers of the comprehensive annual financial report. The objectives of statistical section information are to provide financial statement users with additional information to understand and assess the Commission's economic condition.

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant years.

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

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	Fiscal Year									
	2015	2014	2013	2012	2011	2010*	2009	2008	2007	2006
Restricted	$ -	$ -	$ -	$ -	$ -	$ -	$ 881,019,859	$ 885,944,312	$ 846,935,336	$ 801,601,230
Unrestricted	543,521,742	632,680,166	723,252,516	829,030,048	434,206,491	859,235,104	-	-	-	-
Net investment in capital assets	11,885,041	12,082,438	12,355,226	12,777,760	13,114,194	13,405,843	13,873,311	13,847,697	13,551,567	13,794,660
Total net position	$ 555,406,783	$ 644,762,604	$ 735,607,742	$ 841,807,808	$ 447,320,685	$ 872,640,947	$ 894,893,170	$ 899,792,009	$ 860,486,903	$ 815,395,890

* The Commission presented net position as unrestricted beginning with 2010.

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LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**
Revenues										
Tobacco taxes	$ 89,475,135	$ 90,280,307	$ 94,112,590	$ 100,187,619	$ 100,269,182	$ 102,504,928	$ 114,925,729	$ 122,655,958	$ 125,602,050	$ 132,633,446
State School Readiness	-	-	-	-	28,465,232	19,011,847	15,445,577	15,098,348	11,563,470	15,343,412
State Commission Program Funds	10,283,414	18,009,907	2,749,082	8,098,412	7,933,188	7,162,800	6,438,881	5,673,958	2,300,312	1,490,053
Medi-Cal Administrative Activities	80,799	232,408	316,369	483,325	507,869	740,794	925,511	-	-	-
Partnership for Families Fund*	4,615,313	-	-	-	-	-	-	-	-	-
Investment income	3,903,275	6,368,593	(3,402,141)	915,935	12,004,422	16,094,660	28,102,852	34,996,079	42,823,178	30,799,531
Net increase (decrease) in FMV of investments	2,152,879	-	-	-	-	-	-	-	-	-
Other revenues	104,072	100,320	98,880	9,048	290,093	465,061	453,762	467,302	290,768	314,658
Total revenues:	$ 110,614,887	$ 114,991,535	$ 93,874,779	$ 109,694,339	$ 149,469,986	$ 145,980,090	$ 166,292,312	$ 178,891,645	$ 182,579,778	$ 180,581,100
Expenses										
Provider grants and other allocations	$ 168,766,806	$ 189,910,283	$ 185,753,622	$ 124,709,026	$ 133,261,213	$ 157,019,407	$ 160,239,867	$ 130,894,482	$ 129,614,460	$ 119,067,100
Pass-through grants**	14,225,131	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
AB 99	N/A	N/A	N/A	(424,388,705)	424,388,705	N/A	N/A	N/A	N/A	N/A
First 5 California (SRI)	N/A	N/A	N/A	1,137,220	2,506,120	N/A	N/A	N/A	N/A	N/A
Salaries and benefits	13,423,832	12,682,373	11,583,915	11,153,057	10,685,423	8,818,136	8,161,291	6,638,952	5,841,908	5,822,732
Operating services	1,346,532	1,207,259	1,159,609	1,138,850	1,324,708	832,164	1,090,947	693,968	855,192	860,634
Consultant services	1,216,609	956,488	549,676	331,046	1,523,221	677,379	653,301	415,736	415,822	531,042
Professional services	404,560	543,038	426,726	540,606	398,819	208,008	400,036	276,610	204,353	232,044
Other expenses	264,892	183,974	149,116	114,384	116,223	80,355	69,045	90,880	85,332	191
Depreciation	322,346	353,258	452,182	471,732	585,814	596,868	576,664	575,911	471,698	465,298
Total expenses:	$ 199,970,708	$ 205,836,673	$ 200,074,846	$ (284,792,784)	$ 574,790,246	$ 168,232,317	$ 171,191,151	$ 139,586,539	$ 137,488,765	$ 126,979,041
Change in net position	$ (89,355,821)	$ (90,845,138)	$ (106,200,066)	$ 394,487,123	$ (425,320,260)	$ (22,252,227)	$ (4,898,839)	$ 39,305,106	$ 45,091,013	$ 53,602,059

* Beginning January 2015, the Partnership for Families initiative is being funded by the LA County Department of Children and Family Services (DCFS), with First 5 LA acting as a pass-through entity and receiving reimbursement from DCFS.
**Beginning FY 2015, pass-through grants were separately identified on the financial statements. In the prior years, it was included as part of the provider grants and other allocations line item.

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
FUND BALANCES – GENERAL FUND
LAST TEN FISCAL YEARS*

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	Fiscal Year									
	2015*	2014*	2013*	2012*	2011*	2010	2009	2008	2007	2006
Fund Balance										
Nonspendable	$ 39,411,636	$ 37,578,099	$ 27,022,268	$ 19,960,620	$ -					
Committed	340,879,636	451,133,640	561,003,855	631,710,435	632,471,832					
Assigned	78,113,279	57,716,899	64,902,466	153,086,390	-					
Unassigned	78,223,453	79,494,722	70,816,380	16,691,138	(205,716,806)					
Total Fund Balance	$ 536,628,004	$ 625,923,360	$ 723,744,969	$ 821,448,583	$ 426,755,026					
Reserved										
Reserved for encumbrances						$ 129,094,692	$ 341,203,752	$ 504,505,166	$ 639,223,219	$ 679,128,690
Reserved for obligations						189,699,943	45,820,595	52,670,634	13,125,130	39,107,652
Reserved for First 5 California						19,004,928	30,050,843	52,161,039	31,794,550	60,712,820
Total Reserved						$ 337,799,563	$ 417,075,190	$ 609,336,839	$ 684,142,899	$ 778,949,162
Unreserved										
Designated						$ 249,875,172	$ 284,028,356	$ 272,696,682	$ 162,356,525	$ 1,298,235
Unreserved						271,842,909	174,167,089	-	-	18,384,748
Total Fund Balance						$ 859,517,644	$ 875,270,635	$ 882,033,521	$ 846,499,424	$ 798,632,145

* Fund balance presentation changed in fiscal year 2010-2011 due to the implementation of GASB 54.

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LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
CHANGES IN FUND BALANCES – GENERAL FUND
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**
Revenues										
Tobacco taxes	$ 89,475,135	$ 90,280,307	$ 94,112,590	$ 100,187,619	$ 100,269,182	$ 102,504,928	$ 114,925,729	$ 122,655,958	$ 127,012,312	$ 131,223,184
State School Readiness	-	-	-	-	39,242,565	19,011,847	15,445,577	15,098,348	13,534,763	17,640,707
State Commission Program Funds	11,050,327	10,668,187	10,741,413	7,960,036	95,713	2,441,868	4,633,722	2,198,287	1,480,228	2,217,327
Medi-Cal Administrative Activities	80,799	232,408	316,369	483,325	507,869	740,794	925,511	-	-	-
Partnership for Families Funds*	3,701,993	-	-	-	-	-	-	-	-	-
Investment income	3,903,275	6,368,593	(3,402,141)	915,935	12,004,422	16,094,660	28,102,852	34,996,079	42,823,178	30,799,531
Net increase (decrease) in FMV of investments	2,152,879	-	-	-	-	-	-	-	-	-
Other income	104,072	100,320	98,880	9,048	290,093	427,960	415,048	428,588	252,054	506,613
Total revenues:	$ 110,468,480	$ 107,649,815	$ 101,867,110	$ 109,555,963	$ 152,409,844	$ 141,222,057	$ 164,448,439	$ 175,377,260	$ 185,102,535	$ 182,387,362
Expenditures:										
Provider grants and other allocations	$ 168,766,806	$ 189,910,283	$ 185,753,622	$ 124,709,026	$ 133,261,213	$ 157,019,407	$ 160,239,867	$ 130,894,482	$ 129,614,460	$ 119,067,100
Pass-through grants**	$ 14,225,131	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
AB 99	-	-	-	(424,388,705)	424,388,705	N/A	N/A	N/A	N/A	N/A
First 5 California (SRI)	-	-	-	1,137,220	2,506,120	N/A	N/A	N/A	N/A	N/A
Salaries and benefits	13,414,357	12,589,911	11,502,328	11,144,681	10,619,053	8,774,370	8,155,851	6,599,446	5,831,492	5,802,008
Operating services	1,346,532	1,207,258	1,159,609	1,138,850	1,324,708	832,164	1,090,947	693,968	855,192	860,634
Consultant services	1,216,609	956,488	549,676	331,046	1,523,221	677,379	653,301	415,736	415,822	531,042
Professional services	404,560	543,038	426,726	540,606	398,819	208,008	400,036	276,610	204,353	232,044
Other expenses	264,892	183,974	149,116	114,384	116,223	80,355	69,045	90,880	85,332	191
Capital outlay	124,949	80,471	29,648	135,298	294,166	123,599	602,278	872,041	228,605	892,796
Total expenditures:	$ 199,763,836	$ 205,471,423	$ 199,570,724	$ (285,137,594)	$ 574,432,228	$ 167,715,282	$ 171,211,325	$ 139,843,163	$ 137,235,256	$ 127,385,815
Excess (deficiency) of revenues over expenditures	$ (89,295,356)	$ (97,821,608)	$ (97,703,614)	$ 394,693,557	$ (422,022,384)	$ (26,493,225)	$ (6,762,886)	$ 35,534,097	$ 47,867,279	$ 55,001,547

* Beginning January 2015, the Partnership for Families initiative is being funded by the LA County Department of Children and Family Services (DCFS), with First 5 LA acting as a pass-through entity and receiving reimbursement from DCFS.
**Beginning FY 2015, pass-through grants were separately identified on the financial statements. In the prior years, it was included as part of the provider grants and other allocations line item.

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
FIRST 5 CALIFORNIA COUNTY TAX REVENUE PROJECTIONS FOR
FY 2014/2015 - FY 2018/2019

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2012 Actual Births	2012 Actual Birthrate	2014-2015 Tax Revenue Projection	2013 Projected Births	2013 Projected Birthrate	2015-2016 Tax Revenue Projection	2014 Projected Births	2014 Projected Birthrate	2016-2017 Tax Revenue Projection	2015 Projected Births	2015 Projected Birthrate	2017-2018 Tax Revenue Projection	2016 Projected Births	2016 Projected Birthrate	2018-2019 Tax Revenue Projection
131,697	26.141%	$ 84,682,508	127,194	25.727%	$ 80,883,996	128,067	25.575%	$ 77,358,240	128,210	25.423%	$ 73,974,768	128,355	25.271%	$ 70,727,987

Source:
"First 5 California County Tax Revenue Projections for FY 2014-15 through 2018-19"
(Updated 6/2/15 Utilizing DOF May Revise 2015 Tobacco Tax Projections and DOF Birth Projections for California State and Counties 1970-2023)

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
FIRST 5 CALIFORNIA COUNTY TAX REVENUE PROJECTIONS FOR
FY 2014/2015 - FY 2018/2019

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2012 Actual Births	131,697
2012 Actual Birthrate	26.141%
FY 2014-15 Tax Revenue Projection	$ 84,682,508
2013 Projected Births	127,194
2013 Projected Birthrate	25.727%
FY 2015-16 Tax Revenue Projection	$ 80,883,996
2014 Projected Births	128,067
2014 Projected Birthrate	25.575%
FY 2016-17 Tax Revenue Projection	$ 77,358,240
2015 Projected Births	128,210
2015 Projected Birthrate	25.423%
FY 2017-18 Tax Revenue Projection	$ 73,974,768
2016 Projected Births	$ 128,355
2016 Projected Birthrate	25.271%
FY 2018-19 Tax Revenue Projection	$ 70,727,987

Source:
"First 5 California County Tax Revenue Projections for FY 2014-15 through 2018-19"
(Updated 6/2/15 Utilizing DOF May Revise 2015 Tobacco Tax Projections and DOF Birth Projections for California State and Counties 1970-2023)

LOS ANGELES COUNTY CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
CIGARETTE TAXES AND OTHER TOBACCO PRODUCTS SURTAX REVENUE, 1959-60 TO 2012-13
(In thousands of dollars)

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	Cigarette tax				Other tobacco products surtax	
Fiscal year	Revenue a/	Distributors' discounts b/	Gross value of tax indicia c/	Refunds	Revenue	Rate
2013-14	$751,513,000	$6,443,000	$757,956,000	$600,000	$86,424,000	29.82%
2012-13	782,115,000	6,705,000	788,820,000	498,000	82,548,000	30.68%
2011-12	820,322,000	7,032,000	827,355,000	1,017,000	80,424,000	31.73%
2010-11	828,831,000	7,105,000	835,937,000	1,308,000	77,016,000	33.02%
2009-10	838,709,000	7,187,000	845,896,000	1,583,000	84,617,000	41.11%
2008-09	912,724,000	7,819,000	920,543,000	626,000	85,506,000	45.13%
2007-08	955,030,000	8,185,000	963,215,000	727,000	85,929,000	45.13%
2006-07	998,723,000	8,558,000	1,007,281,000	1,330,000	79,946,000	46.76%
2005-06	1,026,497,000	8,795,000	1,035,293,000	1,707,000	67,348,000	46.76%
2004-05	1,024,272,000	8,778,000	1,033,051,000	1,653,000	58,441,000	46.76%
2003-04	1,021,366,000	8,755,000	1,030,121,000	4,721,000	44,166,000	46.76%
2002-03	1,031,772,000	8,845,000	1,040,617,000	13,248,000	40,996,000	48.89%
2001-02	1,067,004,000	9,146,000	1,076,150,000	10,774,000	50,037,000	52.65% d/
2000-01	1,110,692,000	9,503,000	1,120,195,000	8,741,000	52,834,000	54.89%
1999-00	1,166,880,000	9,980,000	1,176,859,000	9,413,000	66,884,000	66.50%
1998-99	841,911,000 e/	7,206,000	849,117,000	6,808,000	42,137,000 f/	61.53% f/
1997-98	612,066,000	5,244,000	617,309,000	5,448,000	39,617,000	29.37%
1996-97	629,579,000	5,394,000	634,973,000	5,060,000	41,590,000	30.38%
1995-96	639,030,000	5,469,000	644,499,000	6,193,000	32,788,000	31.20%
1994-95	656,923,000	5,628,000	662,551,000	11,159,000	28,460,000	31.20%
1993-94	647,993,000 g/	5,553,000	653,546,000	8,353,000	19,773,000	23.03%
1992-93	667,479,000	5,715,000	673,195,000	9,138,000	21,480,000	26.82%
1991-92	711,275,000	6,086,000	717,362,000	7,791,000	22,016,000	29.35%
1990-91	729,612,000	6,242,000	735,854,000	7,904,000	24,064,000	34.17%
1989-90	770,042,000 h/	6,581,000	776,623,000	11,615,000	24,956,000 h/	37.47%
1988-89	499,712,000 h/	4,273,000	503,984,000	4,968,000	9,994,000 h/	41.67%
1987-88	254,869,000	2,180,000	257,049,000	2,970,000		
1986-87	257,337,000	2,202,000	259,539,000	2,661,000		
1985-86	260,960,000	2,231,000	263,190,000	2,834,000		
1984-85	265,070,000	2,267,000	267,337,000	2,390,000		
1983-84	265,265,000	2,267,000	267,532,000	2,756,000		
1982-83	273,748,000	2,336,000	276,084,000	2,060,000		
1981-82	278,667,000	2,383,000	281,050,000	1,843,000		
1980-81	280,087,000	2,395,000	282,482,000	1,567,000		
1979-80	272,119,000	2,327,000	274,446,000	1,645,000		
1978-79	270,658,000	2,315,000	272,973,000	1,408,000		
1977-78	275,042,000	2,352,000	277,394,000	1,239,000		
1976-77	270,502,000	2,315,000	272,817,000	832,000		
1975-76	269,852,000	2,309,000	272,161,000	927,000		
1974-75	264,182,000	2,262,000	266,444,000	745,000		
1973-74	259,738,000	2,222,000	261,960,000	632,000		
1972-73	253,089,000	2,167,000	255,256,000	626,000		
1971-72	248,398,000	2,127,000	250,525,000	677,000		
1970-71	240,372,000	2,058,000	242,430,000	552,000		
1969-70	237,220,000	2,032,000	239,253,000	455,000		
1968-69	238,836,000	2,046,000	240,882,000	492,000		
1967-68	208,125,000 i/	1,862,000	209,987,000	328,000		
1966-67	75,659,000	1,543,000	77,202,000	129,000		
1965-66	74,880,000	1,528,000	76,407,000	88,000		
1964-65	74,487,000	1,520,000	76,007,000	61,000		
1963-64	71,530,000	1,459,000	72,989,000	71,000		
1962-63	70,829,000	1,445,000	72,274,000	79,000		
1961-62	68,203,000	1,390,000	69,593,000	47,000		
1960-61	66,051,000 j/	1,675,000 k/	67,726,000	76,000		
1959-60	61,791,000 l/	767,000 l/	62,558,000	67,000		

Net of refunds for tax indicia on cigarettes that become unfit for use (See Refunds).

A discount of .85 percent of gross value of tax indicia is granted to distributors for affixing the stamps. From July 1, 1960, until August 1, 1967, the discount rate was 2 percent.

Includes sales of indicia purchased on credit. Effective July 16, 1961, distributors have been able to purchase tax indicia on credit.

From July 1, 2001, through September 9, 2001, the surtax rate on smokeless tobacco ranged from 131 percent for moist snuff to 490 percent for chewing tobacco.
Effective September 10, 2001, the surtax rate on smokeless tobacco was lowered to 52.65 percent.

Effective January 1, 1999, the overall tax rate on cigarettes was increased from 37 cents to 87 cents per pack under voter-approved Proposition 10. The additional 50-cent-per-pack tax was imposed to raise funds for early childhood development programs. Excludes $87,978,766 in 1998-99 from the floor stocks taxes for both cigarettes and other tobacco products levied on January 1, 1999.

From July 1, 1998, through December 31, 1998, the surtax rate was 26.17 percent for other tobacco products. Effective January 1, 1999, the new surtax imposed under Proposition 10 raised the combined surtax rate to 61.53 percent for other tobacco products. The new surtax is equivalent (in terms of the wholesale costs of other tobacco products) to a 50-cent-per-pack tax on cigarettes.

Effective January 1, 1994, the overall tax rate on cigarettes was increased from 35 cents to 37 cents per pack. The additional 2-cent-per-pack tax was imposed to raise funds for breast cancer research and education.

Effective January 1, 1989, an additional 25-cent-per-pack surtax was imposed on cigarettes and a new 41.67 percent surtax was imposed on other tobacco products.
Excludes $57,927,856 in 1988-89 and $595,000 in 1989-90 from the floor stocks tax levied on January 1, 1989.

