

# AGENDA

## MEETING OF THE BOARD OF COMMISSIONERS

Chair: Holly J. Mitchell

Thursday, September 22, 2022  
1:30 PM – 4:30 PM

Meeting Location:  
VIRTUAL

1. Call to Order/Roll Call
2. Review Special Board/Program and Planning Committee Meeting Transcript and Meeting Summary from June 23, 2022 Meeting 3
3. **INFORMATION** 83  
Annual Audit - Draft of the Annual Comprehensive Financial Report, including the Independent Auditor's Report for Fiscal Year ending June 30, 2022  
**Presenters: Faustino Genio, Manager, Accounting; Raoul Ortega, Director, Finance; and Kinnaly Soukhaseum, Partner, Eide Bailly, LLP**
4. **INFORMATION** 167  
Review of First 5 LA Annual Report to First 5 CA
5. **INFORMATION** 187  
Policy and Advocacy Priorities: 2022 Year in Review, 2023 Policy Agenda and State Advocate RFQ  
**Presenters: Charna Widby, Chief Government Affairs Officer; Anais Duran, Government Affairs Strategist; Andrew Olenick, Policy Analyst/Strategist; and Jamie Zamora, Senior Government Affairs Strategist**
6. Break
7. **INFORMATION** 201  
Strategic Plan Review and Refinement Cycle: Discussion on Proposed Refinements to First 5 LA's 2020-2028 Strategic Plan  
**Presenters: Antoinette Andrews Bush, Chief Transformation Officer; Charna Widby, Chief Government Affairs Officer; Kimberly Hall,**

### COMMISSIONERS

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

### 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

### A PUBLIC ENTITY

**Chief Data Officer, Office of Data for Action; and Tara Ficek, Director,  
Health Systems**

8. Public Comment (for items not on the agenda)
9. Adjournment



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## SUMMARY MEETING NOTES

FIRST 5 LA  
June 23, 2022

Special Board/Program & Planning Committee Meeting (VIRTUAL)  
1:30-3:30 pm

### COMMITTEE MEMBERS PRESENT

Robert Byrd (Alternate)  
Astrid Heger (Committee Chair)  
Jacquelyn McCroskey  
Carol Sigala  
Romalis Taylor  
Deanne Tilton

### COMMITTEE MEMBERS ABSENT:

Karla Pleitez Howell [Excused]  
Frank Ramos [Excused]  
Jonathan Sherin [Excused]  
Keesha Woods [Excused]

### STAFF PRESENT:

Peter Barth, Chief of Staff  
Kim Belshé, Executive Director  
Linda Vo, Board Relations Manager  
John Wagner, Executive Vice President

### NON-COMMITTEE MEMBERS PRESENT

Judy Abdo

#### 1. **Call to Order / Roll Call**

Committee Chair Astrid Heger called the meeting to order at 1:30 pm. Quorum was present.

#### 2. **Review Program and Planning Committee Transcript from April 21, 2022 Meeting**

Notes were received and filed with no deletions/additions or changes.

#### 3. **Home Visiting: System Building Efforts and Sustainability Opportunities**

Diana C. and Anna P., along with Dr. Deborah Allen and Sharlene Gozalians, discussed home Visiting system building efforts and plans for sustainability.

Efforts around Home Visiting System building efforts included key stakeholders that engaged in a systemic and inclusive approach to develop a plan of action to strengthen early home visiting in Los Angeles County. Some Key partners include DPH and First 5 LA as funders and administrators, LA Best Babies Network, LA County Perinatal and Early Childhood Home Visitation Consortium, Collaborative Leadership Council, Home Visiting Providers, Home Visiting Families/participants, and Policy/Advocates.

The team informed public and Board members that decisions made within home Visiting building efforts are date driven, using a centralized database across HFA and PAT funding systems. These systems provide case management, data and outcome reporting capacity and referral capacity between providers in network and create dashboards and reports at the provider level.

Some sustainability strategies include: Diversifying home visiting funding sources in order to sustain programs as First 5 LA revenue declines, creating longer-term financing mechanisms to ensure stability for providers and families, and developing the necessary system infrastructure to support a quality system with multiple funding streams.

## SUMMARY NOTES

Special Board/Program & Planning Committee Meeting (VIRTUAL)

June 23, 2022

1:30-3:30 pm

Page 1 of 2

## SUMMARY MEETING NOTES

There was no further discussion on this item.

**4. Break**

**5. African American Infant and Maternal Mortality (AAIMM) Initiative Update and Amend a Strategic Partnership with the California Community Foundation (CCF) Community Initiatives Fund, Fiscal Sponsor for the Los Angeles Partnership for Early Childhood Investment in the Amount of \$400,000 for a Total of \$700,000 through June 30, 2024 to support AAIMM Community Action Teams (CATs)**

Staff provided this item as information at the June Special Board/Program & Planning Committee meeting. Staff proposed that the Strategic Partnership with the California Community Foundation (CCF) Community Initiatives Fund, who is the Fiscal Sponsor for the Los Angeles Partnership for Early Childhood Investment, be amended. The amendment amount proposed was \$400,000 for a Total of \$700,000 to cover the current period through June 14, 2023. The purpose of the amendment is to advance the county-wide African American Infant and Maternal Mortality (AAIMM) initiative by overseeing backbone support for AAIMM Community Action Teams (CATs) and providing capacity building, advocacy, and community grantmaking.

Staff plan to bring this item back before the Board for action at the July 14 Board meeting.

**6. Amend the Strategic Partnership with the Child Care Alliance of Los Angeles (CCALA) in the Amount of \$95,000 for a Total of \$690,892 through June 30, 2023 to Complete the Final Phase of the Dual Language Learner (DLL) Evaluation which Includes Data Collection, Analysis, and the Dissemination of Results Shared with Key Early Learning Stakeholders such as Families and Providers (Written Only)**

This was a written only item. More information on this item could be found in the Board materials packet posted online.

**7. Public Comments (for items not on the agenda)**

There were no public comments.

**ADJOURNMENT:**

The meeting adjourned at 3:28 pm.

**NEXT MEETING:**

The next Special Board/Program & Planning Committee meeting will take place on Thursday, September 22, 2022 at 1:30 pm.

VIRTUAL COMMITTEE MEETING

Meeting details will be posted per Brown Act Requirements

Meeting minutes were recorded by Linda Vo, Board Relations Manager

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MEETING OF FIRST 5 LOS ANGELES PROGRAM AND PLANNING  
Thursday, June 23, 2022  
Los Angeles, California 90012

STENOGRAPHICALLY REPORTED BY:  
HEATHERLYNN GONZALEZ  
CSR #13646

1 Thursday, June 23, 2022; Los Angeles, California

2 1:30 p.m.

3 -oOo-

4 COMMISSIONER HEGER: It's my role to call us to  
5 order first and foremost, I believe. Right?

6 And I'm going to let you do that, Linda.

7 MS. VO: The meeting called to order at 1:30.  
8 And before we begin, I'm going to be covering some ground  
9 rules. And as you are aware under AB 361, members of the  
10 First 5 LA Board of Commissioners and the public members  
11 can participate in this meeting via teleconference during  
12 declared emergencies through January 1st, 2024.

13 Now, in the interest of maintaining appropriate  
14 social distancing, members of the public may observe this  
15 meeting telephonically or otherwise electronically as  
16 posted on our website and this agenda. And before we  
17 begin, I do want to cover the two ways you can submit  
18 public comments. The first way is written public comments  
19 must be submitted in advance of the meeting via email to  
20 myself, which is LVO@First5LA.Org, by 1:30 p.m. the day of  
21 the meeting in order for them to be read aloud during the  
22 meeting.

23 And as a reminder, public comments e-mailed  
24 should indicate the item number the comment  
25 correspondences with. Any public comments received after

1 1:30 p.m. via email will become a part of public records.

2 Now, during the meeting, public members can use  
3 the Q and A chat box function to express an interest in  
4 speaking to an item. And it is important that these  
5 requests to speak be submitted via the Q and A chat box  
6 before the item being commented on is presented. When  
7 submitting requests to speak, public members are asked to  
8 only provide his or her name and the item number the  
9 comment correspondences with. All public comments  
10 received during the meeting via the Q and A chat box will  
11 be addressed in the order they are received. And when  
12 public members do hear their name being called, you will  
13 be given the ability to speak during the meeting.

14 Now, if we don't hear you begin your comment upon  
15 your name being called twice, we will move on to the next  
16 public comment. Two minutes are allotted for each  
17 comment. And once the two minutes have passed, we will  
18 move on to the next public comment.