Effective August 1, 1967, the tax rate was increased from 3 cents to 7 cents per pack. On October 1, 1967, the rate was further increased to 10 cents per pack, with the stipulation that 30 percent of the tax be allocated to cities and counties. Includes $6,515,209 from the 4-cent-per-pack floor stocks tax levied on August 1, 1967; and $4,889,485 from the 3-cent-per-pack floor stocks tax imposed October 1, 1967.

Refunds made for distributors' discounts in the 1960-61 fiscal year on purchases made in the 1959-60 fiscal year have been deducted. These refunds amounted to $324,000.

Effective July 1, 1960, a discount was allowed at the time tax indicia were purchased.

Includes $2,673,048 from the 3-cent-per-pack floor stocks tax imposed July 1, 1959; and also includes the amount of distributors' discounts which were refunded after purchase of indicia.
During July and August of 1959, the tax was collected by invoice and no discount was allowed on these collections of $8,123,700, nor on the $2,673,048 tax on floor stocks.

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
DEMOGRAPHIC DATA AND ECONOMIC STATISTICS
2005-2014

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Demographic Data

	2005**	2006**	2007**	2008**	2009***	2010 (1)	2011 (1)	2012 (1)	2013 (1)	2014 (1)
Total Population	10,185,761	10,216,702	10,252,245	10,341,412	10,449,155	9,824,194	9,862,211	9,945,864	10,010,961	10,082,664
White	2,952,183	2,903,508	2,856,544	2,822,775	2,938,369	2,743,456	2,719,057	2,721,500	2,709,464	2,693,506
Black	890,227	876,209	862,622	853,032	882,167	826,260	828,970	830,607	831,808	833,267
American Indian	26,072	25,584	25,056	24,588	30,808	19,509	19,619	19,652	19,629	19,658
Asian	1,334,812	1,360,995	1,387,824	1,423,826	1,378,338	1,327,692	1,332,691	1,342,581	1,357,306	1,373,175
Native Hawaiian & Other Pacific Islander	27,266	27,544	27,773	28,137	29,001	23,191	23,103	23,277	23,433	23,579
Hispanic or Latino	4,751,677	4,807,354	4,864,925	4,944,987	5,008,069	4,702,784	4,753,038	4,818,170	4,874,755	4,940,756
Other	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multi-race	203,524	215,509	227,501	244,067	182,403	181,302	185,733	190,077	194,566	198,723
Female	5,097,968	5,123,747	5,151,888	5,195,931	5,266,592	4,980,734	4,998,722	5,039,635	5,071,249	5,105,963
Male	5,087,793	5,092,955	5,100,357	5,145,481	5,182,563	4,843,460	4,863,489	4,906,229	4,939,712	4,976,701
Under 5 years	765,652	742,159	728,334	731,216	716,228	644,882	645,529	645,026	644,356	658,930
5-9 years	796,592	760,560	732,624	735,376	744,818	631,973	625,415	632,530	637,383	638,471
10-14 years	935,203	902,600	852,918	802,998	769,538	674,968	658,984	648,192	638,396	631,525
15-19 years	749,867	820,767	885,245	926,946	870,100	749,322	732,741	716,854	700,066	683,907
20-24 years	604,700	647,886	690,477	712,834	725,816	751,717	755,888	758,178	759,628	757,233
25-29 years	546,918	580,169	621,590	647,647	677,682	758,633	762,396	756,706	754,773	755,997
30-39 years	1,488,217	1,417,302	1,352,485	1,307,857	1,420,833	1,429,814	1,429,718	1,441,415	1,454,389	1,466,136
40-49 years	1,619,676	1,604,965	1,582,764	1,578,500	1,592,529	1,421,700	1,418,870	1,423,408	1,416,725	1,408,130
50-59 years	1,199,203	1,234,103	1,259,906	1,295,706	1,315,677	1,229,799	1,253,379	1,281,390	1,303,781	1,321,414
60-69 years	700,827	722,021	754,663	794,316	827,207	784,117	817,011	856,522	891,983	930,186
70-79 years	461,665	459,992	459,524	465,714	466,110	439,892	447,281	462,564	479,911	497,179
80+ years	317,241	324,179	331,715	342,302	322,617	307,377	314,999	323,079	329,570	333,556

Source:

*** State of California, Department of Finance, E-3 Race / Ethnic Population Estimates with Age and Sex Detail, 2000–2008. Sacramento, CA, June 2010.*

**** State of California, Department of Finance, Race/Ethnic Population with Age and Sex Detail, 2000–2050. Sacramento, CA, July 2007. (data are projections calculated between census surveys)*

(1) State of California, Department of Finance, Population Projections for California and Its Counties 2010-2060. Sacramento, CA, January 2013. (These data supersede the previously used data source.)

Economic Data

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
LA County Personal Income	357,594,039	384,722,373	398,281,877	410,482,294	395,372,354	404,473,004	425,673,042	455,788,782	466,098,988	N/A
LA County Per Capita Personal Income	36,540	39,508	41,058	42,165	40,396	41,163	43,062	45,800	46,506	N/A
California Personal Income	1,395,992,214	1,499,308,841	1,564,289,335	1,596,229,973	1,537,094,676	1,578,553,439	1,685,635,498	1,805,193,769	1,856,614,186	1,944,369,223
California Per Capita Personal Income	38,964	41,623	43,152	43,608	41,587	42,282	44,749	47,505	48,434	50,109
United States Personal Income	10,605,595,000	11,376,405,000	11,990,104,000	12,429,234,000	12,080,223,000	12,417,659,000	13,189,935,000	13,873,161,000	14,151,427,000	14,708,582,165
United States Per Capita Personal Income	35,888	38,127	39,804	40,873	39,379	40,144	42,332	44,200	44,765	46,129

Source:

Bureau of Economic Analysis: http://www.bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1&acrdn=4 (Tables SA1-3 and CA1-3)

Personal income data are shown in thousands of dollars; per capita income data are shown in dollars.

2014 economic data is not yet available for Los Angeles County

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
UNEMPLOYMENT RATE
2005 – 2014

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Area	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
United States	6.2%	7.4%	8.1%	8.9%	9.6%	9.3%	5.8%	4.6%	4.6%	5.1%
California	7.5%	8.9%	10.4%	11.8%	12.4%	11.3%	7.2%	5.4%	4.9%	5.4%
Los Angeles County	8.3%	9.9%	10.9%	12.3%	12.6%	11.6%	7.5%	5.1%	4.8%	5.4%

Source:

Bureau of Labor Statistics (http://www.bls.gov/; annual averages)

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
TEN LARGEST INDUSTRIES (1)
2014 AND 2005

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	June 30, 2014			June 30, 2005		
Industry	**Number of Employees**	**Rank**	**Percentage of Total**	**Number of Employees**	**Rank**	**Percentage of Total**
Trade, Transportation & Utilities	789,200	1	17.29%	786,100	1	17.53%
Educational & Health Services	734,000	2	16.08%	562,500	4	12.55%
Professional & Business Services	613,400	3	13.44%	573,800	3	12.80%
Government	559,800	4	12.26%	591,800	2	13.20%
Leisure & Hospitality	454,100	5	9.95%	382,900	6	8.54%
Manufacturing	353,300	6	7.74%	475,300	5	10.60%
Financial Activities	213,100	7	4.67%	241,900	7	5.40%
Information	205,600	8	4.50%	203,900	8	4.55%
Other Services	149,300	9	3.27%	146,400	10	3.27%
Construction	126,600	10	2.77%	149,700	9	3.34%
Sub-total Ten Largest Industries	4,198,400		91.97%	4,114,300		91.77%
All Other Industries	366,600		8.03%	369,200		8.23%
Total Industries	4,565,000		100.00%	4,483,500		100.00%

Note:
(1) Employment by industry is presented because employment data for individual employers was unavailable.

Source:
County of Los Angeles Comprehensive Annual Financial Report for the year ended June 30, 2014:
http://ceo.lacounty.gov/pdf/portal/CAFR%202014%20.pdf

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
CAPITAL ASSETS STATISTICS

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Capital Assets (Land, Building, Furniture & Equipment) are used by the Commission for general operating and administrative function. The Commission has only one (1) centrally located building supported by other capital assets.

LOS ANGELES COUNTY
CHILDREN AND FAMILIES FIRST – PROPOSITION 10 COMMISSION
AUTHORIZED POSITIONS BY FUNCTION

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Functional Area	2015 (4)	2014 (3)	Fiscal Year 2013 (2)	2012 (1)	2011 (1)
Executive	4.5	5.5	3	2	2
Administration	34.5	34	35	33	29
Programs	101.5	91.5	92	91	96
Total	**140.5**	**131**	**130**	**126**	**127**

Note:
(1) Data are budgeted authorized positions approved as part of the fiscal year budget. Prior to FY 2010-11, positions were reported by department only, and not according to functional area.

Source:
(1) First 5 LA Approved FY 2011-12 Operating Budget (FY 2010-11 data were included for comparison purposes)
(2) First 5 LA Approved FY 2012-13 Operating Budget
(3) First 5 LA Approved FY 2013-14 Operating Budget
(4) First 5 LA Approved FY 2014-15 Operating Budget

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Commissioners
Los Angeles County Children and Families
First – Proposition 10 Commission
Los Angeles, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Los Angeles County Children and Families First – Proposition 10 Commission (Commission), a component unit of the County of Los Angeles, California, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated __________, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rancho Cucamonga, California
__________, 2015

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INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Commissioners
Los Angeles County Children and Families
First – Proposition 10 Commission
Los Angeles, California

Compliance

We have audited the Los Angeles County Children and Families First – Proposition 10 Commission's (Commission), a component unit of the County of Los Angeles, California, compliance with the requirements specified in the *State of California's Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office, applicable to the Commission's statutory requirements identified below for the year ended June 30, 2015.

Management's Responsibility

Management is responsible for compliance with the requirements of the laws and regulations applicable to the California Children and Families Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Commission's compliance with the requirements referred to above based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the State Controller's Office. Those standards and the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the requirements referred to above that could have a direct and material effect on the statutory requirements listed below. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance. However, our audit does not provide a legal determination of the Commission's compliance with those requirements. In connection with the audit referred to above, we selected and tested transactions and records to determine the Commission's compliance with the state laws and regulations applicable to the following items:

Description	Audit Guide Procedures	Procedures Performed
Contracting and Procurement	6	Yes
Administrative Costs	3	Yes
Conflict-of-Interest	3	Yes
County Ordinance	4	Yes
Long-range Financial Plans	2	Yes
Financial Condition of the Commission	1	Yes
Program Evaluation	3	Yes
Salaries and Benefit Policies	2	Yes

Opinion

In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the California Children and Families Program for the year ended June 30, 2015.

Purpose of Report

The purpose of this report on compliance is solely to describe the scope of our testing over compliance and the results of that testing based on the State of California's *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, issued by the Controller's Office. Accordingly, this report is not suitable for any other purpose.

Rancho Cucamonga, California
__________, 2015

Agenda Item: 7
Date: October 8, 2015

First 5 LA

SUBJECT:
- **Records Retention and Destruction Policy**
- **Electronic Storage of Official Records Policy**
- **Public Records Request Policy**

RECOMMENDATION:
Approve these three Board-approved policies.

BACKGROUND:
As a public entity, under state law First 5 LA is required to maintain access to records used to conduct official public business, and can only destroy those records with prior approval from the Board. These policies establish:
- definitions used to adhere to state requirements (including clarification of what is a public record and what is not a public record),
- timelines for which various types of public records must be maintained (addressed in the "Records Retention Schedule"),
- internal procedures for records retention and destruction, including electronic storage, and
- internal procedures for responding to requests for public records.

Throughout its history, First 5 LA has complied with these state requirements but did not have a consistent process for implementing these requirements across the entire organization. Since February 2014, the First 5 LA internal policy workgroup (3M) has been working with legal counsel on updating these policies, providing important procedural guidance to staff should the policies be adopted. For example, the "Records Retention and Destruction Policy" provides overall guidance on requirements to retain records and how to go about seeking Board approval for their destruction. And for the first time, this policy includes a master "Records Retention Schedule," outlining over 130 series of records, providing a specific retention period for each type of record. The schedule also breaks down types of records held by function versus department so that even if departments change, the schedule remains valid. .

The "Public Records Requests Policy" further outlines how to handle public requests for these official records in a way that is responsive to the public's right to see how official public business is conducted, consistent with state law and the policies and timeframes put forth in the "Records Retention and Destruction Policy." In addition, by clarifying the definition of these records and their timeframe for retention, we are better able to appropriately handle record destruction. Since working on the revisions to these policies, First 5 LA has not sought Board approval to destroy any public records, which presents a cost to the organization.

Finally, the "Electronic Storage of Official Records Policy" outlines the policies and procedures for establishing an electronic data management system (EDMS) that will be the trusted system of record for official documents.

These policies and procedures require Board approval, due to the nature of their content. The policies are being brought forth for your review at the October 8, 2015 Board meeting (for action on November 12, 2015). Prior to coming to the full Board, policies are brought before the Executive Committee for their review and input. All three of these policies were reviewed by the Executive Committee on September 23, 2015.

DISCUSSION:

Upon Board approval, First 5 LA management will put in place an internal structure to implement these policies. The internal process will include a mapping of existing documents, a training on the policies and procedures for all staff and specialized training for key staff, a migration from our current systems to the new EDMS, and a clean-up of existing documents (in paper and in electronic form). Additionally, training for Commissioners on the policies and procedures will also be conducted. It is expected this implementation will take at least 12 months.

Los Angeles County Children and Families First Proposition 10 Commission

SUBJECT: Records Retention and Destruction Policy	Policy Number:
	Effective Date:
	Supersedes: 01/12/12, 11/06/01
Initiating Authority: Executive	Page 1 Of 5

I. PURPOSE

This policy provides guidance for the orderly retention of records in compliance with state law, and the purging of records that do not have to be retained. To reduce costs associated with the storage and retention of obsolete records, this policy allows First 5 LA to reduce records inventories that are obsolete and no longer have a public use.

II. APPLICATION

This policy applies to all First 5 LA employees and officials.

III. POLICY

First 5 LA chooses to comply with the provisions of Government Code Sections 34090-34090.7, inclusive, pertaining to the retention and destruction of local government records, to facilitate the proper retention and destruction of agency records. This policy provides guidelines and procedures for the retention of active records, destruction of obsolete records, and purging of documents that do not have to be retained.

All First 5 LA records shall be retained in full compliance with this policy and applicable law. Destruction of First 5 LA records, and purging of non-records, shall be permitted only in compliance with the requirements of Government Code Sections 34090-34090.7 and this policy.

DEFINITIONS
The terms used in this policy shall have the following meanings:

"First 5 LA record": A writing (as defined below) regarding the conduct of First 5 LA business, which is in the custody of a First 5 LA employee or officer, and is kept either (1) because a law requires it to be kept or (2) because it is necessary or convenient to the discharge of the employee's or officer's duties and was made or retained for the purpose of preserving its informational content for future reference. If no law requires a writing to be kept, then the custodian shall consider the following in determining whether the writing is a First 5 LA record that must be retained: the writing's informational content; the purpose for which it was prepared or retained; and the manner of its use.

"Non-record": A writing that does not constitute a First 5 LA Record, including: (1) magazines or publications not produced by First 5 LA; (2) library or museum material intended solely for reference or exhibition; (3) transitory writings, including working papers, appointment logs, notes, calculations or preliminary internal drafts, or internal correspondence (including intra-agency memoranda), that are not retained by First 5 LA in the ordinary course of business even if they contain information relating to the conduct of the First 5 LA's business; (4) unofficial duplicate of documents kept only for convenience or reference; and (5) documents that do not contain information relating to the conduct of First 5 LA's business.

"Writing": Any handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail (e-mail) or facsimile, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof, and any record thereby created, regardless of the manner in which the record has been stored.

IV. PROCEDURES

A. RECORDS RETENTION

A First 5 LA record series identifies the type of record to be retained. The content of each record series has been evaluated based upon its administrative, operational, fiscal, contractual, legal, and historical value to determine an appropriate retention period. This evaluation has resulted in the attached Records Retention Schedule (Attachment A), which is included as a component of this policy.

For each type of record the schedule identifies the following:

- **Record Series: identifies the type of First 5 LA record to be retained.**
- **Description of Records: describes the record by content and may include examples of records that are covered by the Record Series.**
- **Retention Period: establishes the period of time the document must be retained.**
- **Legal Authority: identifies relevant laws used in determining the retention period.**

The retention period is a threshold guide to assist staff in determining when a record series becomes obsolete. Obsolete records are eligible for inclusion in a destruction resolution in accordance with Section IV.E of this policy, unless longer retention is required by a legal hold (see Section IV.C) or a contractual obligation, or it is determined in accordance with this policy that a particular record within a records series should be retained longer.

a. Contractual obligations may impose longer retention periods

First 5 LA has contracted with various grantors to receive funding in addition to its Proposition 10 funding. Those various grant agreements are referred to in the Records Retention Schedule as "funding source agreements" to distinguish them from grant agreements in which First 5 LA is the grantor.

As a condition of receiving monies through funding source agreements, First 5 LA has agreed to retain certain records specified in the grant agreements for a set length of time. First 5 LA records specified in each funding source agreement must be retained for the period of time set forth in the funding source agreement, even if it is a longer retention period than the retention stated on the Records Retention Schedule.

b. Electronic Document Management System
First 5 LA uses an Electronic Document Management System to store certain electronic records. All records stored in the Electronic Document Management System are subject to this Records Retention and Destruction Policy. Additionally, First 5 LA has adopted an administrative policy for converting and storing paper records in the Electronic Document Management System in compliance with California state law.

B. NO DESTRUCTION OF FIRST 5 LA RECORDS WITHOUT BOARD APPROVAL
The Records Retention Schedule sets the minimum retention period before a First 5 LA record becomes obsolete. It does not authorize destruction of obsolete records. To destroy those records, additional Board action is required.

First 5 LA records may not be destroyed until approved for destruction in accordance with Section IV.E of this policy. First 5 LA records include writings listed on the Records Retention Schedule, as well as writings that meet the definition of a First 5 LA record even if not listed on the Records Retention Schedule.

For those First 5 LA records that are not listed on the Records Retention Schedule, staff shall provide the agency's legal counsel with a description of the writings, their administrative, operational, contractual, fiscal and historical value, and why staff believes they are obsolete and should be destroyed. Agency legal counsel will review and provide advice regarding any legal requirements for the retention of the writings.

C. LEGAL HOLD
A Legal Hold places a freeze on any destruction authorization for a particular record or type of record. A Legal Hold refers to the duty of First 5 LA to preserve and not destroy any records potentially relevant to any of the following actions which First 5 LA may be involved in: a reasonably anticipated claim or litigation; an ongoing claim or litigation; a pending employee grievance; a pending regulatory or governmental investigation; a pending subpoena; a pending Public Records Act request; a pending audit or similar legal matter. Any records subject to a legal hold must be preserved in all forms in which the record exists, including both paper and electronic formats.