19 And finally, just a reminder to all to minimize  
20 background disruptions, all board members and staff should  
21 place their lines on mute until called upon to speak. And  
22 to minimize multiple people speaking at the same time and  
23 to ensure for a coherent dialogue, board members can  
24 utilize the hand raise or chat box function to express an  
25 interest in speaking, and then I'll coordinate with

1 Committee Chair Heger in terms of who will be called in  
2 the order that they are received.

3 And with that, I'm going to hand this over back  
4 to our Honorable Committee Chair Astrid Heger.

5 COMMISSIONER HEGER: I'm lucky on the honorable  
6 part, but thank you for that.

7 The -- Item Number 2 is for the review of the  
8 Program and Planning Committee transcript from April 21st,  
9 which I am -- unless all of you are better humans and more  
10 honorable than I am, you've all done that. And I think  
11 that's for information only.

12 And I believe we can move on to Item 3. Please  
13 tell me if I can't do that. Because I'm really interested  
14 in some of the reports today. Tremendously interested in  
15 them, actually. And our first -- Item 3 for information  
16 is on home visiting and system building efforts and  
17 sustainability opportunities, all of which we are totally  
18 invested in. And we have a variety of presenters. And I  
19 will let them go down the line.

20 I can call them first. Are they starting in the  
21 order that's listed here? Diana, are you going first?  
22 Right? So we'll cut to you and then let you hand it off  
23 to Anna and Deborah and Sharlene. All right?

24 MS. VO: And Diana, if I may, before we move on  
25 to Item 3, for the record, confirming that there are no

1 public records for Item 2.

2 COMMISSIONER HEGER: Ah, yes. Sorry about that.  
3 All right. Can we go on with Diana then?

4 MS. CAREAGA: Yes, we can. Thank you,  
5 Commissioner Heger.

6 So good afternoon, all commissioners, staff, and  
7 guests. We are happy to present an update today on our  
8 home visiting, system building, and sustainability  
9 efforts. Anna will be sharing her screen.

10 I am joined today by Anna Potere, Senior Program  
11 Officer for Children and Family Centers Support unit;  
12 Dr. Deborah Allen, Deputy Director for Health Promotion  
13 and Department of Public Health, and Sharlene Gozaliens,  
14 Director at Los Angeles Best Babies Network or LABBN.

15 And I will point out we did put one slide out of  
16 order, but the information you have on all of the slides  
17 remains the same.

18 So the next slide, we have provided various  
19 updates to everyone in the past few years about home  
20 visiting efforts around system building, policy updates,  
21 compensation retention, evaluation. So the most recent  
22 update was last year in May of 2021. And since then there  
23 has been significant foundational systems building work  
24 that has happened. So we're excited to share our goals  
25 for today as really to provide key updates on those home

1 visiting, system building efforts particularly around  
2 leadership and data, and also sustainability strategies.  
3 And we're happy to direct time at the end for discussion  
4 and questions.

5           So the next slide shows a vision for home  
6 visiting in the County. So as a reminder, our home  
7 visiting work is part of First 5 LA's strategic priority  
8 of strengthening public and community systems with the  
9 goal of providing leadership to support the development  
10 and expansion of the universal system of voluntary home  
11 visiting. They're really built upon existing  
12 infrastructure.

13           So this goal aligns with the shared vision for  
14 home visiting in the county. This vision comes from the  
15 2018 home visiting action plan, which was a result of  
16 Supervisor Kuehl's board action back in 2016. There have  
17 been a number of key Board of Supervisor motions since  
18 2016. But this first motion really spurred collective  
19 action with Department of Public Health as the lead and  
20 partnership with First 5 LA and other County departments  
21 including Health Services, Mental Health, DCFS, and others  
22 to really bring a more focused support and effort creating  
23 coordinated and integrated home visiting spaces.

24           The next slide, you'll see here one of the  
25 results I mentioned of 2016 board motion was the home

1 visiting action plan; so this action plan has really been  
2 a foundational document guiding the work since 2018. And  
3 it reflects the blueprint for a transformation and a core  
4 framework to guide the coordination and collaboration  
5 efforts between key partners across the County.

6 The goal has been to follow this action plan with  
7 the development of a more detailed implementation plan for  
8 the County where partners and departments can come  
9 together to execute the plan, where home visiting can play  
10 a crucial role as a part of a comprehensive set of  
11 strategies that are designed to maximize outcomes for  
12 young children and their families. So this last slide  
13 represents the continuation of this work with an inclusive  
14 planning process and a focus on building out the  
15 infrastructure needed to implement that system wide  
16 approach.

17 The next plan really lists the system partners  
18 that have been involved with the shared commitment to  
19 leadership and system level activities. The approach has  
20 been based upon a systems building framework that has  
21 helped organize the work and address the complexity of  
22 having multiple funders and stakeholders involved. So as  
23 you can see here all of the key system partners involved,  
24 those include those partners providing direct funding and  
25 administering funding, particularly First 5 LA and DPH,

1 LABBN, which provides key system infrastructure support  
2 the LA County Perinatal and Early Childcare Home Visiting  
3 Consortium, otherwise as The Consortium. The  
4 Collaborative Leadership Council, which I will explain  
5 further in the next slide, and then home visiting  
6 providers and families.

7 We know there are some institutions that are  
8 clearly held at the state level such as funding  
9 allocations or eligibility requirements. But all of these  
10 partners are working together to identify local systems to  
11 elevate challenges, to use data to inform and influence  
12 decision making and development of recommendations with  
13 that shared goal of improving the quality and  
14 sustainability of all local home visiting system in the  
15 County.

16 One foundational and significant advance for  
17 implementing an action plan has been in the areas of  
18 governance and leadership; so First 5 will highlight the  
19 development of the Collaborative Leadership Council, or  
20 the CLC.

21 So the CLC, on the next slide, was created in  
22 2019 with funding and support from the Office of Child  
23 Protection. The purpose of the CLC is to perform ongoing  
24 monitoring, adjustment, coordination, and advocacy for  
25 home visiting and to identify opportunities to deepen the

1 connections of the work between home visiting and other  
2 prevention and family strengthening work underway in the  
3 County.

4 The members of the CLC are intended to serve as a  
5 bridge between executive County leadership, home visiting  
6 funder, experts, and providers. And eventually the goal  
7 is to also build the infrastructure to include home  
8 visiting kind voice.

9 So the board motion from 2016 identified the  
10 Department of Public Health as the lead to collaborate  
11 with key system partners. And they are responsible for  
12 chairing the CLC.

13 So with that I'm going to pass it to Dr. Allen,  
14 to speak to DPH's role across the key foundational  
15 elements of the home visiting system efforts.

16 DR. ALLEN: Thanks so much, Diana. And I just  
17 have to take a second to thank First 5 LA for it's  
18 partnership in this. The value of having a thought  
19 partner so consistently throughout our thinking has really  
20 been overwhelming.

21 So where we see the system building making sort  
22 of opposing challenges for us that we're working hard to  
23 meet are first round governance. And Diana talked about  
24 that, about the idea of having -- starting from the shared  
25 leadership philosophy, and really thinking about

1 governance at several levels with the management team  
2 which will be us, First 5 LA, and LABBN, with the  
3 Collaborative Leadership Council as our advisor around  
4 policy, that is advising the management team, and then  
5 with the Consortium really thinking about what happens at  
6 the implementation level at the -- at the field level  
7 working with families.

8           Second really critical outline in building a home  
9 visiting system is assuring we have the data to understand  
10 who we do and who we do not serve where the gaps are,  
11 where the opportunities are for improvement. And we've  
12 been quite happy to have received a grant from the  
13 County's Productivity in Investment fund that will allow  
14 us to form an integrated home visiting data system. We're  
15 calling it HVIP for Home Visiting Integration Project.  
16 And we have just today signed our contract with LABBN to  
17 whom the fund will go to load this process.

18           They will be hiring a systems development  
19 consultant to do the technical part of the work, but their  
20 job will really be bringing the entire system, including  
21 our providers, along in creating a data system they'll be  
22 creating, what we call a data lake, which all of the  
23 providers will send their billing -- their data, and it  
24 will then be able, through an automated process, to  
25 produce all the reports they need for different funders

1 and for different models of care while at the same time  
2 allowing us to look very holistically at the system rather  
3 than breaking it down by model or funder. So we're very  
4 excited about that and expect that we will actually come  
5 up with a plan within a year and then begin to work on  
6 implementation.

7           The third area that's really critical to both  
8 sustainability and growth, and in particular growth in  
9 terms of our capacity to reach parts of the population  
10 where we feel the system has not been fully effective, and  
11 those include both black women who we know are at higher  
12 risk for adverse birth outcomes and segments of the  
13 population that face particular social challenges  
14 including homeless women, including women affected by  
15 mental illness or substance abuse, including  
16 women who are leaving the prison system, we have been less  
17 the models than we have -- have allowed us less ability to  
18 reach those populations, and new sources of funding are  
19 really critical that allow for greater flexibility -- are  
20 really critical to our ability to do that.

21           We have been invited by the Hilton foundation to  
22 submit a grant which has now gone in. We're now waiting  
23 to hear, and it will allow us to do two things for which  
24 otherwise funding is lacking. The first is to create a  
25 new position at DPH. Now, our history as a home visiting

1 provider. The funding will allow us to create a new  
2 position whose job will really be to look at the system as  
3 a whole and secondly to create a unified billing system  
4 that will, we hope, allow us to take advantage of funders  
5 including Medi-Cal and including the Family First  
6 Prevention Services Act -- FFPSA, that will allow for  
7 greater flexibility in the models that's we fund.

8 So this is really a critical step we believe for  
9 us and a tremendous opportunity to build a system that has  
10 much greater capacity and flexibility. This focus on  
11 financing comes out of the work of a consultant that  
12 helped us over the last year, and that we've been talking  
13 about more in this presentation. But I really wanted to  
14 highlight these three areas as critical for becoming a  
15 system rather than the patchwork that currently exists in  
16 discrete stand-alone models. Thanks very much.

17 MS. GOZALIANS: Thanks, Dr. Allen. And I'll go  
18 ahead and step in for the next slide.

19 Good afternoon, commissioners. Thank you for the  
20 opportunity to provide an update regarding the  
21 infrastructure support that LA Best Babies Networks  
22 provides the home visiting sites. Given LABBN's  
23 responsibilities as the oversight entity for the First 5  
24 LA and County funded home visiting models, we are in a  
25 very unique opportunity, because we just have so much

1 access with all the hospitals and community based  
2 organizations. Where we started off 10 years ago as the  
3 oversight entity has really changed. When we started off  
4 10 years ago, it was all about how do we start home  
5 visiting in the County. It was all about training  
6 standardizing protocols, getting people to workforce  
7 expansion, making sure we have our ducks in a row in terms  
8 of consents and database and all sorts of things like  
9 that.

10 But in the last 5 years, we really shifted,  
11 because the sites are now full fledged. They've been  
12 doing the work for a while. They are the experts for  
13 their own work, and our infrastructure support has really  
14 shifted in being a County-wide system building process, in  
15 that, I mean, it's moved towards data driven -- data  
16 driven decisions, which I'll talk about in just a  
17 moment.

18 We've been really working on workforce expansion.  
19 We've been provided support for FFPSC work. We've been  
20 doing connections work with other academic institutions  
21 like USC to do deeper data-level analysis where we're also  
22 finding ourselves the type of technical assistance, the  
23 training, the data work that we're doing is not for a  
24 newborn program. We've really gotten into the weeds of  
25 things and trying to perfect and heighten the quality of

1 what we're trying to do, but also the outputs.

2 So we look at it in two ways, what are we doing  
3 with the families continuing that ongoing continuing  
4 education process, addressing needs as they come in real  
5 time, and we're also trying to build the County and  
6 advocate for change based off what we're seeing in our  
7 programs. So you'll notice a lot of what we do is about  
8 identifying, integrating, and evaluating.

9 And the beauty of the way we're set up is we  
10 really can address things in real time given the support  
11 we have from First 5 program officers and the  
12 implementation team at the County. When something is  
13 identified, we can move fairly quickly to provide that  
14 infrastructure support that the site or the larger network  
15 needs.

16 The other piece of this is -- I think it's quite  
17 wonderful -- is we have the sites that may be funded by  
18 multiple funding sources like the County and First 5, but  
19 there's standardization. And that's the beauty of this  
20 work as well, is we've been able to create standardization  
21 in what they're doing and their expectations, their  
22 deliverables, their data outcomes. The simplest things of  
23 when we say, exclusive breast feeding, is it the same  
24 definition for all funders. This has been a big piece of  
25 the CQI and data driven decision work as well.

1           Next slide, please.

2           Because LABBN is the oversight, it's also created  
3 us opportunities to have really close relationships, as I  
4 mentioned before. We're able to do ongoing continuous  
5 quality improvements directly with sites and on a network  
6 level.

7           The current stronger families database is a  
8 web-based system. It provides opportunities for case  
9 management. It has an Internet work referral capacity.  
10 It allows the providers across the system to speak with  
11 one another. The best part is, you know, as being a data  
12 geek and the co-lead for the data work group on The  
13 Consortium is that it's connected to Tableau. So whatever  
14 you put in you can absolutely pull out into a dashboard.

15           So that's created an immense opportunity for us  
16 to be able for whoever is inputting data into that system  
17 to be able to pull it back out. And where we're sitting,  
18 LABBN can see all that information across the model,  
19 across the sites, and across the funding sources. We're  
20 able to take that information back. We bring it back to  
21 the funders. We bring it back to The Consortium. We  
22 really bring it back to anyone who will ask us for  
23 information in the identified format.

24           But what this allows to us is the opportunity to  
25 advocate. It actually shows the better picture of what

1 the ripple effect impact is on our home visiting in this  
2 County. What used to be just to maybe First 5 now with  
3 County using the same database system, it's really able to  
4 show a bigger impact of what exactly are we doing when we  
5 talk about the 25,000 families that HFA, Welcome Baby, and  
6 Parents as Teachers are seeing on a yearly basis.

7 We also have the ability to make sure that all  
8 the sites are meeting or at least following model  
9 fidelity. I've always looked at ourselves kind of like a  
10 middle group between the funder and the grantee. We're  
11 the group that comes in and makes sure the grantee has  
12 everything they need at their fingertips to integrate the  
13 program with model fidelity both for the national office  
14 but to that funder as well. Model fidelity is also  
15 incredibly important because it's tied to program  
16 outcomes, evaluations and so on.

17 But the last frame right there, feedback group,  
18 is one of the things we've also done really uniquely, is  
19 we bring everyone together regardless of funding source,  
20 regardless of model, and regardless of a pandemic. We've  
21 just had to switch to a virtual model. And on a monthly  
22 basis, we're able to bring all managers and supervisors  
23 together. On a quarterly basis, we bring the peer rolls  
24 together for continuing education. But what this creates  
25 is an ongoing opportunity for conversation, things that,

1 you know, really deep dive into the themes that we're  
2 seeing, the topics, the trends. And again, being able to  
3 real time address them.

4 Next slide, please.

5 My last slide is focusing on The Consortium.  
6 Hopefully everyone here at some point has heard of The  
7 Consortium. But The Consortium is funded by First 5 and  
8 the LA Partnership for Early Childhood Investment. It  
9 sits within LA Best Babies Network and the policy  
10 committee. And it is a network focused on coordinating,  
11 measuring, and advocating for quality home visiting  
12 programs in LA. As it currently sits, The Consortium has  
13 multiple work groups focused on African American Home  
14 Visiting engagement, father engagement, best practices,  
15 data, referrals, advocacy -- and these work groups meet on  
16 a monthly basis to push forward an action plan. It's an  
17 opportunity to bring together 60-plus member  
18 organizations, including representatives from the models  
19 themselves, County agencies, funders, insurance programs,  
20 nonprofits, advocacy organizations, foundations and  
21 philanthropy.

22 It is that space that every quarter we get  
23 together and we talk about the larger issues and update  
24 folks of the work that is going on. It also creates  
25 camaraderie. It's that coalition building -- and, quite

1 frankly, we haven't been able to find another model like  
2 this in the US as large as ours. We've been getting more  
3 and more interest of how is LA County doing this? What is  
4 this concept of oversight? What is this concept of  
5 consortium? And how do you do it on such a large scale?

6 And I think part of that is just the way that  
7 we've been able to connect. We have a common mission and  
8 vision and just really tapping into the expertise of the  
9 multiple groups involved to push this work forward. And  
10 again, it's all about systems building and infrastructure  
11 support. And it's that ability to address things in real  
12 time.

13 So with that, I'll also pass it on to Anna for  
14 her next slide.

15 Thank you.

16 MS. POTERE: Thank you, Sharlene. Good afternoon,  
17 commissioners, colleagues, and guests. You've heard about  
18 the incredible home visiting system that has been built in  
19 LA County and some key elements for looking to the future.  
20 I want to briefly speak to how they're exploring  
21 sustaining the system to ensure that families can continue  
22 to benefit from these services, recognizing that systems  
23 building and sustainability are inextricably linked.

24 On this slide, you can see a working version of  
25 First 5 LA's vision for sustainability, which is to create

1 a system of equitable social services available to  
2 pregnant and parenting people and their children,  
3 supported by sufficient and sustainable funding. We plan  
4 to continue refining this in partnership with LABBN, DPH,  
5 and other partners such as those referenced earlier by  
6 Diana and Sharlene. This can provide a broad framing for  
7 what we are hoping to achieve through sustainability.

8 On this slide, I dive into further depth on our  
9 strategies for achieving this vision. We have narrowed it  
10 to three. So to diversify home visiting funding sources  
11 in order to sustain programs as First 5 LA revenue  
12 declines, to create longer term financing mechanisms, to  
13 ensure stability for providers and therefore stability for  
14 families. And third, which you have been hearing about,  
15 to develop the necessary system infrastructure to support  
16 a quality system with multiple funding streams.