Any part of this policy that permits purging or destruction of records is superseded when a legal hold is placed on the records, and such records may not be destroyed.

Destruction in accordance with this policy may resume after notice is provided by the attorney responsible for the matter that the legal hold has been lifted and is no longer in effect.

D. PURGE OF NON-RECORDS
Non-records need not be retained and should be purged pursuant to this policy when no longer needed, provided a legal hold does not prohibit their destruction.

Duplicate copies of records are non-records. Pursuant to Government Code Section 34090.7, duplicate copies of records less than two (2) years old may be destroyed if the duplicate copies are no longer required, unless the duplicate copies are subject to a legal hold (see section IV.C above).

E. DESTRUCTION OF FIRST 5 LA RECORDS

Prior to destroying any records, the following steps shall be completed.

Step 1.: Staff shall consider the following factors for records that have reached the expiration of their retention period:

- Is the record subject to a legal hold (see Section IV.C above)?
- Does the record have a specific administrative or fiscal function that justifies longer retention? A department may retain a record past its minimum retention period for operational purposes where it can demonstrate the record meets an extraordinary administrative or fiscal need.
- Does the record have a specific historical/archival value that justifies longer retention? Records with archival value are to be preserved because they contain information of continuing and enduring value to First 5 LA, provide valuable research data, or document the history of First 5 LA and its departments.

If the answer to any of the questions is yes, the record will not be proposed for destruction.

Step 2: A list will be made of all records to be destroyed and submitted to the Chief Operating Officer (COO) or designee or applicable Department head for written approval. The list of records shall not include any First 5 LA records subject to a legal hold, and the COO or designee or Department Head shall sign a destruction form so attesting.

Step 3: This list, and the signed destruction form, will be presented to First 5 LA legal counsel who will be asked to review and approve the destruction of the records identified.

Step 4: Once the written approval of legal counsel has been obtained, a resolution will be brought before the Board at an open meeting requesting approval of the request to destroy those records.

Step 5: The Board shall authorize records destruction by resolution.

The COO or designee will coordinate with any department requiring destruction of records to ensure protocol is followed and requisite review and approvals are obtained from Legal Counsel and the Board.

In the event a department desires to retain a record series beyond its retention period, the appropriate staff person shall complete a form stating the Step 1 basis for retaining the records for a longer period than set in the Records Retention Schedule.

<u>Exception: First 5 LA Records Pre-Approved for Destruction</u>

In the event the Records Retention Schedule expressly states that a First 5 LA record may be destroyed without further Board approval, such record is not subject to the destruction resolution requirement above and may be destroyed without further approval.

F. DESTRUCTION

The secure destruction of any record shall be by burning, shredding, or other mechanism which shall render its content forever unreconstructable.

G. TRAINING

Staff will be trained annually on what First 5 LA records to keep, and what non-records may be purged.

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V. RESPONSIBILITIES

The Chief Operating Officer or designee will monitor the procedures for this policy and coordinate with Directors as required. Each department will have a single point of contact, responsible for records applicable to the specific department. Each Department's point on contact will forward all award documentation and non-funded applications, review tools and declination letters to Contract Compliance. The Contract Compliance Department will enter the information into the official Electronic Document Management System folder.

VI. REFERENCES/LEGAL AUTHORITY

California state law makes it a crime to destroy a record of a public agency without authorization. State law authorizes First 5 LA to dispose of personal property (Health and Safety Code Section 130140.1(b)(2)(C)), which includes First 5 LA Records.

VII. APPROVALS

____ ____________________
John Wagner, Chief Operating Officer, Initiating Authority Date

____ ____________________
John Wagner, Chief Operating Officer Date

____ ____________________
Kim Belshé, Executive Director Date

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First 5 LA
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ALL DEPARTMENTS			
Records Series Category	**Description of Records See Footnote 4 for Definitions**	**Recommended Retention Period[FN1]**	**Legal Citation**
Agendas and Minutes – Internal Department Meetings	Includes agenda, minutes, meeting summaries and attendance record, if any, for meetings within a single department, or between two or more departments. Department initiating meeting is custodian of record.	2 years	Gov't Code § 34090
Agendas and Minutes – External Meeting with Grantees, Consultants, Contractors, or Vendors	Includes agenda, minutes, meeting summaries and attendance record, if any, for meetings with grantees, consultants, contractors, or vendors. NOTE: Transfer records to Contract Compliance Department if related to compliance or performance issues.	Contract termination plus 4 years or project completion plus 4 years, whichever is later (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Agendas and Minutes – External Meetings Convened by First 5 LA (Not Involving Grantees, Contractors, Consultants, or Vendors)	Includes agenda, minutes, meeting summaries and attendance record, if any, for all other meetings convened by First 5 LA that are held with persons or entities external to First 5 LA, who are not grantees, contractors, consultants, or vendors.	2 years	Gov't Code § 34090
Budget Tracker	Spreadsheet or chart tracking grantee, contractor, consultant, or vendor expenditures. Applies to those departments that use a budget tracker.	Contract termination plus 2 years or project completion plus 2 years, whichever is later (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Calendars	Appointment books and scheduling calendars	4 years	Gov't Code § 34090

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ALL DEPARTMENTS			
Records Series Category	**Description of Records See Footnote 4 for Definitions**	**Recommended Retention Period**[FN1]	**Legal Citation**
Contract Working Documents	Miscellaneous records related to grantee, contractor, consultant, or vendor that are not retained by Contracts Compliance and not covered by another records series category. May include negotiating history retained by department, and post-contract records not transferred to Contracts Compliance. NOTE: Department is not required to retain working documents except to the extent required by First 5 LA policy. To the extent working documents are retained, this retention period applies.	Contract termination plus 2 years or project completion plus 2 years, whichever is later (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Correspondence – Internal/External – Exchanged with or regarding Grantees, Contractors, Consultants or Vendors	Internal: Substantive correspondence exchanged internally regarding grantees, contractors, consultants or vendors not listed under "Contract Documents". External: Routine correspondence, including emails, memos and letters, exchanged with grantees, contractors, consultants, or vendors NOTE: Transfer to Contract Compliance Department internal and external correspondence related to compliance or performance issues.	Contract termination plus 2 years (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Correspondence - Other	All other general substantive correspondence, external and internal. Includes emails, memos and letters involving substantive issues not related to a grant, contract, lobbying, employment, or public records request, and that does not fall under any other retention category. If subject matter requires longer retention, use the longer retention period. Does not include advertisements, newsletters, invitations, and mailings of general interest. Correspondence that is transitory and does not document substantive issues does not have to be retained. See First 5 LA Records Retention and Destruction Policy for details.	3 years	Gov't Code § 34090

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ALL DEPARTMENTS			
Records Series Category	**Description of Records See Footnote 4 for Definitions**	**Recommended Retention Period[FN1]**	**Legal Citation**
Evaluations Prepared by Staff	Program evaluations prepared by staff.	Program termination plus 4 years (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Procedures – Department (re: Grantees, Contractors, Consultants or Vendors)	Internal procedures developed by the certain departments generally involving interactions with contractors or grantees. Examples: Site visit procedures, progress report, invoice review/approval, and budget modification procedures. NOTE: If a procedure may be used as basis for terminating a contract, save superseded procedure for same length of time as any contract covered by the procedure.	Until superseded, but retain minimum 2 years (see FN 1) unless used as a basis for contract termination If used as basis for terminating a contract, see NOTE under Description of Records.	Gov't Code § 34090
Documents for Transactions Less than $5,000	If an agreement is executed, transfer agreement documents to Contract Compliance for retention. Transfer Purchase Request and Invoice to Finance. All other documents related to transaction, department retains.	Completion of transaction plus 4 years (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Draft Documents (Internal) - Retained	Internal drafts of correspondence, memos, presentations, reports and other documents retained in the ordinary course of business. NOTE: First 5 LA is not required to retain internal drafts. To the extent internal drafts are retained, a minimum 2 year retention period applies. See First 5 LA Records Retention and Destruction Policy for details.	2 years	Gov't Code § 34090

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ALL DEPARTMENTS			
Records Series Category	**Description of Records See Footnote 4 for Definitions**	**Recommended Retention Period[FN1]**	**Legal Citation**
External Resources / Research Literature	External resources not produced for or by First 5 LA, but used in support of a decision by First 5 LA (for example, when summarized or quoted in a staff report). Includes newspaper, magazine or journal articles, briefs, and reports. NOTE: If not used to support a decision, External Resources may be destroyed when no longer needed.	2 years	Gov't Code § 34090
Legal Opinions	Legal opinions received from counsel regardless of format (includes letters, memos, emails, etc.)	Until superseded, but retain minimum of 4 years (See FN 1)	Gov't Code § 34090; Civ Code Proc. § 340.6
Lists/Rosters	Mailing lists, and other lists and rosters created for internal use, such as lists of potential conferences staff may be interested in attending, lists of department projects, grantee/contractor lists, vendor lists, and lists of Commissioners and Committee appointments.	Until superseded, but retain minimum 2 years (See FN 1)	Gov't Code § 34090
Planning - Department	Planning documents regarding internal Department planning.	2 years	Gov't Code § 34090
Planning - Projects	Internal projects such as LCFF, OTT, staff development, etc.	Project termination plus 2 years	Gov't Code § 34090
Presentations – External and Internal	Public presentations (external) not tied to a particular grant or contract. (Does not include presentations given to the Board or a Committee. See Executive Department Records Retention Schedule.) Presentations given to other departments or intra-department.	2 years	Gov't Code § 34090
Reports – Internal	Internal reports unrelated to a specific grantee, contractor, consultant or vendor. Includes Program Officer Monthly Progress Reports; requests from another department to provide data or information, if retained; and records of work groups internal to First 5 LA regarding various topics.	2 years	Gov't Code § 34090
Training and Outreach	Department records related to conference and seminar attendance.	2 years	Gov't Code §34090

ALL DEPARTMENTS			
Records Series Category	**Description of Records See Footnote 4 for Definitions**	**Recommended Retention Period[FN1]**	**Legal Citation**
Training Presentations	Training presentations given to First 5 LA staff.	Until superseded, but retain for no less than 2 years (See FN 1)	Gov't Code § 34090
Video Recordings	Video recordings of events.	10 years	Gov't Code § 34090
Correspondence - Support Letters	Correspondence in support of a project or initiative. For example, CHOICE, Promise Neighborhoods, Promise Zone 2013, etc.	3 years	Gov't Code § 34090
Membership Information	Records related to First 5 LA's membership in various external organizations.	2 years	Gov't Code § 34090

BEST START COMMUNITIES			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Best Start Community Documents	Documents related to the Best Start Communities including partnership sign-in sheets, governance guidelines, community plans and assessment reports.	TBD	Gov't Code § 34090

CONTRACT COMPLIANCE DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Appeals	Appeals related to contract solicitations.	Conclusion of appeal plus 2 years	Gov't Code § 34090; Civ Code Proc. § 337

CONTRACT COMPLIANCE DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Agendas and Minutes – External Meeting with Grantees, Consultants, Contractors, or Vendors	Includes agenda, minutes, meeting summaries and attendance record, if any, related to compliance or performance issues.	Contract termination plus 4 years or project completion plus 4 years, whichever is later (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Contracts, Amendments and MOUs. Insurance Documentation	Executed agreements with all exhibits; amendments; and related proof of insurance	Permanent	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Contract related Documents and related Procurement Documents, for Grantees, Consultants, Contractors, and Vendors (Except MAA, See "Contract Documents - MAA" below)	First 5 LA forms, corporate/agency documents, compliance documents, correspondence related to contract compliance, site visit reports, and procurement documents. NOTE: Exception. If funding source agreement requires longer retention period, retain those related records for the longer retention period stated in the agreement. See FN 2.	Contract termination plus 4 years or project completion plus 4 years, whichever is later (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Contract Working Documents	Records including contractual term negotiating history.	Contract termination plus 2 years or project completion plus 2 years, whichever is later (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Contract related Documents, and related Procurement Documents, for MAA-funded Contracts	First 5 LA forms, corporate/agency documents, compliance documents, correspondence, and procurement documents. Finance Department is custodian for all other records related to MAA. See FN 2.	Termination of LA County MAA Agreement plus 5 years (unless LA County approves in writing a shorter term, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements

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CONTRACT COMPLIANCE DEPARTMENT

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
Contract Procurement Documents - Cancelled Solicitations	After an RFQ or RFP was issued, it was cancelled and no agreement was finalized, executed or acted upon. Records covered by this record series include the RFQ or RFP and any proposals or statement of qualifications received by First 5 LA.	Cancellation plus 3 years	Gov't Code § 34090; Civ Code Proc. § 337
Contract Procurement Documents - Unsuccessful Proposer	Proposals and statements of qualification, application, correspondence, and review tool related to unsuccessful applications.	Date of declination plus 2 years	Gov't Code § 34090; Civ Code Proc. § 337
Deliverables, Reports and Evaluations Produced by Grantees, Contractors, Consultants or Vendors	Deliverables, reports, or evaluations that are produced by a grantee, contractor, consultant or vendor, except lobbying (see Policy Dept Schedule for Deliverables related to lobbying, 7 year minimum).	Contract termination plus 4 years or project completion plus 4 years, whichever is later (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Correspondence - Internal (re: Grantees, Contractors, Consultants or Vendors)	Substantive correspondence exchanged internally regarding grantees, contractors, consultants or vendors that implicates non-compliance or non-performance issues, including email and other memoranda.	Contract termination plus 4 years or project completion plus 4 years, whichever is later (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Correspondence - External (Grantee, Contractor, Consultant or Vendor)	External correspondence, including emails, memos and letters, exchanged with grantee, contractor, consultant or vendor related to compliance and performance issues.	Contract termination plus 4 years or project completion plus 4 years, whichever is later (unless funding source agreement requires longer retention, see FN 2)	Gov't Code §34090; Civ Code Proc. § 337; First 5 LA Agreements
Memoranda of Understanding (MOUs)	Agreements entered into that do not commit First 5 LA to expend money.	MOU termination plus 4 years	Gov't Code § 34090; Civ Code Proc. § 337
Pool Documents - Successful Proposers	Proposers who are pre-screened to be part of a pool from among which staff may choose to solicit for future projects. Includes solicitation documents, proposal/application, completed First 5 LA forms and documents, and related correspondence.	Termination of pool membership plus 2 years (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements

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CONTRACT COMPLIANCE DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Pool Documents - Unsuccessful Proposers	Records related to proposers who are not chosen to be part of a pool. Includes declination Letter and proposal/application.	Date of declination plus 2 years (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements

EXECUTIVE DEPARTMENT INCLUDING COMMISSION AND COMMITTEES			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Part 1: Department Records			
Agendas and Minutes – External (Quarterly L.A. County Meetings)	Quarterly meetings with Board of Supervisor Deputies. Includes agenda, minutes, meeting summaries and attendance record, if any.	2 years	Gov't Code § 34090
Correspondence - External – Real Property/Metro Union Station	Correspondence regarding real property issues exchange with or about Metro Union Station.	Permanent	Gov't Code § 34090
Correspondence – External – State and County	Substantive correspondence exchanged with Los Angeles County or First 5 California or any other state agency. Includes emails, memos and letters involving substantive issues.	3 years	Gov't Code § 34090
Executive Department Initiatives	Projects initiated by the Executive Department that are not covered by another department's retention schedule and are not related to a contract or agreement. Example: L3 (listening, learning & leading) Initiative.	2 years	Gov't Code § 34090
FPPC Statement of Economic Interest (Form 700) for Code Filers	Copies of FPPC forms for Board of Commissioners, Alternate Commissioners, Ex-Officio Representatives, and Chief Executive Officer. Original forms are forwarded by First 5 LA to Los Angeles County and First 5 LA retains a copy.	4 years	Gov't Code § 81009(f)

EXECUTIVE DEPARTMENT INCLUDING COMMISSION AND COMMITTEES

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
FPPC Statement of Economic Interest (Form 700) for Filers Designated in First 5 LA's Conflict of Interest Code	Original FPPC Statement of Economic Interest (SEI) for the designated positions on First 5 LA's Conflict of Interest Code. The originals of these SEIs (also known as Form 700s) are retained by First 5 LA.	7 years	Gov't Code § 81009(e)
Policies and Procedures for First 5 LA - Agency-wide	Policies and procedures applicable to all employees and departments.	Permanent	Gov't Code § 34090
Real estate - Ownership	Records related to First 5 LA's ownership of real estate and any building construction or capital improvements.	Permanent	Gov't Code § 34090; Civ Code Proc. § 337.15
Real estate - Lease	Record related to tenant's lease of First 5 LA's property.	Lease expiration plus 4 years	Gov't Code § 34090; Civ Code Proc. § 337.2
Part 2: Commission and Committee Records			
Audio Recordings	Audio recordings of Commission and Committee meetings. Recordings may be destroyed 30 days after the recording is made, without further action of the Board, unless a recording is subject to a legal hold.	30 days	Gov't Code § 54953.5(b)
Budgets – Final Adopted	The final budget as adopted.	15 years	Gov't Code § 34090
Bylaws	First 5 LA adopted bylaws.	Permanent	Gov't Code §34090

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EXECUTIVE DEPARTMENT INCLUDING COMMISSION AND COMMITTEES			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Correspondence –Commission or Committee	Substantive correspondence received by or sent on behalf of the Board of Commissioners or a Committee, related to First 5 LA business. Includes emails, memos and letters involving substantive issues not related to a grant, contract, lobbying, employment, or public records request, and that does not fall under any other retention category. If subject matter requires longer retention, use the longer retention period. Does not include advertisements, newsletters, invitations, and mailings of general interest. Correspondence that is transitory and does not document substantive issues does not have to be retained. See First 5 LA Records Retention and Destruction Policy for details.	3 years	Gov't Code §34090
Meeting Agendas	Meeting agendas for Commission and Committees	Permanent	Gov't Code §34090
Meeting Minutes, Transcripts or Action Summaries	Meeting minutes, transcriptions, or action summaries for Commission meetings and Committee meetings.	Permanent	Gov't Code §34090
Meeting Packets including Late Correspondence	Includes staff reports, presentations, late correspondence, and other meeting materials distributed in advance of, or at, Commission meetings and Committee meetings.	15 years	Gov't Code §34090
Resolutions	Resolutions of the Commission or Committees.	Permanent	Gov't Code §34090