17 Finally, I'm excited to speak in a bit of greater  
18 specificity around the emerging opportunities we are  
19 exploring to maximize potential funding streams for home  
20 visiting. We're fortunate to have access to a number of  
21 wonderful resources to help us determine the best  
22 strategies for moving forward. For example, in which  
23 Dr. Allen alluded to, we had an opportunity for a grant  
24 from the Heising Simons Foundation to engage in a fiscal  
25 mapping exercise with a national expert consultant in home

1 visiting financing, Kay Johnson. Kay led a group of home  
2 visiting and finance experts in a process to build a  
3 shared understanding of how to maximize potential funding  
4 streams for home visiting in LA County which resulted in a  
5 report in March of this year that includes a set of  
6 recommendations. We're still working to think through and  
7 prioritize case recommendations, but some of them are  
8 already underway and we plan to continue exploring them.  
9 For example, we continue to work for DCFS and partners  
10 across the County on the implementation of the Family  
11 First Prevention Services Act, or FFPSA, which includes  
12 potential reimbursement for three of the home visiting  
13 models that are currently implemented in LA County.  
14 Medi-Cal, California's Medicaid program, is another  
15 federal opportunity that holds potential for home  
16 visiting, particularly at this point in time, as the state  
17 is rolling out multiple transformational initiatives in  
18 Medi-Cal. Given that the majority of pregnant people and  
19 children under five is enrolled in managed care, working  
20 with Medi-Cal managed care plans is an important strategy  
21 for exploring the opportunities.

22 Finally, Dr. Allen mentioned the centralized  
23 billing system for home visiting building, which was a  
24 recommendation from Kay based on her work in other  
25 jurisdictions and providing the ability to maximize these

1 reimbursement based funding strengths. We look forward to  
2 continuing to explore and prioritize Kay's  
3 recommendations.

4 Now I will hand it back to Diana for our Q and A  
5 and discussion. Thank you.

6 MS. CAREAGA: Thank you, Anna. So I hope you can  
7 see there has been significant progress in building up the  
8 infrastructure to make efforts for this more coordinated  
9 and effective system that is responsive to community needs  
10 and it's easier to access and navigate. We're really  
11 excited to be advancing in the areas of system leadership,  
12 data, and sustainability, and we're enthusiastic about the  
13 ongoing level of collaboration and partnership between  
14 partners, as you can see here by the examples given by  
15 Dr. Allen and Sharlene and the emerging opportunities to  
16 engage other system leaders in County departments is part  
17 of sustainability strategies as highlighted by Anna.

18 So at this time, we wanted to open it up for  
19 discussion and questions about the system building  
20 sustainability efforts or any other feedback that you may  
21 have.

22 Thank you very much.

23 COMMISSIONER TILTON: This is Deanne. I have a  
24 question. First of all, thank you so much for connecting  
25 with us and with Dr. Durphy and iCan. We have a ways to

1 go, but at least we're on the road.

2 I -- I have my usual question about how we  
3 actually are evaluating outcomes. We're talking about  
4 better outcomes, and I'm not sure what those are. How  
5 we're measuring them, that would be my first question.

6 Do you want me to ask the second one?

7 MS. CAREAGA: We can pause there, maybe I can  
8 invite Sharlene to share some thoughts about the  
9 partnership we're doing between LABBN and USC to expand on  
10 that data.

11 MS. GOZALIANS: Absolutely. I'm also going to  
12 throw out a couple more examples as well. What we  
13 actually did with the support of First 5 is we did a  
14 complete data dump from the Stronger Families database  
15 that has data all the way from the beginning of when we  
16 started using it. What this created was an opportunity to  
17 -- we wanted to dive deeper and see if there was anything  
18 that we could predict, like predicative outcomes, based  
19 off of the hospital assessment -- the Bridges assessment  
20 tool. So that's actually something that's ongoing. We're  
21 utilizing USC's partnerships. We're able to use their  
22 Ph.D. students in epidemiology and statistics and utilize  
23 their resources to dive deeper into that data. So that is  
24 forthcoming.

25 The other space of what we do is ongoing because

1 we have access to the data is we look at the outcomes year  
2 to year and see how it's changed. And that was incredibly  
3 important during Covid. We saw increases in some areas,  
4 decreases in others. But what we do see is when we ask  
5 folks to bring the data into The Consortium -- so the data  
6 work group -- is that we do see that consistently if the  
7 program is with that outcome, we are doing better than  
8 County statistics compared to families who may not be in  
9 home visiting. That is true for things such as screening  
10 rates for depression and anxiety. That is true for  
11 screening rates for ages, stages questionnaire. Better  
12 outcomes in terms of immunization following through with  
13 prenatal visits, postpartum visits, less domestic  
14 violence, less substance abuse. But I would also say that  
15 we assume, even though it's under a percent, we assume  
16 that is an under estimate, just based off what is told to  
17 us, let alone our drop off rate or lost to follow up rate.

18 What we also see is we are also able to tell  
19 things such as dental screenings. We're also able to look  
20 at breast feeding patterns. We're able to even break it  
21 down by Best Start community and see the differences that  
22 perhaps we see in SPA 1 as compared to SPA 8. And then  
23 what we also have done is we look at to see if there are  
24 areas -- dosage basically. So is there a difference of  
25 outcomes depending on how long someone gets the program.

1 So especially for our folks in HFA and Patton potentially  
2 could get the program 3 to 5 years, what are the  
3 differences compared to something like Welcome Baby that's  
4 light touch.

5 So we are seeing positive results. And I think  
6 through the data work group and I'm happy to share The  
7 Consortium website as well in the chat box. But there's  
8 multiple reports starting from 2015-'16 fiscal year that  
9 show where we were back then. And then it does  
10 comparative across various home visiting models not just  
11 Welcome Baby, HFA, and PAT, it includes some early Head  
12 Start, it includes some NFP data, it includes Healthy  
13 Start. And then fortunately including family preservation  
14 and PFF as well to just keep expanding.

15 COMMISSIONER TILTON: That was extremely helpful.  
16 Thank you so much.

17 When you mentioned the domestic violence. Are you  
18 including child abuse family violence then?

19 MS. GOZALIANS: Yes, we are. And I know First 5  
20 program also have their separate tracking system that they  
21 require their grantees to follow, and that's as related to  
22 making calls. Or, like, what is substantiated into a call  
23 or not -- a call would substantiate into an actual case  
24 and so on. So we do track that.

25 COMMISSIONER TILTON: I would I love to have that

1 data if it's available. Thank you.

2 I have another specific question. Is there a  
3 connection between the newborn risk assessment mandate and  
4 the referrals for home visitation? I guess I'm really  
5 asking what the criteria for providing the home visitation  
6 is for newborn - for families with newborns, but there are  
7 - there's a system for identifying risk with newborns, and  
8 that actually results in a referral to DCFS. But it would  
9 seem that there should be a connection between whoever's  
10 making that assessment and whoever is assessing for home  
11 visitation. Do you know? I mean, is that something we  
12 should -- can explore? Because there is a growing number  
13 of newborns being referred at risk. It's a very large  
14 number. So it's -- it --

15 MS. CAREAGA: There has been work underway with  
16 the plan work group. Perhaps Anna can speak to that. And  
17 that's one possible way we're trying to link referrals for  
18 home visit is part of identifying families at home risk.

19 Anna, do you want to share a few words?

20 MS. POTERE: Yes. The Office for Child  
21 Protection is leading a County work group to establish  
22 plans of safe care protocol which some of you may be  
23 familiar with. And so essentially this is to identify  
24 children, newborns, who are substance affected and to  
25 determine whether they should have the plan of safe care

1 in place or whether they should be referred to DCFS. And  
2 one of the referral options for those families is home  
3 visiting; so that is still underway.

4 And Commissioner Tilton, to your question about  
5 the newborn risk assessment, that group has been looking  
6 at what the kind of assessment would be to determine which  
7 path the hospital worker takes in those situations, and  
8 has been looking at -- actually looked at our Welcome Baby  
9 bridges screening tool as an example, has looked at the  
10 newborn risk assessment as well, and they are designing  
11 kind of a new -- based on those other assessment tools a  
12 new sort of assessment tool. I'll be happy to share that  
13 with you or provide any additional information.

14 COMMISSIONER TILTON: I would really love to have  
15 that. And you've pointed -- you -- you've made a very  
16 clear point just now. There's the newborn risk assessment  
17 and still the -- the plan -- the forward plan for reducing  
18 risk and improving family functioning -- and I think that  
19 there's, like, a thousand newborns that are referred at  
20 risk to DCFS. And it isn't just -- it isn't just  
21 substance abuse, as you know. The newborn risk assessment  
22 can't just be a positive tox. It has to include other  
23 information.