FINANCE DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**

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FINANCE DEPARTMENT

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
Accounts Payable	Includes records of payments made to vendors, contractors, consultants, grantees, etc., and related back-up documentation. NOTE: Exception. If funding source agreement requires longer retention period, retain those related records for the longer retention period stated in the agreement. See FN 2	Fiscal year-end audit closed plus 7 years, (but see Note and FN 2)	Gov't Code § 34090; 29 CFR §§ 516.2, 516.5, 516.6; 22 CCR § 1085-2(c); 26 CFR § 31.6001-1(e)(2); Labor Code § 1174(d); FPPC Lobbyist expenses 2 CCR § 18610; First 5 LA Funding Contracts
Accounts Receivables	Includes records of monies received by First 5 LA. NOTE: Exception. If funding source agreement requires longer retention period, retain those related records for the longer retention period stated in the agreement. See FN 2.	Fiscal year-end audit closed plus 7 years, (but see Note and FN 2)	See A/P
Annual Audit - Final	Final audit report.	Permanent	Gov't Code § 34090
Audit Working Papers	Working papers related to either the annual audit or a special audit. NOTE: Exception. If funding source agreement requires longer retention period, retain those related records for the longer retention period stated in the agreement. See FN 2.	Fiscal year-end audit closed plus 7 years, (but see Note and FN 2.)	See A/P
Banking Records – Registers, Reports and Statements	Bank Registers, Blackbaud report and Monthly statements NOTE: Exception. If funding source agreement requires longer retention period, then <u>all</u> banking records must be retained for the longer retention period stated in the agreement.	Fiscal year-end audit closed plus 7 years, (but see Note and FN 2)	See A/P
Banking Records – Signature Cards and Applications	Bank signature card authorizations and credit card applications	The earlier of termination of account plus 4 years or superseded authorization plus 4 years	Civ. Code Proc. § 337

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FINANCE DEPARTMENT

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
Budgets - Working Papers	Documentation used to create budget, to the extent such documentation is retained. Executive Department is custodian of final budget.	2 years	Gov't Code § 34090
Census Bureau - Annual Survey for Government Finances	A voluntary program that First 5 LA participates in per 13 U.S.C. §182.	2 years	Gov't Code § 34090
Check Registers	Used for payment approval.	2 years	Gov't Code § 34090
Credit Applications completed by First 5 LA.	Applicable when First 5 LA is the vendor, such as renting a meeting room.	Event plus 4 years	Gov't Code § 34090; Civ. Code Proc. § 337
Financial Reporting – Asset Inventory & Depreciation Schedule	Includes Capital Asset Inventory list and depreciation schedules.	Fiscal year-end audit closed plus 7 years	See A/P
Financial Reporting – Monthly Report	Electronic copy of monthly financial report included in Commission packet.	2 years	Gov't Code §34090
First 5 CA Annual Report - Working Papers & Correspondence	Working papers prepared by Finance for report submitted to First 5 California. Research and Evaluation is custodian of final report.	4 years from the date report is filed with state	Health & Safety Code §§ 130150 and 130151; Gov't Code § 34090
General Ledger	Data contained in financial accounting software (Blackbaud). NOTE: Exception. If funding source agreement requires longer retention period, retain those related records for the longer retention period stated in the agreement. See FN 2.	Fiscal year-end audit closed plus 7 years (but see Note and FN**)	See A/P

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FINANCE DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Grantee and Contractors Management	Program Fiscal Audit Services and Presentations to Grantees NOTE: Exception. If funding source agreement requires longer retention period, retain those related records for the longer retention period stated in the agreement. See FN 2.	Contract termination plus 4 years or project completion plus 4 years, whichever is later (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Insurance – First 5 LA	Liability, SLIP limited liability, and workers' compensation Insurance policies and related records.	Permanent	Gov't Code § 34090
Long -Range Financial Plan (LRFP)	Health and Safety Code Section 130151 requires preparation of the Long Range Financial Plan.	2 years	Health & Safety Code §§ 130150 and 130151; Gov't Code § 34090
Medi-Cal Administrative Activities (MAA)	Records described in the MAA agreement between First 5 LA and Los Angeles County, except the agreement and exhibits. Contract Compliance is custodian of the agreement and exhibits. NOTE: MAA Agreement imposes minimum records retention period of MAA Agreement termination plus 5 years, unless L.A. County's written approval is obtained. See FN 2.	Fiscal year-end audit closed plus 7 years (County written approval required) (See Note and FN 2)	Gov't Code § 34090; Civ Code Proc. § 337; First 5 LA Agreements
Payroll	Payroll records including worksheets, reports, and payroll purchase requests. NOTE: Exception. If funding source agreement requires longer retention period, then <u>all</u> payroll records must be retained for the longer retention period stated in the agreement.	Fiscal year-end audit closed plus 7 years (but see Note and FN 2)	Gov't Code § 34090; 29 CFR §§ 516.2, 516.5, 516.6; 22 CCR § 1085-2(c); 26 CFR § 31.6001-1(e)(2); Labor Code § 1174(d)); First 5 LA Funding Contracts
Procedures – Finance Department	Department Procedures	Permanent	Gov't Code § 34090
Risk Management -Claims Against First 5 LA	Claims for money or damages filed with First 5 LA.	Permanent	Gov't Code § 34090

FINANCE DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
State Certification of Compliance by FY	Submitted to First 5 California annually.	Permanent	Health & Safety Code §§ 130150 and 130151; Gov't Code § 34090
W-9 Forms	W-9 Forms received from grantees, contractors, consultants, vendors, reviewers, single purchase (collectively, "vendor"), and Commissioners.	Vendor termination plus 6 years	26 U.S.C. § 3402; 26 CFR § 31.6001-1(e)(2); IRS General Instructions for Forms 1099 (Cat. No. 27976F; p. 5)

GRANTS DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Initiative Brief	Summary of investment or initiative area.	2 years	Gov't Code § 34090

HUMAN RESOURCES DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
ADA/ADEA Process	Records regarding accommodation process	Permanent	Gov't Code §34090
CalOSHA - Filings	Forms filed with CalOSHA, along with other workplace safety records. Includes CalOSHA Forms 300, 300A and 301; other logs of workplace injury or illness; employee complaints related to workplace safety	5 years from the end of the calendar year covered by the forms or logs	8 CCR § 14300.33, Gov't Code § 34090
CalOSHA - Injury and Illness Prevention Program	Injury and Illness Prevention Program related records.	5 years from end of calendar year in which program was superseded	8 CCR § 14300.33, Gov't Code § 34090(d)

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HUMAN RESOURCES DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Correspondence - Internal re: HR issues	Substantive correspondence exchanged internally, including email and memoranda, regarding employment issues that are not specific to an individual employee. NOTE: Correspondence regarding a specific employee should be retained based on applicable category (e.g., Employee Personnel File, Employee Exposure Record, Employee Leave of Absence Records).	Permanent If employee specific, see NOTE.	Gov't Code § 34090
Employee Benefit Invoices	Copies of monthly invoices received from benefit carriers. (Originals are provided to Finance)	2 years	Gov't Code §34090.7
Employee Benefit Plan Documents	Includes summary plan document and contract documents coverage.	Permanent	Gov't Code §34090
Employee Benefits Records - Not Retirement	Documentation of benefits elections, beneficiary designations, eligibility determinations, COBRA notices for each employee.	Employment termination plus 10 years (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; 29 U.S.C § 1027
Employee Benefits Records - Retirement Benefits	Records required to determine retirement benefits for each employee. Includes completed 457(b) and 403 (b) forms; loan documents related to same; and age & social security information.	Employment termination plus 10 years (unless funding source agreement requires longer retention, see FN 2)	Gov't Code §34090
Employee Exposure Record	Record of employee exposure to certain toxic substance or harmful physical agent, and related records, if any (e.g. material safety data sheets, chemical inventory, etc.).	Exposure plus 30 years	29 CFR 1910.1020(c)(5)&(d)(1)(ii)
Employee Leave of Absence Records	Records related to employee leave of absence, including dates and hours of leave used, records relating to any dispute regarding designation of leave (except see litigation), and correspondence related to same.	Employment termination plus 30 years	29 CFR §825.500; Gov't Code §12945.2

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HUMAN RESOURCES DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Employee Personnel File	Contents of Employee Personnel File and any separate Employee Medical File. Includes employment application and resume; offer letter; job descriptions; new hire form; scheduling form; change of status form; conference, training, and related certificates; disciplinary and performance evaluations; separation records; other correspondence related to the above. EXCEPTION: Do not destroy any personnel or recruitment files if (1) First 5 LA has received a verified FEHA complaint, or (2) if any pending employment claim or litigation. (FN***) NOTE: See "Employee Leave of Absence Records" and "Employee Exposure Record" for records requiring longer retention.	Employment termination plus 10 years (unless funding source agreement requires longer retention, see FN 2)	Gov't Code § 34090; 29 CFR §§ 1602.14, 1602.31, 1627.3; Cal. Lab. Code § 1174, 1197.5(d), 1198.5(c)(1); Gov't Code § 12946
Employee Personnel File - Medi-cal Administrative Activities (MAA) Contract	Records (described under "Employee Personnel File", above) related to any employee whose position is paid for by MAA. EXCEPTION: Do not destroy any personnel or recruitment files if (1) First 5 LA has received a verified FEHA complaint, or (2) if any pending employment claim or litigation. (FN 3)	The longer of: (1) Employment termination plus 10 years; or (2) Termination of MAA Agreement plus 5 years (unless LA County approves in writing a shorter term) (See FN 2)	Gov't Code § 34090; 29 CFR §§ 1602.14, 1602.31, 1627.3; Cal. Lab. Code § 1174; OMB A-133; Gov't Code § 12946
Employee's Withholding Allowance Certificate	Completed form W-4.	As long as in effect plus 5 years	26 USC § 3402; Treasury Regulation § 31.6001-1 & -2; IRS Pub. 15 (2014), (Circular E)

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HUMAN RESOURCES DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Employment Development Department Correspondence	General correspondence exchanged with the EDD, including such topics as unemployment insurance, state disability, FMLA and paid family leave. NOTE: Correspondence regarding a specific employee should be retained based on applicable category (e.g., Employee Personnel File, Employee Exposure Record, Employee Leave of Absence Records).	5 years for general correspondence. If employee specific, see NOTE.	29 CFR §825.500
Employment Eligibility Forms Verification	Completed I-9 Form	Employment termination plus 10 years (unless funding source agreement requires longer retention, see FN 2)	8 U.S.C. §1324a(b)(3)
Litigation Records regarding Employment Practices - Key Records	Covers DHEA, EEOC, FMLA, and unemployment litigation.	Permanent	Gov't Code § 34090
Policies and Procedures for First 5 – Employee Handbook	Employee Handbook	Permanent	Gov't Code § 34090
Recruitment - Unsuccessful Applicants	Applications, resumes, and related records of unsuccessful candidates. (For successful candidate application see Personnel File.) EXCEPTION: Do not destroy any recruitment or personnel files if (1) First 5 has received verified FEHA complaint, or (2) if any pending employment claim or litigation. (FN 3)	Position filled (or search terminated) plus 3 years (see EXCEPTION)	Gov't Code § 34090; 29 CFR §§ 1602.14, 1602.31, 1627.3; Cal. Lab. Code § 1174; OMB A-133; Gov't Code § 12946
Vendor - HR Support	Vendors who supply support services for HR. Includes RFP/RFQ, final contract, correspondence, reports, other related records.		Gov't Code §34090; Civ Code Proc. §337; First 5 LA Agreements

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HUMAN RESOURCES DEPARTMENT

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
Recruitment - Position	Records related to the recruitment process, such as internal memo, job description, job postings, recruitment log, requisition, screening questions. NOTE: Copies of job description and job posting should be added to the successful applicant's personnel file. EXCEPTION: Do not destroy any recruitment or personnel files if (1) First 5 has received verified FEHA complaint, or (2) if any pending employment claim or litigation. (FN 3)	Position filled (or search terminated) plus 5 years (see EXCEPTION)	Gov't Code § 34090; 29 CFR §§ 1602.14, 1602.31, 1627.3; Cal. Lab. Code § 1174; OMB A-133; Gov't Code § 12946
Workers' Compensation Claims	Applies to all workers' compensation claims and workers' compensation litigation records.	Permanent	Labor Code 6401.7; 8 CCR §§ 10101, 10101.1, 10102, 10103

INFORMATION TECHNOLOGY DEPARTMENT

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
Computer System Documentation	Documentation depicting and describing First 5 LA's computer system. Includes diagrams, drawings and descriptions.	Until superseded, but retain for a minimum of 2 years. (See FN 1)	Gov't Code §34090
Correspondence - Request for Service from First 5 LA staff	Requests and responses to requests for service.	2 years	Gov't Code §34090
Manuals - Software & Hardware	User guides, instruction manuals, printed or video tutorial manuals are not "records" of First 5. They are reference guides and may be discarded when the software or hardware is fully decommissioned.	Superseded or Obsolete	Gov't Code §34090

INFORMATION TECHNOLOGY DEPARTMENT

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
Procedures – Information Technology Department	Procedures prepared by the Information Technology department and only applicable to department operations.	Until superseded, but retain for a minimum of 2 years. (See FN*)	Gov't Code §34090

OFFICE OF STRATEGIC PLANNING DEPARTMENT

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
Strategic Plan	Final adopted strategic plan.	Strategic Plan expiration plus 2 years (but retain longer if investments or projects are still active)	Gov't Code §34090
Strategic Plan - Working Documents	Records related to the development of the Strategic Plan (e.g. policy agenda)	Strategic Plan expiration plus 2 years	Gov't Code §34090

POLICY DEPARTMENT

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
Correspondence - External (Related to Lobbying)	Lobbying correspondence to or from elected officials or other governmental officials.	7 years	2 CCR §18610
FPPC Lobbyist Form	Registered lobbyist employer disclosure form (FPPC Form 635) filed with the Fair Political Practices Commission.	5 years from date Form 635 is filed with FPPC	2 CCR §18610

POLICY DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Federal or State Advocacy Documents	Work product or deliverables created by First 5 LA or a consultant that are related to federal or state legislation and advocacy related to First 5 LA's mission.	Contract termination plus 4 years, or project completion plus 4 years, or 7 years total, whichever is later (unless funding source agreement requires longer retention, see FN 2)	2 CCR §18610; Gov't Code §34090
Government Affairs Team Research	Research prepared by the department, including lists of elected officials, district maps, Board of Equalization data.	2 years	Gov't Code §34090
Policy Agendas	First 5 LA's agenda for policy development related to a Strategic Plan.	Strategic Plan expiration plus 2 years	Gov't Code §34090
Policy Briefs	Documents describing issues and potential policy recommendations.	5 years	Gov't Code §34090

COMMUNICATIONS DEPARTMENT			
Records Series Category	**Description of Records**	**Recommended Retention Period[FN1]**	**Legal Citation**
Event summaries	Summaries of staff's attendance at an outreach event, such as a street fair booth, to the extent such summaries are drafted and retained.	4 years	Gov't Code §34090
Inventory of Promotional Items	List tracking quantities of promotional items in stock.	2 years	Gov't Code § 34090
Marketing and advertising materials	Design file and final product for brochures, ads, holiday cards, etc.	permanent	Gov't Code § 34090
Newsletters or Reports - External	Newsletters sent to individuals or entities outside of First 5 LA. Example: Monday Morning Report	2 years	Gov't Code § 34090
Photos	Images	Permanent	Gov't Code §34090

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POLICY DEPARTMENT

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
Photos	Executed Photo Releases	Permanent	Gov't Code § 34090
Press Releases,	Press releases are posted to website.	Permanent	Gov't Code § 34090
Media Communications	Letters to the editors, Opinion pieces	Permanent	
Promotional Items	Samples of and digital production files for promotional items	2 years	Gov't Code § 34090
Public Records Act	Public records request correspondence exchanged with person making the request, including records identified as responsive and withheld from disclosure.	4 years	Gov't Code § 34090; Civ Code Proc. § 343
Talking Points	Talking points prepared by Public Affairs Department.	2 years	Gov't Code § 34090
Videos	Videos pieces, both short (ads) and longer (informational). Some may be housed on the website, some may not.		
Website	Pages published on First 5 LA's website.	2 years	Gov't Code § 34090

RESEARCH & EVALUATION DEPARTMENT

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
Evaluation Data - Consent Forms	Consent and confidentiality forms permitting access to data.	Permanent	Gov't Code §34090
Evaluation and Research Data – Internally Housed	Data that has been gathered to evaluate programs and projects funded by First 5 LA.	Permanent, unless a shorter period is required by any related consent form	Gov't Code §34090

RESEARCH & EVALUATION DEPARTMENT

Records Series Category	Description of Records	Recommended Retention Period[FN1]	Legal Citation
Evaluation and Research Data - Externally Housed	Data that has been gathered to evaluate programs and projects funded by First 5 LA, where the data is housed by a third party contractor or shared with another entity.	Retain for period set forth in any sharing MOU or Contract termination plus 4 years, whichever is later (unless funding source agreement requires longer retention, See FN 2)	Gov't Code §34090; Civ Code Proc. §337; First 5 LA Agreements
Evaluation Data - Sharing MOUs	Memorandum of Understanding to permit data sharing between First 5 LA and another entity.	MOU termination plus 4 years (unless funding source agreement requires longer retention, See FN**)	Gov't Code §34090; Civ Code Proc. §337; First 5 LA Agreements
Evaluation Reports and Presentations	Evaluation reports and presentations regarding various grantees, programs, consultants, contractors and others projects funded by First 5 LA. The term "Contract" under Recommended Retention Period refers to the contract with the grantee, program, consultant or contractor that is being evaluated.	Contract termination plus 4 years or project completion plus 4 years, whichever is later (unless funding source agreement requires longer retention, see FN**)	Gov't Code §34090; Civ Code Proc. §337; First 5 LA Agreements
First 5 LA Annual Report to First 5 California	Final annual report made to First 5 California.	Permanent	Health & Safety Code § 130150; Gov't Code § 34090
First 5 LA Annual Report to First 5 California – Working Documents	Working documents related to annual report made to First 5 California.	Date report is filed with California plus 7 years	Health & Safety Code § 130150

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Footnote 1: Explanation of Retention Periods.

- The retention period begins to run from the date of the event, the conclusion of the matter, or the date of the document referenced, whichever is later.
- Until superseded, but retain for a minimum of 2 years: Minimum retention period is 2 years. If superseded prior to 2 years, must retain for

full 2 years.

Footnote 2: First 5 LA has entered into agreements in order to receive certain special funds, and each agreement requires specific records retention periods for records related to the use of those funds. Notwithstanding this records retention schedule, records specified in those agreements must be retained for the longer period specified in the agreement. Please refer to the agreement for complete retention requirements; below is a short summary.

Examples include:
Medi-Cal Administrative Activities (MAA) funding agreement: records listed in the MAA agreement between First 5 LA and LA County must be retained until the MAA agreement is terminated plus 5 years, unless LA County approves a shorter term in writing. The five year count is triggered when First 5 LA's MAA agreement with Los Angeles County is terminated.

CSP funding agreement: records listed in CSP agreement between First 5 LA and First 5 California must be retained for a period of five (5) years after final payment of program expenditures.

CARES Plus funding agreement: records listed in CARES Plus agreement between First 5 LA and First 5 California must be retained for a period of five (5) years, or local policy retention period (whichever is greater), after final payment of expenditures.

State-Funded School Readiness Initiative (SRI) (terminated FY 2010-2011): records listed in the SRI agreement must be retained for a period of three years after the final payment of program expenditures.

Footnote 3: "Do not destroy" instruction applies to all personnel files of similarly situated employees, and not just files of the complaining party.

Footnote 4: In addition to the definitions set forth in the Records Retention and Destruction Policy, the terms used in this Records Retention Schedule have the following meanings:
"External Correspondence" or "External Drafts": Correspondence or drafts received from or sent to a person, agency or entity outside of First 5 LA.
"Internal correspondence": Correspondence exchanged within First 5 LA, and not shared with a person, agency or entity outside of First 5 LA. Intra-agency memoranda are a type of Internal Correspondence. In the event First 5 LA employees correspond with attorneys or consultants who are agents of First 5 LA, such correspondence shall be deemed internal to First 5 LA.
"Internal Drafts": Drafts prepared by First 5 LA, and not shared with a person, agency or entity outside of First 5 LA. In the event First 5 LA employees received drafts from attorneys or consultants who are agents of First 5 LA, such drafts shall be deemed internal to First 5 LA.
"Substantive correspondence": Correspondence that relates to the conduct of First 5 LA's business, is required for future reference by the agency, and documents actions, decisions, or other matters of importance to First 5 LA, including any writing that (1) records the formulation and implementation of policies and decisions (e.g., staff changes, policy setting, strategic planning); or (2) initiates, authorizes, furthers, or completes a transaction of official agency business. Items of correspondence that are not necessary for future reference, such as personal communications, minor transmittals, information provided or received for inclusion in a larger document, preliminary discussions of ideas, and basic scheduling correspondence, for example, are not considered "substantive correspondence."

Los Angeles County Children and Families First Proposition 10 Commission

SUBJECT: Electronic Storage of Official Records	Policy Number:
	Effective Date:
	Supersedes:
Initiating Authority: Executive	Page 1 Of 8

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I. PURPOSE

First 5 LA uses an Electronic Document Management System (EDMS) to electronically store official records of First 5 LA. Defined in the “Records Retention and Destruction” policy, these official records may have originally existed as either a paper record or an electronic record.

The purpose of this policy is to ensure that First 5 LA is in compliance with regulations developed by the Secretary of State (SOS) regarding recording, storing, and reproducing permanent and nonpermanent documents or records electronically in a trusted system as set forth in California Government Code Sections 12168.7 and 34090.5, so that every reproduction of a record from the EDMS will be deemed to be a copy of an original record. This policy sets forth the business practices that will be implemented to ensure that the process for converting and storing paper records in the EDMS complies with California state law.

An additional purpose of this policy is to permit First 5 LA, pursuant to California Government Code Section 34090.5, to destroy original paper records, documents, instruments, books, and papers (“paper records”) once those paper records have been stored into the EDMS in compliance with the procedures set forth in this policy. **Documents destroyed pursuant to this policy described below are, by definition, copies of documents appropriately transferred into the EDMS. For destruction of other sorts of documents not transferred into the EDMS, please see the “Records Retention” policy.**

II. APPLICATION

This policy applies to the storage of all electronic records by First 5 LA employees and officials.

III. POLICY

RECORDS RETENTION POLICY COMPLIANCE

A. The Electronic Document Management System (EDMS) shall comply with the Records Retention and Destruction Policy for First 5 LA Records as approved by First 5 LA Board of Commissioners.

   Records stored in the EDMS that have reached their destruction date in accordance with First 5 LA’s retention policy will be archived and flagged for destruction by the system. These documents will then be deleted from the archives by the Information Technology

EDMS (IT EDMS) administrator after the Chief Operating Officer (COO) or designee obtains the necessary approval from the Commission and legal counsel, and notifies the administrator. Only the IT EDMS administrator and the Records Manager have security access to delete records from the system.

B. Record Holds: When notified by a First 5 LA attorney and/or the COO that a "records hold" or "legal hold" is in place, or when First 5 LA staff reasonably anticipates that a claim or litigation may ensue, the system administrator(s) shall tag the potentially relevant records in the EDMS, using a unique tag, so that these records are retained beyond their destruction date and not destroyed.

DEFINITIONS
The terms used in this policy shall have the following meanings:

"AIIM" the Association for Information and Image Management.

"AIIM Guidelines" the recommended practice report produced by AIIM and known as "AIIM ARP1-2009 Analysis, Selection, and Implementation of Electronic Document Management Systems (EDMS)," approved June 5, 2009.

"DPI" and "PPI" dots per inch and pixels per inch, respectively. The terms may be used interchangeably.

"Electronically originated records" any record created without first having originated in hard copy format. It includes all documents or records generated through electronic submissions.

"Lossless compression method" a compression method by which data are compressed by efficient coding of the information in the image and where the reconstructed image contains the same amount of information as the original data.

"OCR" or "Optical Character Recognition" the mechanical or electronic translation of scanned images of handwritten, typewritten or printed text into machine-encoded text by means of an optical scanner and specialized software.

"PDF" or "Portable Document Format" is an open standard for document exchange. This file format is used to represent documents in a manner independent of application software, hardware, and operating systems. Each PDF file encapsulates a complete description of a fixed-layout flat document, including the text, fonts, graphics, and other information needed to display it.

"PDF/A" or "Portable Document Format/Archival" is an electronic file format whereby documents are self-contained allowing them to be reproduced with all the document coding embedded within the file. It is a file format for the long-term archiving of electronic documents. It is based on the PDF Reference Version 1.4 from Adobe Systems Inc. (implemented in Adobe Acrobat 5 and latest versions).

"RAID Data Storage" (**redundant array of independent disks**) is a data storage virtualization technology that combines multiple disk drive components into a logical unit for the purposes of data redundancy or performance improvement. Data is distributed across the drives in one of several ways, referred to as RAID levels, depending on the specific level of redundancy and performance required. The different schemes or architectures are named by the word RAID

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followed by a number (e.g. RAID 0, RAID 1). Each scheme provides a different balance between the key goals: reliability, availability, performance, and capacity. RAID levels greater than RAID 0 provide protection against unrecoverable (sector) read errors, as well as whole disk failure. First 5 LA storage uses RAID 5.

"Records hold" or "legal hold" refers to the duty to preserve and not delete any records, electronic or otherwise, that are potentially relevant to any of the following in which First 5 LA may be involved: a reasonably anticipated claim or litigation, an ongoing claim or litigation, a pending employee grievance, a pending regulatory or governmental investigation, a pending subpoena, a pending Public Records Act (PRA) request, a pending audit, or other similar legal matter.

"Trusted system" is defined in California Government Code § 12168.7 and means "a combination of techniques, policies, and procedures for which there is no plausible scenario in which a document retrieved from or reproduced by the system could differ substantially from the document that is originally stored."

IV. PROCEDURES

PROCEDURE FOR CONVERTING AND STORING PAPER RECORDS IN THE EDMS

A. In consultation with legal counsel and the COO or designee, the IT EDMS Administrator is the First 5 LA official responsible for oversight of the EDMS. The COO or designee shall provide assistance and guidance to First 5 LA departments. Department heads are responsible for ensuring the intent of this administrative policy is carried out. The Information Technology Department is responsible for ensuring the EDMS serves as a trusted system for storage and reproduction of First 5 LA records that originated in paper format.

B. Identifying Paper Records to be converted and stored
   1. All records governed by the Records Retention and Destruction policy may be converted and stored in the EDMS. Each department head shall determine which records for their department will be stored in the EDMS.

   2. The COO (or designee) shall work with each First 5 LA department to prioritize their records for conversion and storage in the EDMS.

   3. Unless a draft is being retained as a First 5 LA record, preliminary drafts should not be stored into the EDMS.

   4. Each First 5 LA department is responsible for converting and storing that department's records into the EDMS.

C. Scanning of Paper Original Records
   1. Original paper records governed by this policy are required to be scanned, using First 5 LA's scanning stations. The resulting electronic record in PDF format is then tagged according to the retention period defined in the Records Retention and Destruction Policy and stored in EDMS. In the event the original record is in color, the original paper document may not be destroyed unless it is scanned in color.

2. The scanning technician (staff or vendor) shall check the scans for legibility (readability), completeness (page counts) and confirm document pages were scanned in the proper sequence, and re-scan poor quality images and missing pages, and correct page sequencing if necessary.

3. Scanned images shall be a true and accurate copy. First 5 LA EDMS ensures that all scanned documents are reproducible in their original form matching both size and color.

4. Notes and annotations deemed significant by the responsible department and/or that must be retained pursuant to federal law, state law, or First 5 LA's current Records Retention and Destruction Policy, shall be scanned and managed as a part of the electronic record.
    a. Loose notes to be included in the scanned document will be placed in order at the back of the document behind a slip sheet before scanning.
    b. Any page containing sticky or otherwise attached note(s) will be copied with the notes in place. Before scanning, a photocopy of the page with the note(s) in place will be made and placed in page order at the back of the document behind a slip sheet, and the notes removed from the original document. In this way, First 5 LA will retain both a clean copy of the document, and a copy of the page with note(s) in place.

5. Staff may employ a digitized record enhancement technique which is commonly used in scanning software, including but not limited to deskew, despeckle, crop, and rotate; provided, however, that staff shall not use an enhancement technique if it alters the content that exists in an original record.

D. Indexing
    1. Each document will be tagged in the EDMS with the minimum information as stated below. The relevant tagging data is used by the EDMS search capability to facilitate retrieval. First 5 LA's EDMS also has content search capability. The minimum tagging information includes the record's name, date, and retention period. The department responsible for the record will input the tagging information required for that record.

E. Optical Character Recognition
    1. Optical Character Recognition (OCR) should be performed on paper documents that are not legible after scanning.

F. Quality Control and Assurance
    1. Scans of records will be verified as accurate and complete by appropriate staff before finalizing their placement in the EDMS. Assigned staff shall review and verify each image of each page of the record is a true and accurate copy of the original record that can be reproduced from the electronic record with full legibility, and the indexing is accurate.

    2. Poor quality images shall be rescanned. If an accurate and fully legible electronic record cannot be made from the original paper record, then the electronic record may be imported into the EDMS, but the original paper record shall be retained and appropriately filed to preserve it. The electronic record shall be appropriately noted in the EDMS to indicate the file location of the paper

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original.

G. Paper Record Destruction
   1. All scanned documents shall be retained until the digitized image and indexing is verified as accurate and complete. (See Quality Control and Assurance.)

   2. Once the digitized image and indexing are verified as accurate and complete, and the document can be reproduced with full legibility, the paper record may be destroyed with the consent of the Department Head and the COO or designee, which consent shall be in writing (see Form B attached); provided, however:
      a. No paper record designated as a vital historical record shall be destroyed. The COO, in consultation with First 5 LA Attorney's office, shall identify those classes of records that are vital historical records. Vital historical records, at a minimum, shall include:
         1) Minutes of the meeting of any legislative body of First 5 LA
         2) Resolutions of any legislative body of First 5 LA
         3) Records affecting the title to real property or liens, including any record recorded with the L.A. County Recorder's office
         4) Original executed contracts and agreements, and related budgets, litigation form, and signature authorization form.
         5) Employee personnel files and other related Human Resources Department records.

      b. No page of a paper record scanned and stored in the EDMS shall be destroyed if any page cannot be reproduced with full legibility. Every unreproducible page shall be permanently preserved in a manner that will afford easy reference (see above, "Quality Control and Assurance").

PROCEDURE FOR STORING ELECTRONICALLY ORIGINATED RECORDS IN EDMS

A. First 5 LA electronic records that are governed by the Records Retention and Destruction Policy must be saved as PDF and then stored in the EDMS.
   1. Conversion should be performed with a minimum 300 DPI and adjusted higher on an individual record basis to provide accurate and complete reproduction. For image files in other formats, such as JPEG, BMP, or GIF, the resolution should be adjusted to closely match the DPI of the original image file.
   2. For maps, design plans, or other architectural drawings will be accepted from a contractor, consultant or vendor with the intent of storing the record in the EDMS, such submissions shall be of the highest possible resolution and quality in Adobe Acrobat PDF format, with a minimum 400 DPI.

B. Unless a draft is being retained as a First 5 LA record, preliminary drafts should not be stored into the EDMS.

C. Each First 5 LA department is responsible for converting, storing and indexing that department's electronic records into the EDMS following the required minimum tagging used for paper records (above), as defined by the content type. All electronically originated records that are converted to PDF format must be text-searchable to the extent feasible.

D. Quality Control and Assurance. Once an electronic record is converted and stored in the EDMS, a department staff person shall review and verify that each image of each page

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of the record is a true and accurate copy of the original electronic record that can be reproduced from the EDMS record with full legibility, and that the indexing is accurate.

E. Duplicates Stored on First 5 LA Server. Once an electronic record is converted and stored in the EDMS, the electronic record on First 5 LA's server may be deleted as a duplicate.

SYSTEM CONFIGURATION AND BACKUP TECHNOLOGY

A. User Access
   1. The EDMS resides on a dedicated server within First 5 LA's secure network. The COO or designee, in conjunction with the IT Department, is responsible for granting user rights to access the EDMS. Access will be assigned using granular permissions based on a user's role within the organization. User roles include:
      a. System Administrator: broad access to the entire system.
      b. Records Manager: permission to view, search, add, edit, delete and print information.
      c. Department Representative: view, search, add, and print information.
      d. Scanning Technician: view, search, add, and print information.
      e. User: view, search and print only.

   2. Employees shall access the system using their assigned login and password. Access rights, permissions, and security shall be linked to an individual user's login and password.

B. Image Format and File Compression
   1. File Format. All scanned documents will be stored in EDMS in PDF file format. Electronically originated records shall be stored in PDF file format. Images exported from the EDMS will be non-modifiable.

   2. Document Image Compression. To the extent document image compression is required, the EDMS will use compression technology in compliance with AIIM Guidelines Section 5.4.2.4.

   3. The minimum resolution level for standard business documents shall be 300 DPI/PPI. Where image files in other formats, such as JPEG, BMP, or GIF, are converted to PDF, the resolution shall be adjusted to closely match the DPI of the original image file.

C. Technology and Backup Procedures
   1. Storage and Backup
      The Information Technology Department's data backup process covers all databases, servers and their contents residing on premise at 750 North Alameda Street, Los Angeles, CA 90012. Storage for ECM (Documentum) and SharePoint platforms are on premise. IT performs daily incremental backup and weekly full backup (over the weekend). Backups are stored on tapes and disk storage on site. Every Tuesday a copy of the full backup tapes (cassettes) are sent off site to Iron Mountain. The full backup tapes are rotated back into the backup pool of tapes for reuse every 30 days so at any given time, there are four sets of full backups, one set is on site and three sets are on Iron Mountain site. First 5 LA does not have an alternate site to recover any of its systems or electronic content in case of a site failure, where the server room is unavailable for recovery.

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The File Server, with the stored PDF images, is on a RAID5 storage device. Please refer to RAID5 Definition in section III.

2. In compliance with AIIM Guidelines Section 5.3.3(a), the EDMS utilizes both hardware and media storage methodologies to prevent unauthorized additions, modifications or deletions during the approved record retention period of the stored information.

   The security software includes password protection to prevent unauthorized deletion of data and creates an audit trail.

3. Audit Trail. In compliance with AIIM Guidelines Section 5.3.3(b), the EDMS uses an independent audit process to ensure electronically stored information is not modified, altered, or deleted during the approved record retention period of the stored information.
   a. The audit trail security system and encryption software prevents modifications; user access permitting modifications is limited and managed by audit trail security.
      1) A limited number of users are authorized to delete or modify files. Explicit rights are assigned by the IT EDMS Administrator before a user is authorized to delete or modify files.
      2) A record is made of modifications made to the audit trail and other electronic files.
      3) The audit trail cannot be modified or tampered with by the Systems Administrator.
      4) Records placed in the Archive Bin may be reinstated or purged from the system. Only the Systems Administrator and the Record Manager has system authorization to perform these actions.

   b. The audit trail shall be configured to track basic events in the repository that involve accessing, modifying or exporting data. Basic events include:
      1) Login and logout
      2) Creating, editing, printing or deleting documents
      3) Creating, editing or deleting templates, fields and annotations
      4) Adding security tags
      5) Exporting documents, volumes or briefcases
      6) Sending documents to the Recycling Bin.

V. RESPONSIBILITIES

The Chief Operating Officer is responsible for appointing a Records Manager. In coordination with the COO, the Records Manager will monitor the procedures for this policy and coordinate with Department Heads as required. Each department will have a single point of contact, responsible for records applicable to the specific department.

The Information Technology Department is responsible for appointing the IT EDMS Administrator. This individual is responsible for overseeing the hardware and software of the EDMS application.

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VI. REFERENCES/LEGAL AUTHORITY

Government Code Section 34090.5
Government Code Sections 12168.7
Section 22620.1 et seq. of Title 2 of the California Code of Regulations
AIIM Guidelines Sections 5.3.3, 5.4.1.4, 5.4.2.4, 6.2, and 6.17
Records Retention Policy

VII. APPROVALS

John Wagner, Chief Operating Officer, Initiating Authority	Date
John Wagner, Chief Operating Officer	Date
Kim Belshé, Executive Director	Date

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Los Angeles County Children and Families First Proposition 10 Commission

SUBJECT: Responding to Public Records Act Requests	Policy Number:
	Effective Date:
	Supersedes:
Initiating Authority: Communications and Marketing Department	Page 1 Of 7

I. PURPOSE

This policy sets forth the guidelines and procedures pertaining to the public review of First 5 LA records, and provides guidance to staff when responding to requests for public records.

II. APPLICATION

This policy applies to all First 5 LA public records.

III. POLICY

First 5 LA is a public organization. First 5 LA affirms the public's right to access its public records in compliance with the California Public Records Act, Government Code 6250 through 6276.48 (the "Act"), and California Constitution art. I, sec. 3(b). First 5 LA will comply fully with the Act and the California Constitution. This policy shall be interpreted and enforced in a manner that is consistent with those laws, and nothing in this policy is intended nor shall it be construed to conflict with the terms of the Act or the California Constitution.

IV. PROCEDURES FOR COMPLYING WITH A PUBLIC RECORDS ACT REQUEST

The California Public Records Act provides that the public has a right to inspect and obtain a copy of most of the records retained by public agencies in the course of doing business. The Legislature has declared that access to information concerning the conduct of the people's business is a fundamental and necessary right of every person in the state. The public's right to access public records is also guaranteed by the California Constitution.

The right of access is not unlimited. By law, some records are exempt from disclosure. These exemptions generally protect two categories of interests that compete with public disclosure. Some exemptions protect an individual's fundamental right to privacy. Other exemptions protect records from disclosure to foster efficient and effective government functions.

First 5 LA maintains many public records. Unless there is a specific exemption listed in the Act or in another statute (see discussion below), most records maintained by First 5 LA will be public records. In those cases where portions of a record are public and other portions are exempt from disclosure, staff will redact or remove the information that is exempt before

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disclosing the remainder of the record.