24 So I'm really glad this is being addressed  
25 jointly. And I really would be interested in being

1 connected to how it goes forward. Thank you so much,  
2 Anna.

3 MS: POTERE: Absolutely. Thank you.

4 MS. VO: And Deborah Allen and then Romalis  
5 Taylor.

6 DR. ALLEN: I just wanted to comment on both of  
7 those questions. And first, in terms of evaluation, I  
8 think in the expanded vision that we're promoting for home  
9 visiting -- and the first question is do we succeed in  
10 increasing our representation of populations that are now  
11 under represented in the system. And then I think we have  
12 to think about how do we do population-based measurement  
13 given that the access to a comparison group is a more  
14 complex question. But I do think we have to think about  
15 whether if we're thinking about this -- about this as a  
16 County-wide system, does it have County-wide impact beyond  
17 the impact it may have for individual children? So it is  
18 very much on our minds. But it's a future question.

19 And in terms of referrals for home visiting, I  
20 did have to give a plug for our newly instituted Help Me  
21 Grow program, that it now primarily focused on newborns.  
22 But we really do intend to do a lot of outreach to  
23 pediatric providers and expect that they will be a primary  
24 source of referrals into Help Me Grow, which then can  
25 refer to a whole host of programs including home visiting

1 as appropriate. But we see that as a really critical  
2 bridge in the system to get families to the resources they  
3 need. And it is up and running just as of now.

4 COMMISSIONER TILTON: That's very exciting. And  
5 so there's just a lot of -- of investment I have in this  
6 -- in this issue, because I do believe it does profoundly  
7 impact not only the health and well-being but the safety  
8 of children. And it is clearly something that -- that is  
9 morphing and an entity beyond just -- just child abuse.  
10 But at the core of -- of all of this, the -- the very  
11 survival of children, of newborns is -- is -- is a point  
12 to consider. Because this is a highly vulnerable stage of  
13 life, and you know that.

14 So, Deborah, I know that we have connected with  
15 you about increasing the home visiting for at-risk  
16 families and also expanding the hospitals -- the number of  
17 hospitals who are participating. So I'm wondering if we  
18 have -- how we're doing with expanding into -- well, more  
19 hospitals -- County hospitals, and also addressing those  
20 high-risk parents that were so thoroughly and articulately  
21 identified in your board letter year before last with, for  
22 example, jail population, the newborn -- newborns of women  
23 incarcerated. Just one little example of that.

24 Go ahead.

25 DR. ALLEN: We are very happy that we have a

1 current grant that allows us to do doula care in the  
2 jails. So quite excited about that. In terms of  
3 expansion of the -- the Welcome Baby model, is the model  
4 that's involved in the hospitals. And that's -- that's  
5 run by First 5 who probably will want to comment on it.  
6 It's their baby.

7 But the possibility of expanding Welcome Baby was  
8 really a key recommendation in this report we got from our  
9 financing consultant who envisioned going to really  
10 looking to Medi-Cal as the basis for funding expanded  
11 Welcome Baby, which makes sense, given it's  
12 hospital-based. So I don't know if Diana or Anna wants to  
13 add to that, but -- the notion of having an expanded  
14 system with capacity to, you know, have the direct  
15 connection to more mothers at birth is really grounded in  
16 expansion of Welcome Baby.

17 MS. CAREAGA: Currently, I would just add given  
18 where First 5 LA's revenue is, we're definitely looking at  
19 our sustainability strategies to maintain or pass our  
20 current infrastructure. So we're not currently looking at  
21 expanding, but looking at how do we really bring in other  
22 funding pieces. So our work with managed care has been  
23 really important for that. And some of the  
24 recommendations that Kay Johnson reports called out such  
25 as the - really trying to help support our thinking as we

1 look at how do we engage other partners and sustain the  
2 current infrastructure. And we're also looking to, even  
3 as part of the work with iCan, thinking how do we  
4 create, maybe, perhaps, referral pathways with hospitals  
5 that are not doing Welcome Baby, but may have a way to  
6 work with some of our HFA and PAT providers to create  
7 referral pathways.

8 COMMISSIONER TILTON: Thank you for all that  
9 information. Thank you again.

10 COMMISSIONER HEGER: Romalis, you had your hand  
11 up?

12 COMMISSIONER TAYLOR: Yes. My question gets to  
13 be about referral rates from these different systems,  
14 because the presentation didn't highlight that. DMH is a  
15 part of this system, and in the sense that referral rates  
16 from DMH and the referral rates from DPSS, are we tracking  
17 those referral rates? Because I'm hearing that DPSS is  
18 not making referrals like other systems are. Are we  
19 tracking that and trying to understand what the hesitation  
20 is by these agencies in making these referrals for the  
21 benefit of these children? Question -- that's Number 1.

22 MS. CAREAGA: I will start by saying I saw  
23 Dr. Allen go off mute as well. I think we are tracking  
24 referrals and where they are coming in. And I think it's  
25 not so much that entities are not making referrals. It's

1 about understanding the requirements or eligibility  
2 requirements to enter the programs.

3 Dr. Allen, if you want to say anything about  
4 this?

5 DR. ALLEN: Yeah, I think DPSS, which is now our  
6 largest funding, is very committed to the program. I  
7 think we had a wonderful meeting today to which DPSS  
8 invited our providers to talk about what they felt were  
9 the challenges and barriers that DPSS could help them  
10 overcome in ensuring a wider -- enrollment in DPSS  
11 clients. So I think it's very much at the sort of  
12 implementation level that there are these real places the  
13 two systems don't match well, and a real effort is going  
14 on to try to correct that, which I think will leave room  
15 for expanded enrollment of DPSS clients. And yes, we're  
16 absolutely tracking the numbers. But, you know, I think  
17 the -- the will is there. The procedures have to be  
18 worked out to really maximize that.

19 COMMISSIONER TAYLOR: With regards to mental  
20 health, are they on board with that?

21 DR. ALLEN: I don't know that DMH is a major  
22 referral source. They have been a funder. Their funding  
23 is ending. So --

24 COMMISSIONER TAYLOR: We need to talk about that  
25 funding ending and things of that nature. So what are we

1 doing about that with regards to engaging DMH to continue  
2 the funding for the benefit of these mothers that may have  
3 mental health requirements to traumatic experiences that  
4 go on with Covid and other things that we're having? So  
5 them dropping out is a question mark in my head about the  
6 benefits to these children and families.

7 And I do have a subsequent question with regards  
8 to black families and how we're integrating their services  
9 to make sure it's culturally relevant to them so they will  
10 engage home visitation. And are we going to track that  
11 and report that? Because I want to know about it.

12 MS. GOZALIANS: Yes. Absolutely. Sorry.

13 COMMISSIONER TAYLOR: Do we have --

14 MS. GOZALIANS: Absolutely. I mean, I think, you  
15 know, we -- DPH has gotten a grant from the State which is  
16 now going to be continued, it looks like, for two more  
17 years to -- to continue a doula program as a model of sort  
18 of variant on home visiting. That has a very high  
19 acceptance rate and very high positive satisfaction from  
20 black mothers. It's exclusively for black birthing  
21 people. So that -- that model is uniquely tailored to  
22 black cultural, you know, comfort and moors. In addition,  
23 I think one of the things that FFPSA offers us is, unlike  
24 the relatively structured and frankly often didactic  
25 models of care that are now available in FFPSA, it counts

1 motivational interviewing, which is a much more  
2 client-driven approach as one of its evidence-based  
3 models. And we're very excited about the opportunity to  
4 branch out into a more client-centered approach using  
5 FFPSA as our evidence-based practice. And that's one of  
6 the reasons you've heard so many times in this  
7 presentation about FFPSA as one of the positives for the  
8 future, and one of the things we're going to try hard to  
9 capture through our funding approach.

10 COMMISSIONER TAYLOR: Can we elevate that?  
11 Because that was another question of mine, is client input  
12 and satisfaction. And are we tracking it and are we  
13 getting a report on what the clients are saying about what  
14 we're doing and how it's helping them across these  
15 different spectrums?

16 MS. CAREAGA: We do definitely have --  
17 Commissioner Romalis, in Welcome Baby, there is a client  
18 survey that they complete that includes questions around  
19 satisfaction that we're tracking across time. And I know  
20 for HFA and PAT there are also opportunities to provide  
21 input to their advisory bodies that each agency has for  
22 their programs.

23 COMMISSIONER TAYLOR: Okay. Then with regards to  
24 the referral funding and the funding, because we highlight  
25 what the great work that you're already doing with the

1 Department of Public Health, but let's also capture and  
2 highlight the efforts of DPSS and DMH and the referral  
3 from DHS, because DHS has a lot of our client base. And  
4 they should be making referrals. Period. Because if they  
5 don't, these children are left behind and these families  
6 don't get the help they need. So I want to know what DHS  
7 is doing about making referrals to home visitation.

8 Can you help with that?

9 MS. CAREAGA: DHS is also implementing the Mama's  
10 Neighborhood, which does have a component for home  
11 visiting. We do continue to track and engage across our  
12 system efforts to create more integrated and more smoother  
13 referral pathways, and I think definitely conversations  
14 around sustainability are bringing County departments to  
15 the table in ways, and really highlighting how we  
16 integrate our efforts and connect families to services.

17 DR. ALLEN: I would say DHS is very much -- very  
18 much part. They're actively involved in the CLC. And  
19 they actually -- they have their own Mama's Neighborhood  
20 program that does home visiting. But we also worked very  
21 closely with them two years ago to get a federal Healthy  
22 Start grant, which also includes home visiting as one of  
23 its elements. So we feel that those are sort of home  
24 visit aligned. They don't fit the federal definition of  
25 home visiting because they're not exclusively home

1 visiting programs. But they are essentially providing the  
2 service we want to see provided to their populations. So  
3 they are very much part of our system in that sense.

4 COMMISSIONER HEGER: Romalis, this is Dr. Heger.  
5 I remain very concerned about referrals from the  
6 Department of Health Services. All right? I think that,  
7 you know, that particularly on this -- I'll raise this  
8 issue, because this is my one note that I talk about.

9 When you have kids born that are exposed to  
10 substances, we can't rule out that they have not already  
11 also been exposed to alcohol, which means they're going to  
12 have subsequent problems. And they're going to be  
13 significant and severe in their ability to be prepared to  
14 go to school. And we would recommend, if we had the  
15 opportunity, across the board to, A, train anybody that's  
16 doing home visitation and recognize that kids that have  
17 FFASD and the Children that are born to substance abusing  
18 or using mothers, that they end up getting followed in a  
19 appropriate clinic for minimum of two years until you  
20 actually have a better opportunity of assessing all of  
21 that. And I think that's -- that becomes critically  
22 important as we become more aware of -- of how to treat  
23 and recognize and anticipate problems.

24 And as you and I have discussed, this is  
25 particularly important in the African American population

1 where we have created an environment where there is a lot  
2 of isolation and a lot of alcohol use that it -- probably  
3 we should be advocating -- advocating for. And so that's  
4 one of the things that I would like to see that we do.

5 The other thing that I think is really important  
6 in this whole issue of home visitation is that we know --  
7 and I think probably Deanne taught me this -- was that in  
8 -- when you have calls that are coming in, particularly  
9 about children under the age of 3 or under 5, saying that  
10 I -- I'm -- that reports are not substantiated, that are  
11 allegedly from the hotline, not substantiated. That 50  
12 percent of those little kids end up in the system. And  
13 maybe we should use that as an opportunity that somebody  
14 put their hand up and said, I'm over here, and I need home  
15 visitation. And I need somebody to come in my household.

16 To me, one of the major impacts of home  
17 visitation is the breaking of the loneliness and the  
18 isolation that is what breeds child abuse. And -- and  
19 every study of -- of effective programs to stop child  
20 abuse in the community basically move -- move in on  
21 dealing with isolation. So I think that -- that that's  
22 critically important. So when you do get that call, that  
23 there's a response.

24 Now finally, I'm a part of a greater group of  
25 troublemakers in the County who are looking at ways to

1 anticipate problems with kids as they go into foster care,  
2 etcetera, etcetera. And there's -- not from me, because I  
3 have this argument with them, but from them looking at  
4 reports coming into DCFS from mandated reporters and  
5 teachers and health providers, etcetera. They would like  
6 to do away with the protocol that says if you get a report  
7 from a mandated reporter, you have to go out and do an  
8 assessment to see what kind of trouble the family is in.  
9 Because so many of them are unsubstantiated. And, again,  
10 that's the problem.

11 Because here we have families that somebody's  
12 putting the hand up saying wait. Wait. Wait. Wait.  
13 Wait. Wait. This family's in trouble. And those --  
14 those -- and those are the families that I think would  
15 benefit profoundly from home visitation.

16 So that is my personal message is I think there  
17 are indicators that we aren't necessarily responding to  
18 that we need to. And I don't think health services is  
19 doing the job that they need to be doing for whatever  
20 reason. But I think we -- we could take advantage of  
21 those first calls.

22 COMMISSIONER TAYLOR: I want to jump in on that.  
23 I agree with Astrid. We need to second and encourage our  
24 colleagues in DHS to collaborate with us and integrate  
25 their data set with our data set so we can measure what

1 they're doing and what they're not doing, and how we can  
2 help them to succeed in helping these children and  
3 families. If we're not capturing these data across these  
4 different systems, then what we're doing is working in  
5 isolation. And we are doing our thing and they're doing  
6 their thing, and nobody's talking to each other. So one  
7 of the strengths of what we've been doing as a group and  
8 as a team is that we work towards integration and  
9 collaboration. And we work towards improving the process  
10 across systems.

11 And that's why I'm -- you know, I was concerned  
12 about us not talking more about DHS. But I also want to  
13 make sure that what we're doing is in these systems. And  
14 the reason I'm more concerned about DMH walking away is  
15 that these people have been traumatized by systems that  
16 are detrimental to their well-being. And whether you  
17 realize it or not, it impacts how the children are  
18 treated, how the mother is treating that child, and what  
19 the child is feeling. And even the children feel that  
20 trauma.

21 So I'm hoping that we elevate that and that  
22 aspect to make sure they're getting the well-being  
23 services that are needed from mental health, that they  
24 need timely along with the other things we provide under  
25 home visitation. Let's -- that's a very significant issue

1 for these children and families. They don't even realize  
2 it, they just living in it. And so we need to make sure  
3 that we're doing all we can to elevate that and treat that  
4 so their well-being is happening due to that trauma.

5 COMMISSIONER HEGER: Yeah. I think too, Romalis,  
6 in that ring is the kids who have been -- Deanne knows  
7 more about this than I do. But children that have  
8 suffered death at hands of care takers. It's really,  
9 really clear that the family members are suffering from  
10 severe mental impairment. And that without having, you  
11 know, the idea of looking at their mental health, we  
12 weren't really looking at prevention in a very substantial  
13 way.

14 I wanted to compliment -- I -- I realize I'm a  
15 commissioner; so I guess I'm complimenting myself -- but  
16 First 5 and everyone that presented today. I really want  
17 to say something about in working in this field for as  
18 long as I have, to see this coordination of services and  
19 standardization and bringing oversight and so that  
20 everybody is playing on a field in a coordinated way is  
21 really a tribute to your success. And it's the reason why  
22 it works. If you let everybody just do their own thing,  
23 we wouldn't have the level of success that we have. But I  
24 just think we should be doing more. And I'd like to train  
25 everybody that does home visitations to recognize fetal

1 alcohol when it's there because these kids are -- are in  
2 trouble as they get older.

3 And then somebody asked me to do -- they asked me  
4 last night, was asked me to go to San Quentin and do a  
5 study on those who are incarcerated and how many of them  
6 were born into families that were -- where alcohol was  
7 omnipresent. So I do think that we need -- we can set a  
8 standard here which would be amazing for the country. So  
9 I'm -- are there any more questions or statements?

10 Any comments?

11 MS. VO: We do have Sharlene up next and then  
12 Anna. And then we'll open up comments once more when  
13 board comments are up.

14 MS. GOZALIANS: Thank you. I actually was going  
15 to take a step back to respond to Commissioner Taylor's  
16 question about the number of African American, black  
17 babies that we have in the program. What I also wanted to  
18 talk about, just actually, before I answer that question,  
19 is the amount of work that's being put in to increase the  
20 workforce as related to African American and black  
21 workforce increasing.

22 One of the things that the African American home  
23 visiting engagement group did through the consortium this  
24 fiscal year, actually, just a few months ago, with the  
25 help of the data work group, was previously we just did

1 not have any data -- baseline data to any of our knowledge  
2 that gave us a sense of what the staff diversity was in  
3 the home visiting world. So those program that were  
4 funded by First 5 and the County plus -- plus others -- so  
5 it didn't just include HFA, PAT, and Welcome Baby, but any  
6 model that was willing to give us information, including  
7 NFP and Early Head Start and so on and so forth. So we  
8 have -- do have a staff diversity report on The Consortium  
9 website that gives us a better sense of the breakdown of  
10 who exactly is our workforce and what they self identify  
11 as.

12           Interestingly enough, and it very much matches  
13 with the -- the family breakdown that we see, we just had  
14 our annual summit just at the beginning of the month. And  
15 thus far, this fiscal year, we did identify that the  
16 number of families that self-identified as African  
17 American or black was about 8, 9 percent. And about 77,  
18 78 percent identified as Hispanic Latinx; so we're --  
19 we're seeing that there's work to be done. But we're also  
20 understanding that there -- some of those foundational  
21 pieces that need to take place, we need to take time to  
22 discuss, ask the right questions so we can make the right  
23 move.