Special rules apply for requests for Fair Political Practices Commission (FPPC) Filings. Those rules are addressed below under "FPPC Filings."

WHAT IS A PUBLIC RECORD?
As defined by the Act, public records are any writing containing information relating to the conduct of the public's business prepared, owned, used or retained by any state or local agency regardless of physical form or characteristic. Writing is further defined to include any handwritten or typewritten document, photographs, pictures, drawings, audio or video recording, computer data, electronic mail or facsimile, and every other means of recording upon any tangible thing any form of communication or representation.

WHAT CONSTITUTES A REQUEST FOR A PUBLIC RECORD?
Any member of the public, whether a Los Angeles County resident or not, may request to view or pay for a copy of a public record. Though staff can ask for the information in response to a public records request, the requester does not have to give their name or other identifying information such as address or telephone number, does not have to put their request in writing, and does not have to explain why they want the record. A request may be made over the telephone, in person, in writing, by facsimile or electronic mail.

Sometimes requesters will incorrectly cite to the federal Freedom of Information Act (FOIA). Although FOIA is not applicable to First 5 LA, First 5 LA will respond to such requests as if the request had been made pursuant to the Act.

A requester must identify an actual public record; requests that are too vague cannot be fulfilled. Staff is required by statute to assist the requester in identifying the desired public records. Except for certain requests for the extraction or compilation of existing electronic data (see below), the Act does not require First 5 LA to create records that do not exist or that it does not keep (e.g., a written summary of a document or a list of expenditures or events).

If a person makes a request for a record that does not exist, or that is vague, First 5 LA staff should nevertheless attempt to assist the requester in identifying existing records that contain the information being sought where possible, including records or information that is responsive to the purpose of the request, if stated. If reasonable under the circumstances, First 5 LA staff should also describe the information technology and physical location in which the records exist, and provide suggestions for overcoming any practical basis for denying access to the records or information sought. In the event First 5 LA compiles an index of its records, provision of that index to a requester satisfies First 5 LA's obligation to assist the requester.

RESPONDING TO REQUESTS FOR RECORDS
<u>Request to Inspect Records</u>: Disclosable public records should be available for inspection during normal business hours. Original First 5 LA records shall remain in the custody of First 5 LA at all times, ensuring their integrity and accessibility. Inspection of original First 5 LA files/records by a requester must be supervised by a First 5 LA employee to ensure that First 5 LA records are not altered, destroyed or removed from the premises.

If records are not immediately available because the records are being used by staff or are off-site, or if staff is not available to monitor the inspection, staff may ask the requester to make an appointment to view the records. The appointment date should be as soon as possible following the request.

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If records need to be reviewed for exempt material, need to be redacted, or will be withheld in their entirety because they are exempt from disclosure, staff should follow the procedure in the next section regarding “Request for Copies of Records.”

Request for Copies of Records: First 5 LA staff has ten (10) calendar days to determine whether to grant a request for public records and respond in writing to the requester with First 5 LA’s determination. The 10-day response period starts with the first calendar day after the date of receipt. For example, the determination for a request received on April 1 is due on April 11.

The 10-day response period is not the time period for complying with the request, rather it’s the time period for responding to the requester with a written determination as to whether records have been located and what, if any, information in those records is exempt from disclosure.

Content of the Determination Letter: If any information is exempt from disclosure and will be redacted or withheld from the requester, or if the request will be denied, the determination letter must so state and provide the reasons for redacting or withholding the records, which can be accomplished by providing a brief generalized description of the information withheld and citing to the statutory exemptions relied upon.

The letter must be signed with the name and title of the person responsible for the denial. If the request for copies is being granted, the determination letter should include a request for pre-payment of the applicable duplication costs and a statement that the copies will be made available a certain number of days after receipt of payment. Records do not have to be copied until after payment is received. If the request is to inspect records, then the letter should set forth the date after which the records will be available, and invite the requester to call or write for an appointment. First 5 LA may not require a fee for inspection of records.

Duplication Costs: The cost for copying the records is the direct cost of duplication or a statutory fee, if applicable, and does not include staff time to research, retrieve, review or compile the records. First 5 LA has determined that the direct cost of duplication for normal sized photocopies is 29 cents (29¢) per page, and for electronic records copied to disc, the fee is $10.00 per disc. Please note: First 5 LA will not collect the duplication fee if under 50 pages. If an outside duplication firm is employed to make the requested copies, the cost charged to First 5 LA will be passed along to the requester.

If a request for electronic records requires compilation or extraction, or computer programming to produce the record, or requires the production of an electronic record that is produced only at otherwise regularly scheduled intervals, the requester shall bear the cost of producing an electronic copy, including the cost to construct the record, and the cost of programming and computer services necessary to produce a copy. If staff produces the copy, the cost of producing such electronic copy shall be charged at the staff member’s fully burdened hourly rate. If an outside computer programmer or computer consultant makes the copy, the cost charged to First 5 LA by the programmer or consultant shall be charged to the requester.

The cost of duplication for some records is set by statute. A common example of a statutory fee is the ten cents (10¢) per page charge for copies of campaign and economic disclosure statements. See FPPC Forms, below.

In all cases, a requester must pay for the records before copies of the disclosable records are released.

<u>Fourteen-Day Extension to Respond:</u> In four statutorily defined "unusual circumstances," First 5 LA may take up to an additional fourteen (14) calendar days to make a determination on the request. The four unusual circumstances are the following:

- The need to search for and collect records from an off-site location.
- The need to search for, collect and examine a voluminous amount of records.
- The need for consultation with another agency having an interest in the request or among two or more components of the agency receiving the request.
- The need to compile data, write a computer program or construct a computer report to extract data.

If it becomes necessary to invoke one or more of the above listed reasons for taking additional time in which to make a determination, written notification must be given to the requester by the 10th day following their request. This written notification must state the reason for the delay and the date on which a final determination will be provided to the requester.

<u>Format of record</u>: If a requester does not specify the format requested, it shall be assumed that the requester is seeking a paper copy of the record. If a requester asks for an electronic copy but does not specify format, it shall be assumed that the requester is seeking a portable document format (PDF).

<u>Requests for Electronic Records</u>: A requester may ask for identifiable public records that exist in electronic format. If the record is not exempt, First 5 LA must make the information available in electronic format in any electronic format in which it holds the information. In the event the requester specifies a specific electronic format, First 5 LA must produce the record in that format if the requested format is one that has been used by First 5 LA to create copies for its own use or for provision to other agencies. If the data requested is part of a larger database or other compellation of electronic data, the requester may ask to have the data extracted or compiled, but must pay the extra costs associated with such extraction, compilation or computer programming (see duplication costs, above).

First 5 LA is not required to release exempt electronic data, or to release an electronic record in electronic form if its release would jeopardize or compromise the security or integrity of the original record or of any proprietary software in which it is maintained.

<u>Records Not Subject to Disclosure (Exempt Records)</u>: The Act details records that are exempt from disclosure. The following types of records are the most frequently requested documents that are exempt and therefore are not available to the public:

- Preliminary inter-agency drafts and notes customarily discarded (including stenographic notes and tapes used for transcription of a typed document and then discarded or reused), and interagency or intra-agency memorandum which are not retained in ordinary course of business, provided that the public interest in withholding such records clearly outweighs the public interest in disclosure.

  NOTE: Care should be taken to keep such notes and working papers separate from files containing records that are considered public and to label personal working files as such.

- Records pertaining to pending litigation to which the Commission is a party or claims made pursuant to Government Code Section 810 et seq., until such litigation or claim has been finally adjudicated or otherwise settled.
  This includes records created in anticipation of litigation before the litigation or claim is filed.

- Personnel, medical, or similar files, the disclosure of which would constitute an unwarranted invasion of personal privacy.

- Test questions, scoring keys, and other examination data used to administer examinations for employment.

- The contents of real estate appraisals, engineering or feasibility estimates and evaluations made for or by the Commission relative to acquisitions of property, or prospective public supply and construction contracts, until such time as all of the property has been acquired or all of the contract agreements obtained.

- Records, the disclosure of which is exempted or prohibited pursuant to provisions of federal or state law, including, but not limited to provisions of the Evidence Code relating to privilege.

- Attorney-client privileged communications, which include confidential communications exchanged between Commission legal counsel and either Commission personnel, or other parties with whom the Commission has a confidential relationship. Some consultants may fall within the Commission's scope of privilege; contact First 5 LA's General Counsel if you have any question regarding whether a record is an attorney-client privileged communication.

- Social Security numbers.

- Any record that is either exempt from disclosure or not a public record under applicable law.

- Any record exempt under the balancing test. Section 6255 of the Act contains an exemption for records not otherwise specified in the Act, where the public interest served by not disclosing the record clearly outweighs the public interest served by disclosure of the record. The court will carefully scrutinize use of this provision, so it should be used only in extraordinary circumstances after consultation with First 5 LA's General Counsel.

A request for records should first be checked against the exemptions in the Act and discussed with the First 5 LA's General Counsel. It is important to remember that over the years, the Legislature has added, changed, or even dropped specific exemptions, and the courts are continuing to opine on the scope of records covered by each exemption. Therefore, it is important to consult with legal counsel before releasing or withholding records.

Protecting Exempt Records; Waiver: It is important not to release exempt records to the public without authorization, as release of an exempt record could waive any applicable exemptions that would justify nondisclosure, and once released, the record may have to be given to anyone who requests it, unless an exception applies. Consult with First 5 LA's General Counsel in the event First 5 LA staff wants to share an exempt record with another public agency or someone

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not within First 5 LA's scope of privilege in order to determine whether an exception applies that would permit the record to be shared.

SPECIAL RULES FOR REQUESTS FOR FPPC FILINGS

No later than the second business day following the day on which it was received, reports and statements filed pursuant to the Political Reform Act (Gov't Code § 81000 et seq.) must be made available for public inspection. First 5 LA may not require names or other identifying information from persons requesting to inspect or receive copies of such reports and statements.

Government Code Section 81008 sets a statutory fee for copies of FPPC forms, and First 5 LA cannot charge more than the statutory fee:

- Copies of reports and statements shall be provided at a charge of ten cents ($0.10) per page.

- For reports and statements that are five or more years old, a five dollar ($5) per request retrieval fee will be charged. A request for more than one report, statement, or report and statement at the same time shall be considered a single request.

V. RESPONSIBILITIES

The Director of Communications and Marketing is responsible for managing First 5 LA's response to Public Record Act requests as well as responses to requests for FPPC filings. This includes coordinating the written response with the Executive Department, legal counsel and other Department Heads as necessary, as well as coordinating the requests for inspection of records.

At the direction of the Director of Communications and Marketing and under his/her supervision, any duty imposed on the Director of Communications and Marketing by this policy may be performed by another First 5 LA employee.

Any employee who receives a request for public records by mail or email must <u>immediately</u> forward it to (a) the Director of Communications and Marketing (b) his/her Department head, if the recipient is not a Department head, and (c) retain a copy so that he or she may assist with completing the request.

In the event this Policy does not specify a fee for a particular type or format of copy, the Director of Finance will set the fee based upon direct cost of duplication, or when permitted by the Act, the cost to produce a copy of the record (e.g., Gov't Code § 6253.9(b)).

The fee may be waived if the request for reproduction is a minimal one, or if it is in First 5 LA's best interest to do so. The Director of Finance or designee will make the determination as to waiving of fees.

VI. REFERENCES/LEGAL AUTHORITY

California Government Code Section 6250 et seq.
California Government Code Section 81008.

VII. APPROVALS

____ __________________

Gabriel Sanchez, Director of Communications and Marketing, Initiating Authority — Date

____ __________________

John Wagner, Chief Operating Officer — Date

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Kim Belshé, Executive Director — Date

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Los Angeles County Children and Families First Proposition 10 Commission

Contract Compliance

Public Records Policy and Procedures

1. POLICY STATEMENT

First 5 LA shall comply with the California Public Records Act. In addition, First 5 LA chooses to comply with the provisions of California Government Code Sections 34090-34090.7, inclusive, pertaining to the retention of local government records. This Public Records Policy governs public access to the Commission's records and provides guidelines for record retention. All of the Commission's records shall be retained in full compliance with this policy and applicable law. All public records are to be open for inspection at the Commission office, as required by law, at all times during regular business office hours. No public record shall be disposed of except in compliance with this policy and applicable law.

2. PURPOSE

This policy sets forth the guidelines and procedures pertaining to the public review, and destruction of records maintained by First 5 LA. Additionally, this policy includes records retention schedules and the state and federal codes and statues pertaining to record retention.

3. POLICY GUIDELINES

The Public Records Act is a California statue that affords the public the right to inspect and be provided a copy of, most of the written information retained by State and local agencies in the course of business. The Public Records Act regulates the public's access to records and sets out the specific statutory circumstances under which particular records are open to inspection at all times during the office hours of a local agency.

The Public Records Act applies to every local governmental entity, including First 5 LA. Under the Public Records Act, a "local agency" includes non-profit organizations, and local agencies which are supported solely by public funds.

"Public Records" includes any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by any State or local agency regardless of physical form or characteristics.

"Public Records" include computer data (email, instant messages, Word files, et.al.), although such data can be provided in a form determined by the agency. It does not include computer software developed by the agency.

Requestor's' rights under the Public Records Act are not unlimited. A local agency is not required to create a document or prepare a list in response to a request made under the

Public Records Act. However, First 5 LA staff shall assist requestors in identifying relevant existing public records.

Original Commission records shall remain in the custody of the Commission at all times, ensuring their integrity and accessibility. Review of original Commission files/records by a requestor will be supervised by a Commission employee. If necessary, copies of the original records may be provided upon written request. In all instances, an attempt should be made to have the written request provide specific document identification.

All finance-related documents and data will be retained and maintained by the Finance Department following generally accepted accounting principals and the standards set forth by independent auditors.

All other documents, including agreements and contracts, records for grantees, funded awarded contracts and non-funded grant and contract applicants, solicitation materials, outreach effort documentation, proposals from all bidders, and monitoring documentation shall be retained for a minimum of three (3) years past the later of the termination date of the grant/contract or the date the final audit of the grant/contract is completed. First 5 LA staff shall endeavor to maintain complete files in an easily accessible location to facilitate review of all documents relating to a particular contract or grant.

Applications or proposals that are in the review process are not available to the public. Once grant or contract awards have been awarded by First 5 LA, those applications become public information. Exceptions are in accordance with the exemptions identified in the California Public Records Act.

No original Commission document or file, used in a court case, shall be made a part of the court files. If the court requests a document on file, certified copies of the original records shall be submitted. The exception is only subpoenas, which shall be referred to the Executive Director, or designee, upon receipt, for review by Commission Legal Counsel.

The release of copies of staff reports or other Commission agenda materials is not allowed before the packets have left Commission office for delivery to the Commission members.

Retention, purging, and destruction of records shall be permitted only in compliance with the requirements of the Pubic Records Act and other applicable codes or regulations.

4. APPLICATION

This policy applies to all Commission employees and representatives associated with First 5 LA and, as applicable, to grantees and contractors on a case-by-case basis as determined by counsel.

5. RESPONSIBILITIES

The Chief Administrative Officer or designee will monitor the procedures for this policy and coordinate with Directors as required. Each department will have a single point of contact, responsible for records applicable to the specific department. Each Department's point of contact will forward all award documentation and non-funded applications, review tools and declination letters to Contract Compliance. The Contract Compliance Department will enter the information into the official Electronic Content Management (ECM) folder.

6. RECORDS SUBJECT TO AND EXEMPT FROM DISCLOSURE

6.1 Subject to Disclosure

Inter-agency drafts, personal notes and records are not public records subject to disclosure, as long as those documents are not customarily retained by First 5 LA in the ordinary course of business. The determination depends on whether a document in draft or note is one which:

1. Is normally kept by the agency in the course of business;
2. Somehow documents or memorializes the day-to-day transactions of the public's business;
3. Is merely a temporary step in the process, not necessary for complete and accurate public information;

Documents that fit within category 3 above are likely not public records subject to this policy.

6.2 Records Not Subject to Disclosure

The following records are not public and public access is not allowed, unless the:

1. Preliminary inter-agency drafts and notes customarily discarded, stenographic notes, tapes used for transcription of a typed document and then discarded or reused, and interagency or intra-agency memorandum which are not retained in ordinary course of business, provided that the public interest in withholding such records clearly outweighs the public interest in disclosures.

   NOTE: Care should be taken to keep such notes and working papers separate from files containing records that are considered public and to label personal working files as such.

2. Records pertaining to pending litigation to which the Commission is a party or claims made pursuant to Government Code Section 810 et. Seq., until such litigation or claim has been finally adjudicated or otherwise settled.

3. Personnel, medical, or similar files, the disclosure of which would constitute unwarranted invasion of personal privacy.

4. Records of complaints to or investigations conducted by, or records of intelligence information or security procedures of law enforcement.

5. Test questions, scoring keys, and other examination data used to administer examinations for employment.

   a. The contents of real estate appraisals, engineering or feasibility estimates and evaluations made for or by the Commission relative to acquisitions of property, or prospective public supply and construction contracts, until such time as all of the property has been acquired or all of the contract agreements obtained.

6. Records, the disclosure of which is exempted or prohibited pursuant to provisions of federal or state law, including, but not limited to provisions of the Evidence Code relating to privilege.

7. Communication from Commission Legal Counsel to Commission Personnel consultants or other parties with whim the Commission has a confidential relationship.

8. Any record that is either exempt from disclosure or not a public record under applicable law.

6.3 Public Access to Records

Upon receipt of a written request for a readily identifiable public record, First 5 LA shall follow the procedures set in the Public Records Act with regard to timely responses and access to records.

7. DEFINITION OF RETENTION, PURGE, AND DESTRUCTION

7.1 Records Retention

Each record category (See attachment A) has been evaluated based upon its administrative, operational, fiscal, legal and, historical value to determine appropriate retention period. This evaluation has resulted in the following records retention schedule. For each category the schedule identifies the following:

1. Record Description: identifies the type of record to be retained.
2. Legal Authority: identifies relevant state and federal codes and statues.
3. Retention Period: establishes the period of time which the document must be retained.

The retention period is indicated by alphanumeric codes. The retention codes are used to indicate when the retention period begins and the length of time the record must be maintained. The retention code has two components:

The alpha code represents when the retention period begins:

- Au After Audit
- T Termination of employment or term of contractor grant
- P Permanent
- CD Closing date of document

The numeric code represents the length of time in years that records must be kept after the retention period begins. For example, a retention code of Au+3 means that a record's retention period begins after completion of the audit and must be kept for three (3) years thereafter. If two alphanumeric codes appear in a category, the LATER of the two applies.

Effective July 1, 2009, the majority of Commission's public records will be maintained on the agencies Electronic Content Management System. All staff will be trained on a regular basis on how to utilize this system. Key staff will be identified to serve as leads for each department to ensure compliance and quality control.