24           I'm thinking about a few years back -- and I know  
25 Melissa Franklin and Rabby (phonetic) Sims were a big part

1 of this -- when we were starting this work group of the  
2 communication and marketing piece of all of this, we had  
3 families came in and talked to them. What gets you in  
4 through the door? And they had really good feedback. And  
5 a lot of it came back to genuinity. It's like I just need  
6 my home visit. My home visitor does not need to look like  
7 me. I just need to know that they're there for me,  
8 whether or not they have the answers.

9 And that was incredibly powerful because it told  
10 us that we can do this together. The other thing I'll say  
11 is that the unique make up of the African American home  
12 visiting engagement work group includes sites with  
13 incredibly strong black leadership in home visiting and  
14 the supports for families with young children. That work  
15 group is also unique in the sense that most of the members  
16 are direct service providers. They are the home visitors.  
17 They are not the managers or the supervisors. So what  
18 it's created is, it's created a space for the home  
19 visitors themselves to come together and push the work  
20 forward as they see fit, which I also think is a unique  
21 space there.

22 But we continue to wander. I think as we're  
23 starting to make some programmatic changes, whether it's  
24 in material language and things like that, it will give us  
25 the opportunity to further look at outcomes broken down by

1 race and ethnicity to see what the difference is.

2 COMMISSIONER HEGER: Who's up next? Are there  
3 any other statements or questions? Help me here, Linda.

4 MS. VO: Anna, you're up next.

5 MS. POTERE: Yes. I wanted to reflect on a  
6 comment that Commissioner Taylor made and elevate  
7 something really exciting -- an aspect of FFPSA  
8 implementation in California, is that the State has chosen  
9 to include in its eligible populations or what they refer  
10 to as candidacy set groups a set of children who are  
11 identified to have some level of risk, but who have not  
12 been referred to DCFS. Instead of being referred to DCFS  
13 they remain in the community and are referred directly to  
14 programs like home visiting. So some examples of that are  
15 actually the substance-affected infants through the plans  
16 of safe care work group, adults with substance use,  
17 children exposed to domestic violence, homeless children,  
18 trafficked children -- so these are children who have been  
19 identified to have some level of risk -- excuse me. But  
20 will be referred within the community without DCFS  
21 involvement.

22 So it's a really exciting opportunity to think  
23 further upstream about prevention. And the FFPSA  
24 implementation groups are really thinking about how to  
25 create those referral pathways, one of which actually is

1 through probation that will be tested out. So just wanted  
2 to elevate that.

3 COMMISSIONER TAYLOR: Can I jump in here, Anna?  
4 That's great. But you see now that you're talking about  
5 just those different categories. The connection back to  
6 mental health and the well-being of that is key to their  
7 success in the future. So let's make sure that we're  
8 collaborating with DMH to elevate that and continue to get  
9 that funding, because intervention and creative funding  
10 under MHSA is there to do just that and address these  
11 kinds of issues.

12 So I'm still trying to understand why DMH is  
13 walking away. And I just need to know so I can talk to  
14 whoever it is at the board level to stop that nonsense.  
15 Because the reality is these children need these resources  
16 and they need it badly, especially now more than ever.

17 MS. VO: Deborah, you're up next.

18 DR. ALLEN: I think we should all adopt your  
19 approach to this and really pursue that partnership more  
20 forcefully. I did want to say that there is a program  
21 that hasn't been mentioned very specifically within DHS  
22 about substance abuse, and that's the that they have a  
23 contract with SAPC -- the Substance Abuse Prevention and  
24 Control division -- that's in DPH. To serve -- they're  
25 providing education about reproductive health to all the

1 providers of substance abuse care with the understanding  
2 -- with the particular focus on the idea of substance  
3 abuse providers doing screening of women about pregnancy  
4 risk, pregnancy intent, in order to intervene prior to  
5 pregnancy around the impact of pregnant -- of substance  
6 abuse on pregnancy outcome.

7           So rather than wait for a baby to be born and  
8 intervene, they're going further upstream with substance  
9 abuse -- they're screening for pregnancy among women who  
10 are known substance abusers rather than screening for  
11 substance abuse among women who have just given birth.

12           In addition, though they are doing reverse  
13 referrals where within their prenatal care they are  
14 identifying women with substance abuse issues during and  
15 referring them for substance abuse treatment during the  
16 pregnancy, that's an approach that we'd like to see grow,  
17 including in mental health of screening -- screening the  
18 women of reproductive age that are served by the mental  
19 health system about their pregnancy status rather than  
20 waiting for the baby to be born and then trying to  
21 intervene around the mother's mental health needs.

22           So I think it's important that people know that  
23 that effort is going on. That's not to say that there  
24 might be lots more opportunity to work with DHS. And I  
25 think the idea of fetal alcohol training for our home

1 visiting providers would be terrific. We do train them.  
2 You know, we do do some supplemental training around risk  
3 that Sharlene is very involved with, around trauma  
4 prevention, trauma awareness, around mental health. But I  
5 think that would be an appropriate addition. And around  
6 domestic violence. That would be a very appropriate  
7 addition.

8 MS. VO: If there aren't any other board  
9 comments, we can move on to our public comments.

10 COMMISSIONER TILTON: May I just say one thing  
11 really quickly? I am really, really pleased that we keep  
12 coming back to the fetal alcohol syndrome issue because  
13 fetal alcohol damage -- alcohol damage is far more toxic  
14 and fatal and damaging than, frankly, any of the other  
15 drugs.

16 Where, of course, now we're dealing with  
17 fentanyl, which is deadly in a way that we've never seen  
18 before. The number of fentanyl deaths in children has  
19 exponentially risen. So we need to weave the whole issue  
20 of substance -- and substance danger is so critical. And  
21 I also want to land on that issue of isolation. If I ever  
22 say one thing about home visiting that is absolutely true  
23 and positive, it is that it is breaking isolation, which  
24 is the Number 1 risk factor for harm. So I - I'm so  
25 pleased that we're -- that we're investing so much in this

1 -- in this incredibly important program and expanding to  
2 reach the broader audience, including, like, our 64  
3 hospitals and our network. They're not all part of the --  
4 they're not yet part of the -- the program, the -- you  
5 know, there's over a thousand newborns now being referred  
6 for high risk. So what we're seeing, the numbers validate  
7 the concerns that we're addressing. That -- that needs to  
8 keep up with the -- the rising challenges that we have in  
9 protecting and serving children. So thank you.

10 MS. VO: Thank you Commissioner Tilton.

11 Deborah, do you have another comment before we  
12 move on?

13 DR. ALLEN: No. Sorry.

14 COMMISSIONER HEGER: Are there any other public  
15 comments at all, Linda?

16 MS. VO: We do have one public comment from Nakia  
17 Fields (phonetic), and we're going to go ahead and begin  
18 her public comment now.

19 SPEAKER: Hi, there. Thank you for having me.  
20 Thank you, First 5 LA commissioners. Thank you to all of  
21 you for having such an important conversation.

22 I did put my question in the Q and A and it was  
23 sort of addressed, but I really like what I'm hearing,  
24 especially the culturally inclusive components and  
25 understanding who's referring people to home visitation

1 programs and that home visitation is not a punitive thing,  
2 but a supportive thing. And it looks like mental health.  
3 It looks like wellness.

4 But the question that I asked was how are we  
5 tracking the organizations, especially black-led  
6 organizations or providers, that are actually contracted  
7 with the organizations that are being referred? Because  
8 what we're finding out here in the community is that, even  
9 though there are home visitation programs that exist,  
10 we're not truly finding home visitation programs that have  
11 black people that are coming out into our homes. And we  
12 do know that there is a prevalence of more black people  
13 being, you know, referred to DCFS when there's a fetal  
14 alcohol or exposure to cannabis at birth. But we don't  
15 have people who are there being a welcoming arms once that  
16 exposure has been identified. And I think that's a  
17 workforce development issue.

18 And so I would love us to continue to have this  
19 conversation and really do talk about how are we going to  
20 develop the home visitation workforce for the black  
21 community, more black providers as a basis, because we are  
22 more impacted by the microaggressions, microinsults that  
23 they don't realize they have when they come into our  
24 homes, because our culture is different than yours. Thank  
25 you.

1 MS. VO: Thank you, Ms. Fields.

2 COMMISSIONER HEGER: Any other comments?

3 MS. VO: We don't have any other public comments.

4 COMMISSIONER HEGER: So are we moving on to Item  
5 4? Is that what we're -- where we are?

6 MS. VO: Yes. We're going --

7 COMMISSIONER HEGER: We're going to take a break  
8 at this point. For how long?

9 MS. VO: Yes. We're going to take a break right  
10 now.

11 COMMISSIONER HEGER: Ten minutes?

12 MS. VO: That works.

13 COMMISSIONER HEGER: What time is that?

14 MS. VO: 2:46.

15 COMMISSIONER HEGER: Thank you.

16 MS. VO: Thank you.

17 (A brief break.)