7.2 Records Purge

In the case of grants, care should be exercised to ensure that records are maintained based on the retention period following completion of the Commission's audit.

Staff will be trained annually on what records to keep, what notes and materials may be purged and how to keep working papers separate from files available to the public.

Generally, public access is not allowed to the following identified records and unless public interest requires a document's retention, the document may be purged pursuant to this policy. Documents include: preliminary drafts, messages and notes customarily discarded, stenographic notes, tapes used for transcription of a typed document, and the discarded or reused, and interagency or intra-agency memoranda which are not retained in the ordinary course of business. Care should be taken to keep such notes and working papers separate from the files containing records that are considered retainable and public, and to label working files as such.

7.3 Destruction of Records

Prior to destroying any records, a list will be made of all records that are to be destroyed and approved in writing by this Chief Administrative Officer (CAO) or applicable Department head. This list will be presented to Commission legal counsel who will be asked to review and approve the destruction of the records identified. Once the approval of legal counsel has been obtained, a motion will be brought before the Commission at an open meeting requesting their approval of the request to destroy those records.

The Chief Administrative Officer or designee will coordinate with any department requiring destruction of records to ensure protocol is followed and requisite review and approvals are obtained from Legal Counsel and the Commission.

7.4 Duplicate Records

Pursuant to Government Code Section 34090.7, duplicate records less than two (2) years old may be destroyed if the duplicates are no longer required.

Retention Schedule

Record	Office Area	Inactive Area	Total Retention	Legal Authority
Contracts and Grants				
Grantee/contract funded or awarded contracts and grants, non-funded grant and contract proposals, bids, applications, review tools, solicitation materials, outreach effort documentation, agreement monitoring documentation, audit reports, administrative files.	1 Year	3 Years	AU +3 / T +3	Government Code Section 34090
Financial Records				
Financial Records All general statements, reports, ledgers, invoices, check registers, compliance materials, data and other other accounting records.	AU +1	P	P	Government Code Section 34090, audit standards
Human Resources				
Employee Files	T+1 Year	T+4 Years	T+5 Years	45 CFR 1058.6 APPA
Workers Compensation	T+1 Year	T+4 Years	T+30 Years	29 CFR 1910.20
Risk Management Claims against Authority	1 Year	5 Years	AU+5 Years	GOV. SEC 34090
Insurance Benefits	1 Year	3 Years	AU+3 Years	29 CFR 1627.3 (b)(2)
Applicants	CD+1 Year	CD+4 Years	CD+5 Years	29 CFR 30.8
Employee Discipline	T+1 Year	T+2 Years	T+3 Years	GOV Sec. 34090
Discrimination Complaint	T+1 Year	3 Years	AU+4 Years	GOV Sec. 34090
General Correspondence and Other Records	1 Year	3 Years	AU+3 Years	GOV. SEC 34090
Payroll Records	AU +1	P	P	Government Code Section 34090
Comprehensive Annual Financial Reports; Audit Reports	AU +1	P	P	Government Code Section 34090, audit standards
Official Commission Records				
Meeting Agendas and Minutes	2 Years	P	P	Government Code Section 34090
Resolutions	2 Years	P	P	Government Code Section 34090
Correspondence	1 Year	1 Year	2 Years	Government Code Section 34090

Legend:
AU - After Audit
T - Termination of employment or term of document
P - Permanent

Approved: 11/6/2001
Revised: 1/12/2012

First 5 LA

Records Retention Policy, Master Retention Schedule, & EDMS Policy

October 8, 2015

RICHARDS | WATSON | GERSHON

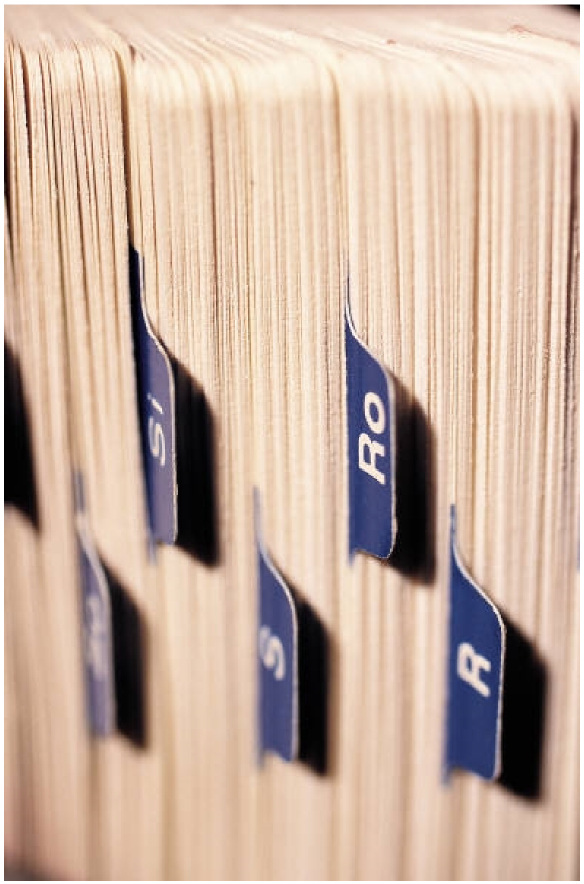
Why Have a Records Retention Policy?

- First 5 LA is a public agency.
- Illegal to destroy public records without authorization
Gov't Code §§ 6200 & 6201
- Allows for the orderly destruction of obsolete files
- Maximize storage space
- Easier access to important documents
- Protects First 5 LA, Commissioners & staff

First 5 LA & Records Destruction

- Need legal authority for the destruction and disposal of public records
- Health & Safety Code Section 130140.1 grants First 5 LA Board of Commissioners listed powers
  - to "dispose of. . . personal property"
  - "include but not limited to" listed powers
- Strong argument "personal property" includes records
- Current policy: Follow rules applicable to cities, although some rules for counties are different

First 5 LA Records Retention



<u>Do not destroy</u> (per Gov't Code § 34090)

- Records affecting the title to real property or liens thereon.
- Records required to be kept by statute.
- Records less than two years old (although the governing body may approve the destruction of duplicates that are less than two years old).
- The minutes and resolutions of the legislative body, or of a board or committee.

First 5 LA Rules Continued

- Destruction requires Board resolution approving and written consent of legal counsel
- Duplicates may be destroyed without Board resolution if policy so provides (ours does)
- Allows agency to scan paper into electronic format, retain in "trusted system" and destroy paper original (subject to SOS regulations)
- Applies to Commissioners as well.

It's the Content…Not the Container

Non-Records

- Templates
- Duplicates
- Library materials
- Emails not related to First 5 LA business
- Informational Posters (i.e. "Benefits Sign-up Today")
- Purely personal documents

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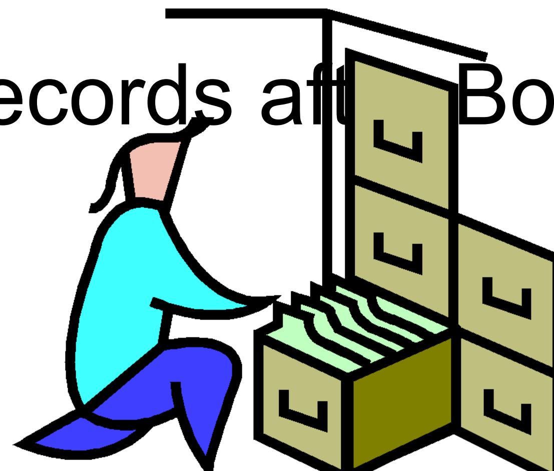
Key Policy Points

- Establishes New Records Retention Schedule
  - Identifies types of records that must be retained
  - Sets minimum retention period
  - Covers paper & electronic records
- Requires legal counsel review and approval
- Only destroy records aft Board approval
- BUT….



Exception to Records Destruction

- Legal Hold trumps destruction approval (Policy 6.3 & def of legal hold)
  - Never destroy records subject to a legal hold
- Contractual obligations trump too
  - First 5 LA has contracted with various grantors to receive funding in addition to Prop 10 $
  - Those contracts include record retention requirements
  - See footnote to Master Records Retention Schedule
- Staff determines business reason to retain longer

Master Records Retention Schedule

- Quick review of how to read it

How Are Retention Periods Set?

- State law
- Federal law
- Grant funding or other contracts
- Relevant statute of limitations
  - Contracts: 4 years (CCP § 337)
  - Construction projects latent design defects: 10 years
    (CCP § 334.15)

Other Considerations – Retention Periods

- Records less than two years old may not be destroyed
- Specific state law requires the record to be kept – look to that law for guidance

Certain Records – Retain Permanently

- Records relating to First 5 LA's formation, organization or reorganization
- Minutes, resolutions and ordinances
- Records relating to title of real property

Purging Non-Records

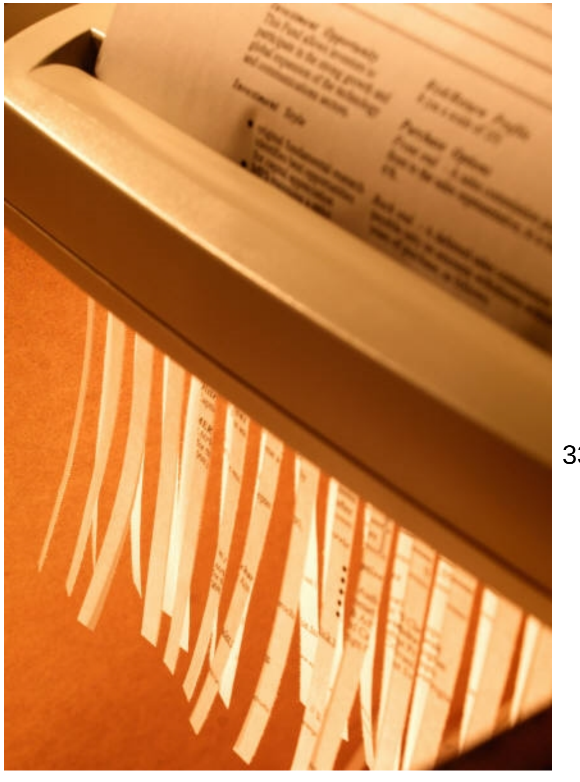
- Policy provides that non-records need not be retained and should be purged when no longer needed, provided a legal hold does not prohibit their destruction.
  - However, in the event a writing that would otherwise qualify as a non-record is retained in the ordinary course of business, then destruction authorization must be obtained pursuant to Section 6.5 before it may be destroyed.
  - Does it look like a substantive record?
- Intra-Agency Non-Substantive Email
- Prompt destruction of internal drafts, notes and other Non-Records
- Destruction of duplicates

Public Records Act Policy

- Access to Public Records is a right under the State Constitution
- 10 day/14 day deadlines
- Certain limited exemptions
- Assistance to requestor is required
- Electronic format documents are still public records

Electronic Retention

- Electronic Document Management System (EDMS) Policy
- Follow Secretary of State guidelines
- Scan Paper & Destroy
  - Policy reflects state law requirements



Questions?

Legislative Update

Board of Commissioners Meeting

September 10, 2015

first 5 la

Giving kids the best start

Framing Our Legislative Activities

- Setting core policy goals aligned with the Strategic Plan

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- Using criteria to focus legislative efforts
- Align activities with core advocacy partners and the statewide First 5 community

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First 5 Association Policy Goals

- **Family Strengthening**
  - Protective Factors, Home Visiting
- **Early Identification and Intervention**
  - Developmental Screening
- **Quality Early Learning**
  - Quality Rating and Improvement Systems, Public Financing
- **Oral Health**
  - Access and coordination
- **System Sustainability and Reach**
  - Alternative funding for children's services

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Priority Legislation

- **Family Strengthening**
  - Assembly Bill 50 (Mullin) – Home Visiting
- **Early Identification and Intervention**
  - Assembly Concurrent Resolution 77 – Developmental Screening 339
- **Quality Early Learning**
  - Assembly Bill 47 (McCarty) – Preschool Access
- **Oral Health**
  - Joint Legislative Audit of Denti-Cal
- **System Sustainability and Reach**
  - AB 1321 (Ting) – Market Match

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2016 Initiatives

- Lifting Children and Families Out of Poverty Act
- School Funding and Budget Stability Act
- Invest in California's Children Act
- Cigarette Tax to Fund Healthcare, Tobacco Use Prevention, Research, and Law Enforcement

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Future Policy Priorities

- Updated policy agenda articulating First 5 LA Strategic Plan priorities
- Annual legislative agendas reflecting specific opportunities for action
- Strategic policy initiatives, advocacy coalitions, and campaigns supporting priority outcomes
- Coordination with First 5 California and the First 5 Association

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Questions?

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AGN. NO.____

MOTION BY SUPERVISORS KUEHL AND
RIDLEY-THOMAS

March 17, 2015

Several studies have shown that 90 percent of brain development in children occurs before age 5.[1] Early childhood is, therefore, a critical developmental period for children. Many young children involved in the child welfare system do not have access to the early care and education services that help stabilize families and build a solid foundation for a child’s future. This lack can lead to an increased risk for an array of poor outcomes, including developmental delays, low academic achievement, substance abuse, teen pregnancy, socio-emotional issues and adult criminal behavior. Fortunately, high quality early learning programs can help reverse or decrease these trends.[2]

Under current law, priority enrollment in State child care and development services is given to abused or neglected children who are receiving child protective services (CPS), or children at risk of abuse and neglect. It seems clear that all children under Department of Children and Family Services (DCFS) supervision should thus, be categorically eligible and prioritized. Unfortunately, however, the vast majority are not

[1] First 5 California: http://www.ccfc.ca.gov/parents/learning-center.aspx?id=9.
[2] Vazquez, Angela (2013). *Early Care and Education Access for Maltreated Children in LA County.* Advancement Project.

MOTION

SOLIS ______________________

RIDLEY-THOMAS ______________________

KUEHL ______________________

KNABE ______________________

ANTONOVICH ______________________

receiving these services due to vague and confusing policies. For instance, Education Code sections have been interpreted to *exclude* children when they are removed from their parents and placed into foster care, including those formally placed with relatives. Paradoxically, children under child welfare jurisdiction oftentimes lose their eligibility and priority for subsidized child care when they are formally placed into foster care despite significant and unmitigated risk factors.[3] As a result, in October 2011 only 12.8 percent, or 1,509 children of the DCFS caseload under age five were receiving early education services.[4]

The child welfare and early education systems must work together to ensure the well-being of the most at-risk children by increasing their access to early care and education services. According to the Blue Ribbon Commission on Child Protection, “All children under supervision of DCFS between 0-5 should be prioritized for access to Early Childhood Education learning programs.”[5] In response to similar confusion around enrollment criteria, the federal Department of Health and Human Services recently issued guidelines to ensure foster children are enrolled in Head Start services. With the Local Control Funding Formula, in 2013, California became the first state in the nation to provide additional resources to school districts to improve the education outcomes of students in foster care. A similar alignment of the State’s priorities across all California Department of Education efforts is key to fully leveraging this historic investment.

From a research and policy perspective, we know that neglect is, by far, the primary reason young children enter the child welfare system.[6] If a child is removed from the home due to abuse or neglect, children are further traumatized through disrupted

[3] Vazquez.
[4] Vazquez, Angela (2013). *Early Care & Education Rates are Low for Maltreated Children in LA County.* Advancement Project.
[5] *The Road to Safety for our Children*, Blue Ribbon Commission on Child Protection, April 19, 2014, page 32.
[6] *First Entries into Foster Care by Reason for Removal, 2011-13*, www.Kidsdata.org, Lucille Packard Foundation for Children’s Health.

relationships and the toxic stress of environmental instability. It is not, therefore, surprising that children in the child welfare system are five times more likely to have developmental delays than children in the general population. According to the Advancement Project, “neuroscience research demonstrates how initial experiences provide scaffolding for later development… Consistent dependable adults help children learn about their environments and how to manage stress before it accumulates and harms the development of young brains.”[7] High quality early learning can positively change a child’s life course.

From a programmatic perspective, Los Angeles County has a great need to recruit more foster parents, particularly for children under 5. The bed shortage is especially acute for infants, partly because of the significant gap between the cost of fully caring for these children and what the State pays families. As the landscape of foster parents evolves to include more working families, access to child care is crucial to finding a home for these young children. According to focus groups conducted by DCFS, child care is one of the top three barriers to placing children under age 5. Furthermore, support to foster homes is a necessary precursor in the State’s Continuum of Care Reform effort to reduce the use of institutional care settings.

Finally, there is a significant need to provide access to child care for those at-risk children whose young parents are under DCFS supervision (pregnant and parenting teens) and who aging out of foster care, including 282 young children whose parents are currently under DCFS supervision. Young adults with a history of maltreatment are more likely to experience poverty, unemployment and be investigated for abuse or neglect of their own children.[8] To break the cycle of dependency and ensure self-

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[7] Vazquez.

[8] Putnam-Hornstein, E, Needell, B, Cederbaum, J, King, B. *California's Most Vulnerable Parents: When Maltreated Children have Children*, Children’s Data Network, University of Southern California, November 2013.

sufficiency, these parenting foster youth should also be prioritized for State subsidized early education services.

WE, THEREFORE, MOVE that the Board of Supervisors direct the Interim Chief Executive Office to: (1) work with our Sacramento advocates to support or pursue legislation to clarify existing law for State subsidized child development services, and (2) send a 5-signature letter to Governor Brown with copies to the County's Legislative Delegation, in support of such clarifying legislation. State law prioritizes neglected or abused children who are recipients of child protective services, or children who are at risk of being neglected or abused, and as such, clarification is needed to explicitly include foster children and children with parents who are under DCFS supervision.

S:GC/ECE for Foster Children

COUNTY OF LOS ANGELES
BOARD OF SUPERVISORS

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 383
LOS ANGELES, CALIFORNIA 90012
(213) 974-1411 • FAX (213) 620-0636

PATRICK OGAWA
ACTING EXECUTIVE OFFICER

MEMBERS OF THE BOARD

HILDA L. SOLIS

MARK RIDLEY-THOMAS

SHEILA KUEHL

DON KNABE

MICHAEL D. ANTONOVICH

March 26, 2015

Honorable Edmund G. Brown, Jr.
Governor, State of California
State Capitol
Sacramento, CA 95814

Dear Governor Brown:

We are writing to express our strong support for legislation to clarify existing State law which explicitly requires priority enrollment in State subsidized child care and development services for abused and neglected children who are receiving Child Protective Services (CPS) or who are at risk of being abused and neglected.

Unfortunately, due to vague and confusing policies, the vast majority of children under CPS supervision are not receiving priority enrollment in child care and development services even though it is required under current law. This is because certain sections of the California Education Code have been interpreted to exclude children from priority enrollment when they are removed from their parents and placed into foster care, including those formally placed with relatives. Paradoxically, children under child welfare jurisdiction oftentimes lose their eligibility and priority for subsidized child care when they are formally placed into foster care despite significant and unmitigated risk factors.

Access to child care for parents and caregivers of children in foster care is of critical importance to Los Angeles County. Children under CPS supervision who are between 0 to 5 years of age should be prioritized for access to Early Childhood Education learning programs to help stabilize families and build a solid foundation for a child's future. Young adults with a history of maltreatment are more likely to experience poverty, unemployment, and be investigated for abuse or neglect of their own children. To ensure self-sufficiency, young parents of these children should be prioritized for State subsidized early education services.

We respectfully urge your support of legislation to clarify existing law for State subsidized child development services to explicitly include foster children and children with parents who are under Child Protective Services supervision.

Your consideration of this important issue is greatly appreciated.

Sincerely,

MICHAEL D. ANTONOVICH
Mayor of the Board

HILDA L. SOLIS
Supervisor, First District

MARK RIDLEY-THOMAS
Supervisor, Second District

SHEILA KUEHL
Supervisor, Third District

DON KNABE
Supervisor, Fourth District

c: The Los Angeles County Legislative Delegation

CHILDREN LEARNING, PARENTS EARNING 1451 River Park Drive, Suite 185, Sacramento, CA 95815 Phone: (916) 567-6797 FAX: (916) 567-6790

August 21, 2015

CAPPA Board of Directors
Martin Castro, President
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To: Assembly Budget Committee
The Honorable Toni Atkins, Speaker of the California State Assembly
The Honorable Kevin de León, President pro Tem of the California State Senate
California Legislative Women's Caucus (CLWC) Members

From: Denyne M. Micheletti, California Alternative Payment Program Association

RE: SB 94 – Reject proposed amendments that will reduce access of eligible working poor families to child care

On behalf of the California Alternative Payment Program Association (CAPPA) whose community based member agencies provide child care and early education support for hundreds of thousands of children from birth through the age of 12 while their parents are working, we respectfully ask that you reject the proposed language being amended into SB 94 that will prioritize needs of foster families over the needs of California's poorest working families.

California's working poor families that do not enter California Work Opportunity and Responsibility to Kids Act (CalWORKs) but have a demonstrated need and meet income eligibility requirements are able to place their name on a community based list for child care. If funding is available, and the family's need places them in the top percentage on a list, then the possibility of receiving a child care subsidy exists. It must be stated here that when the statewide roll-up Centralized Eligibility List (CEL) was defunded; nearly 200,000 needy families were waiting for support. It is purported by agencies that 90 plus percent of the families that put their name on the eligibility list will never be served.

With the enactment of the 2015/16 state budget, this was the first time since 2008 that the child care needs of California's working poor were made a priority. Having noted that, in 2008/09, working families supported by the Alternative Payment programs numbered 34,982 throughout the entire state. Taking into account the additional 6,800 slots for working families in the 2015/16 budget, we are only now able to support 32,852[1].

Noting the above information, I would like to breakdown the concerns surrounding the proposed language for SB 94 (Amend Education Code sections 8236 [sec 4 in SB 94] 8240 [sec 5 in SB 94] and 8263 [sec 6 in SB 94].

1. **Proposed language:** (a) First priority enrollment shall be given to neglected or abused children from birth to five years of age [or "age five and under"] who are recipients of child protective services, or who are at risk of being neglected, abused, or exploited upon written referral from a legal, medical, or social service agency.

   Concern: The amendment is arbitrary and prioritizes children under the age of five versus those older than five. This language will also create age related sub-categories of at-risk children. The referral to birth to five is concerning from a policy and implementation standpoint from the vantage point that there should be no difference in the age of a child when they are at risk.

[1] http://www.lao.ca.gov/Publications/Report/3276

2. **Proposed language**: Eliminates requirement that a need must be demonstrated for this new category.

   Concern: Based on 2015 data from the California Child Welfare Indicators Project (CCWIP)[2] as of April 1, 2015, 21,939 children from zero to five were in foster care. If we take the total number of Alternative Payment child care slots of 32,852 and subtract the number of foster children aged zero to five of 21,939 then the total number of slots left to support eligible and needy working families will be 10,913. Said another way, 21,939 families currently receiving a child care subsidy so that they can work will lose their slot.

3. **Proposed language:** Creates a false first priority when existing statutes address issue for alternative payment programs.

   Concern: In regards to foster care children, a child not with their adopted or biological parents are already in essence placed ahead of other low income families due to the fact that they are ranked as a family of ONE. This usually places them in Rank 1. Within that rank they are not prioritized over other children. They fall under the priority rule that states within a rank, children with special needs are first, CWS/CPS and at risk children, and then all others follow based on the length of time on the list.

In collecting real world input in response to the proposed language from Alternative Payment programs that support families throughout California, the following two responses are being provided to shed light on the concern that this specific language as proposed will create more hardships for low income working families.

Response #1: Based on hands on experience supporting foster families, I am concerned that foster parents who have voluntarily accepted the responsibilities of the position, who have been screened to be financially solvent, and who have been deemed safe by DSS should not be first in line to get child care services. In our agency we have other families that are struggling to make it financially and dealing with the dilemma of what to do with their children when the parents need to work. Foster parents on our caseloads make anywhere from $5000 to $10,000 or more a month while our working poor are barely making it , and the working poor have to take a backseat to foster families—i.e. let's say we receive a small pot of money that enables us to enroll 10 children. Based on the draft, two foster children, ages 2 and 10, who receive $1500 each a month (rank 54), will get priority, if they have a referral, over a family of 3 that grosses $500 (rank 1) a month—just doesn't seem fair I get that abused and neglected children need stability and a safe place to be while their foster parents work, but all children need child care while their parents work. The funding for child care for foster families (or for any child receiving child protective services in my opinion), should be subsidized by DSS (yes, I know that doesn't address this issue, but it's something I hope will happen in the future).

Response #2: It has long been established that once placed with a "foster" parent there is no risk. There may be a continuing documented need beyond 3 months and that's fine. However, the placement being "AT RISK is a CWD issue and should be addressed there especially if there is an on-going active dependency case (why involve more workers and agencies?). It is one thing to change the Ed Code to more clearly define 3 months AT RISK but a whole different issue to potentially remove the time limit and the NEED for services. The financial hardship is not solely a foster issue as we all know but we are continuing to short change the working families and placing their children AT RISK.

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[2] http://cssr.berkeley.edu/cwscmsreports/cssrFavorites/Default.aspx?preSetId=2&cntyId=0&showTLine=False

To support moving this issue forward in a thoughtful process that we believe will reduce the unintended consequences of denying access to child care for tens of thousands of working poor families; we would like to propose the following:

1. Table the existing proposed language and ask that the California Department of Education (CDE) work in partnership with the Department of Social Services (DSS) to develop language to meet specific identified needs of foster families.

2. Identify a separate funding stream for these foster children so as to support their unique needs.

3. Require language that all families continue to meet and demonstrate a need for child care.

4. Allow for the issue to be fully vetted in a public and transparent policy hearing.

In closing, California created a program specific to the needs of supporting child care for working poor families. For the last two years, the California Legislative Women's Caucus has made it a top priority to rebuild and expand our child care and early education programs for children and families. Collectively, our legislative leaders have negotiated incremental increases in funding and slots for our most fragile of families and children. Although we understand that the needs of foster children need to be addressed, we implore you to consider other options on how to do this; and not to take away what we have only recently realized.

If you have any questions, please let me know. Thank you for your attention to the above.

Cc: Christian Griffith, Assembly Budget Committee
Gail Gronert, Office of Speaker Toni Atkins
Jennifer Troia, Office of President Pro Tempore Kevin deLeon
Samantha Lui, SEN Budget Committee
Eric Swanson, ASM Republican Office
Seren Taylor, SEN Republican Office
Brynan Sullivan, California Legislative Women's Caucus
Michael Cohen, Department of Finance
Jessica Holmes, Department of Finance
Debbie McMannis, CDE Early Education & Support Division
Kim Johnson,
Lark Park, Office of the Governor

Agenda Item: 10
Date: October 8, 2015

FIRST 5 LA

<u>SUBJECT</u>:
***Best Start* – Community Identified Capacity Building Projects**

<u>BACKGROUND</u>:
The 2015-2020 Strategic Plan includes two anchor investments in *Best Start*: Welcome Baby (Families Outcome area) and Community Capacity Building (Communities Outcome area). Both of these investments seek to strengthen Protective Factors within families and are guided by the philosophy of the Building Stronger Families Framework (BSFF); that is, if families are strong and communities support families to success, then children will have better outcomes.

The Community Capacity Building investment has reached a critical milestone with the launch of community-identified projects. During the September 2015 Program and Planning Committee Meeting, staff presented an overview of: 1) priorities identified across the 14 Best Start communities; 2) status of the funding process; 3) alignment with the new work of the Communities Outcome area of the 2015-2020 Strategic Plan; and 4) capacity building in *Best Start* Community Partnerships to support the work. This memo and attached presentation reiterates community priorities, status of the funding process, and alignment with the new work of the 2015-2020 Strategic Plan.

<u>DISCUSSION</u>:

Priorities across the 14 Best Start Communities
Each *Best Start* community has unique characteristics, context, experiences, and perspectives. However, there is commonality in the priorities identified across the 14 *Best Start* communities. These priorities include:

- Strengthening parent/resident leadership to lead and sustain community-change efforts
- Connecting parents to community resources to ensure access to quality services and supports
- Strengthening social connections to develop supportive, positive social relationships that provide a buffer from stressors
- Improving the quality of interactions between organizations and parents by building the capacity of organizations to engage parents in ways that foster mutual respect and partnership
- Improving information-sharing and coordination between organizations to promote peer learning and collaboration to improve services and supports
- Promoting advocacy to address systems change by strengthening parent/resident leadership and educating community on the policies, structures and practices that impact families with children prenatal to age 5

Overall, the *Best Start* Community Partnerships – comprised of parents, residents, organizational representatives, and other community stakeholders – are leading efforts to ensure that parents/caregivers with children prenatal to age 5 advocate for and have access to quality services and supports, participate in positive social networks, and are engaged in the civic life of their communities.

Funding Community-Identified Projects
Staff is utilizing a Request for Proposals (RFP) process to select organizations to work in collaboration with the *Best Start* Community Partnerships to implement community-identified projects and achieve desired results. To date, the Board has approved contracts for Central Long Beach,

Metro LA and Panorama City. Eleven (11) RFPs have been released with anticipated Board approval for each community in November 2015.

Anchor Investment Alignment with New Work in First 5 LA Strategic Plan Communities Outcome Area

Community-identified Capacity Building projects not only support the ongoing and evolving work of *Best Start*; they also validate and lay an important foundation for the new work moving forward in the Communities Outcome area of the 2015-2020 Strategic Plan. For example, communities have identified activities to raise awareness about and connect families to existing resources. They have also identified activities to promote greater coordination between organizations and improve the quality of services and supports for families. These types of activities are designed to provide opportunities for organizations to engage with families and each other to collectively address service quality and coordination. Through this process, organizations will likely identify challenges and opportunities that can inform First 5 LA's approach to strengthening community-level information, resource, and referral (IR&R) networks, which is a central component of Priority Focus Area #2 in the Communities Outcome Area: *Communities have ECE and health-related services and supports that meet family needs.*

NEXT STEPS:

Staff is working diligently to complete the procurement process to select organizations to work with Community Partnerships to implement community-identified strategies and activities. The goal is to obtain Board approval for all communities in November 2015, with a contract start date of December 1, 2015. Additionally, staff is preparing a Board presentation in November 2015 on outcomes achieved through the 2013-2015 BSFF Implementation Plan.


Best Start Update:
Community Capacity Building Projects
October 8, 2015
Board of Commissioners Meeting
1ST LA
first 5 la
Giving kids the best start
It's Picnic Day, Potter!

Presentation Objectives

- **Discuss progress in the following areas:**
  - Implementation of Community Projects
  - Status of funding process
  - Alignment between Community-Identified Projects and First 5 LA's 2015-2020 Strategic Plan

- **Highlight Community Projects**

From Theory to Practice

Community-level Core Results

1. Shared Vision/Collective Action
2. Coordinated Services and Supports
3. Places and spaces to encourage social interaction

Family-level Core Results

1. Family Capacities
2. Social Connections
3. Concrete Supports

Children, prenatal to age 5, have better outcomes.

Community-Identified Projects

Family-Level Core Results

Family Capacities – knowledgeable, resilient, nurturing parents

- Broadway-Manchester, Central Long Beach, East LA, Lancaster, Northeast Valley, Southeast LA, South El Monte/ El Monte

Social Connections – parents participating in positive social networks

- Compton-East Compton, Metro LA, Panorama City, Watts-Willowbrook, Wilmington

Concrete Supports – access to services and supports in times of need

- Palmdale, West Athens

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Community-Identified Projects

"Parents" includes biological parents, foster parents, grandparents, and other primary caregivers who are responsible for the health and well-being of the child.

Prioritized Populations*

- Young parents (under 25 years old)
- Fathers
- Parents with children with special needs
- Low-income families
- Parents with children 0-3

*Some Community Partnerships identified these populations for targeted outreach and engagement but will not exclude anyone who wishes to participate.

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Community-Identified Projects

Priorities identified across the 14 *Best Start* Communities

- Strengthening parent/resident leadership
- Connecting parents to community resources
- Strengthening social connections (e.g. parent circles, parent cafes)
- Improving the quality of interactions between organizations and parents
- Improving information-sharing and coordination between organizations
- Promoting advocacy to address systems change

Request for Proposals (RFP) process to select organizations to work in collaboration with the *Best Start* Community Partnerships to implement projects that address community priorities.

Community-Identified Projects

Examples of *Projects Currently in Implementation*

- Central Long Beach
- Metro LA

Examples of *Upcoming Projects*

- East Los Angeles
- Watts - Willowbrook

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Projects in Implementation
Central Long Beach

Core Result	Family Capacities
Indicators	• Increase % of parents/caregivers who report feeling confident in their parenting skills • Increase % of parents/caregivers who know where to go when they feel they need assistance helping their child learn
Target Population	Parents of children prenatal to age 5, focusing on families with children 0-3

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Projects in Implementation
Central Long Beach

Strategies & Activities	**Strategy #1: Build Parent Leadership Capacity** • Activity #1: Community-Wide Early Learning Workshops for Parents of Children 0-3 • Activity #2: Parent Leadership Institute **Strategy #2: Strengthen Existing Collaborations and Systems Related to Home Visitation and Child Abuse Prevention** • Activity #1: Collaborative Meetings (CLB Neglect Network & Home Visitation Collaborative) • Activity #2: Child Abuse Prevention Public Education Campaign • Activity #3: Police Department Convenings • Activity #4: Home Visitation Learning Communities • Activity #5: Service Provider Trainings

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Projects in Implementation
Metro LA

Core Result	Social Connections
Indicators	• Increase % of parents who feel they have someone to talk to when they need advice on how to raise their child • Increase % of parents who report that people in their neighborhood help each other out • Increase % of residents who feel a strong sense of belonging to their community
Target Population	Parents of children prenatal to 5, focusing on children and families who are exposed to violence inside and outside of the home

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Projects in Implementation
Metro LA

Strategies & Activities	**Strategy: Promote a Culture of Respect within the Community** • Activity #1: Community Engagement through Cultural Change • Activity #2: Communication and Promotion • Activity #3: Community Linkages • Activity #4: Community Cultural Events • Activity #5: Peer Learning Groups

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Upcoming Projects
East Los Angeles

Core Result	Family Capacities
Indicators	• Increase % of parents who report feeling confident in their parenting skills • Increase % of parents who experience frequent aggravation with their children
Target Population	Parents of children prenatal to 5, focusing on families living in poverty

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Upcoming Projects
East Los Angeles

Strategies & Activities

Strategy #1: Strengthening Parent Leadership

- Activity #1: Parent Leadership Academy
- Activity #2: Systems Navigators
- Activity #3: Community and Peer Educators
- Activity #4: Organizational Mentor for parent Leaders

Strategy #2: Building Awareness and Connecting Families to Resources

- Activity #1: Community Resource Information
- Activity #2: Public Education Campaign

Strategy #3: Increasing Access To Quality Programs in Open Spaces

- Activity #1: Plan of Action for Quality Programming in Open Spaces for Families with Young Children

Upcoming Projects
Watts–Willowbrook

Core Result	Social Connections
Indicators	• Increase % of parents who feel they have someone to talk to when they need advice on how to raise their child • Increase % of residents who indicate they have seen people in their community come together to address a common issue
Target Population	Young parents with children prenatal to 5

Upcoming Projects
Watts–Willowbrook

Strategies & Activities	**Strategy #1: Young Parents Leaders in Action** • Activity #1: Young Parent Leadership Training • Activity #2: Peer Parent Groups • Activity #3: Parents Leading Social Media Campaign **Strategy #2: Strengthening Parents' Relationships with Their Families** • Activity #4: Family Bonding Activities • Activity #5: Outreach to Parents of Young Parents **Strategy #3: Organizational Capacity Building to Promote Social Connections** • Activity #6: Organizational Training to Promote Social Connections • Activity #7: Organizational Peer Learning Community

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Status of Funding Process

Community	Status	Board Approval
Central Long Beach	Org Selected: Long Beach Health Dept	February 2015
Metro LA	Org Selected: Korean Youth Community Ctr	July 2015
Panorama City	Org Selected: Friends of the Family	September 2015
Southeast LA	Selection process underway	November 2015
Palmdale	Selection process underway	November 2015
Watts-Willowbrook	Selection process underway	November 2015
Lancaster	RFP posted, applications due 10/13	November 2015
West Athens	RFP posted, applications due 10/13	November 2015
Broadway-Manchester	RFP posted, applications due 10/13	November 2015
Compton-East Compton	RFP posted, applications due 10/13	November 2015
Wilmington	RFP posted, applications due 10/13	November 2015
East LA	RFP posted, applications due 10/13	November 2015
South El Monte/El Monte	RFP posted, applications due 10/13	November 2015
Northeast Valley	RFP posted, applications due 10/14	November 2015

Alignment with 2015-2020 Strategic Plan

- Implementation of community-identified projects is an important foundation for the 2015-2020 Strategic Plan.
- *Example:* Communities Outcome Area, Priority Focus Area #2: *Communities have ECE and health-related services and supports that meet family needs.*
  - Emphasis on existing community-level information, resource and referral networks to improve access to services and supports.
  - Focus on the value-added by First 5 LA as communities implement projects to improve information-sharing and coordination between organizations.
  - Year 1 (FY2015-16) focus on learning about existing efforts, challenges and opportunities to inform the approach.

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Next Steps

- **Complete RFP process with a goal of Board approval in November 2015**
  - November 12 – Board of Commissioners
  - November 19 – Program & Planning Committee Meeting

- **Conduct Board presentation in November 2015 on outcomes achieved through the 2013-2015 BSFF Implementation Plan**

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Discussion Questions

1. **What are your thoughts about this important milestone for Best Start?**

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2. **What additional information would you like to know regarding the progress of Best Start?**

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