18 COMMISSIONER HEGER: So are we back in another  
19 couple minutes here -- right? -- or now?

20 MS. VO: Right now, we're at 2:46. I believe  
21 commissioners and staff are getting back.

22 COMMISSIONER HEGER: I just think this Item 5  
23 should be called the Beyonce Initiative. And we should  
24 just, as I move to the direction of trying to get that --  
25 trying to move that way forward, trying to organize --

1 it's like herding cats from time to time.

2 But anyway, we shall see.

3 MS. VO: And I think we can ask Nicole Jones to  
4 begin.

5 COMMISSION HEGER: Can we all basically say we're  
6 back? I can't tell who's all on and back. But I'm  
7 assuming everyone is back.

8 And Nicole is going to talk about -- I'm really  
9 interested in African American -- this was the very first  
10 thing that happened when I became a commissioner, was this  
11 conversation about -- about mortality of infant and mother  
12 mortality in the African American population. And it was  
13 a huge concern of mine that we aren't doing a better job.  
14 So Nicole is going to start on Item 5, and we'll go there.

15 Thank you.

16 MS. JONES: Hi. Good afternoon, commissioners  
17 and First 5 LA staff. Can you all hear me all right?

18 COMMISSIONER HEGER: We can.

19 MS. JONES: Okay. Great. So let me go ahead and  
20 -- okay. All right. So good evening everyone,  
21 commissioners, first 5 LA staff. We welcome you today.

22 My name is Nicky Jones, and I'm a Program Officer  
23 on the Health Systems Team. And today we're going to be  
24 presenting on our AAIMM initiative. And we're going to be  
25 sharing some of the ways that we have been grounding our

1 work in community wisdom.

2 Today, I'm joined by our partners Dr. Deborah  
3 Allen, who is the Deputy Director for Health Promotion at  
4 the Department of Public Health as well as Adjoa Jones who  
5 is a director of AAIMM outreach and engagement and  
6 prevention and initiative at the Department of Public  
7 Health.

8 So here's our presentation outline. We will be  
9 giving a brief AAIMM overview. We also will be sharing  
10 some highlights from our Community Actions team, also  
11 known as CATS, and we will be talking about next steps and  
12 opening up the room for discussion.

13 So as you all know, the AAIMM initiative is near  
14 and dear to many of us here in the room. It was founded  
15 in 2018 by LA County Department of Public Health. First 5  
16 LA community-based organizations, funders, community  
17 members, all united to address the unacceptably high black  
18 infant and maternal mortality rates and to ensure that we  
19 provide healthy and joyous births for black families here  
20 in LA. And as you can see, it takes a village to do this  
21 work; so I'm very grateful for our partners at DPH and at  
22 the community level.

23 We are guided by our shared values, which both  
24 direct our collaborative efforts as well as our  
25 investments in programming. These values were

1 co-constructed in partnership with members of our steering  
2 committee, which is inclusive of our County and community  
3 leaders, as well as our funders and other partners.

4 And so at this time I would like to introduce our  
5 partner Dr. Allen, Deputy Director of Health Promotion to  
6 shed a little more light on the AAIMM initiative.

7 Dr. Allen? You're on mute.

8 DR. ALLEN: Sorry. Thanks so much, Nicky.

9 As you'll see when we present the data, there's a  
10 crisis of inequality in birth outcomes. It is, however,  
11 not an acute crisis, but a chronic one. It's a reflection  
12 of the lifetime experiences of stress felt by black  
13 birthing persons in LA and California and around the  
14 country.

15 The effects of racist laws, of policies,  
16 institutions, of interactions with individuals, and with  
17 systems, and the failure of systems to address community  
18 needs come together as sources of stress affecting black  
19 birthing persons. I'm going to paraphrase the popular  
20 book on trauma, really, the black pregnant body tells the  
21 score -- keeps the score. That's what we're seeing when  
22 we see these elevated rates -- uniquely elevated rates of  
23 infant and strikingly elevated rates of maternal  
24 mortality, is the impact of cumulative sources of stress  
25 on black birthing persons.

1 Next slide.

2 The understanding that social conditions and  
3 social experience lie at the heart of birth outcome  
4 inequality shapes the framework that guides our work.  
5 That framework starts upstream by asking, okay. If the  
6 sources of the problem lie in social experience, what can  
7 we do to change the social environment? Specifically,  
8 what can we do to reduce the sources of stress that effect  
9 black birthing people at mid stream level. We ask what  
10 can we do to assure the social stresses in the environment  
11 don't convert into physiological stress that places the  
12 black body at risk of adverse birth outcomes? And at the  
13 downstream level, we ask how can we advance a health care  
14 system that remediates the impact of stress on black  
15 infant and maternal health. And throughout this  
16 continuum, this cascade from social experience to  
17 biological outcome, we've asked what kind of  
18 infrastructure do we need to effectively respond to racism  
19 at every level.

20 Thanks so much.

21 MS. JONES: Thank you, Dr. Allen. So here you'll  
22 see our AAIMM collaborative structure. It's in the form  
23 of a lovely flower with our committee at the Center. But  
24 grounded and surrounded by the community action teams of  
25 which there are four: San Gabriel Valley, South LA/South

1 Bay, Santa Clarita/San Fernando Valley, and The Antelope  
2 Valley. We also are supported by our Cherished Futures  
3 collaborative, as well as our Doula Advisory Committee.

4 And in order to do this work, we have an approach  
5 that we like to call a collaborative of collaboratives.  
6 And we use this approach in solidarity to work and lock  
7 arms with one another in ensuring that our black families  
8 are having safe and joyous births. We also uphold shared  
9 power and decision making, and we ensure that all of our  
10 engagement is driven by community partnership that we have  
11 cultivated as well as grounded in our community wisdom.

12 So we'd like to share with you all some critical  
13 milestones this past year for AAImm. And we're happy to  
14 share that we have at this point contracted the UCLA  
15 Center for Health Policy to conduct evaluations for the  
16 AAImm initiative. And the evaluation questions that we  
17 have our team focusing on are divided into those assessing  
18 the overall high-level impact to the initiative.

19 For example, one of the questions are did AAImm  
20 implementation lead to a desired outcomes at the community  
21 provider and individual levels? Such as, did it reduce  
22 black infant mortality and stress among black birthing  
23 persons? So like many things, due to Covid, there has  
24 been some slight delays with initiation. But we are on  
25 track to complete evaluation June 30th, 2022.

1           And so at this point, UCLA is working very  
2 closely with AAIMM management and steering to gather  
3 detailed information on the various programmatic  
4 components of AAIMM and activities. They're examining the  
5 content of this data, and assessing the feasibility -- the  
6 feasibility of collecting additional information in order  
7 to address any gaps. And so they are looking at all  
8 available sources of data, including reports, training  
9 evaluations, meeting agendas, scopes of work -- scopes of  
10 work, etcetera.

11           I'd also like to take this time to highlight  
12 programmatic accomplishments of AAIMM. Of course, we  
13 shout out our lovely Dr. Melissa Franklin who leads our  
14 communications and public awareness efforts.

15           We've created an amazing website that serves as a  
16 landing place for external -- both externally and  
17 internally, and it really keeps that place of robust  
18 information sharing, as well as we have our social media  
19 channels, core messaging, and overall broad reaching  
20 campaigns.

21           We also have Cherished Futures, a hospital  
22 quality improvement program plan which has supported eight  
23 hospital teams to cocreate implementation programs with  
24 community members to improve birth outcome for black  
25 families through coaching, analysis of disaggregate data,

1 listening sessions with black families and providers, and  
2 overall just fostering a community of learning and best  
3 practice.

4 We also have our Black Maternal Health Center for  
5 excellence which is housed at Charles Drew University and  
6 will launch in July. And will have, lastly not least, our  
7 Doula program, which was mentioned in the earlier  
8 presentation. With evidence based intervention that  
9 provided critical social/emotional support for black  
10 birthing people, and up to this date has made 879  
11 referrals and helped deliver over 399 babies.

12 So at this time, I would like to pass the baton  
13 over to our colleague Adjoa Jones, Director of AAIMM,  
14 engagement leader and visionary of community action teams.

15 MS. JONES: Thank you very much, Nicky and  
16 Dr. Allen. Good afternoon, First 5 commissioners,  
17 colleagues, partners, community partners, and guests.

18 I want to thank you for allowing us to be here to  
19 present, gratefully and thankfully. The AAIMM CAT model  
20 came to me as a vision which arose out of the work that I  
21 had been doing since the early '90s as I was the first  
22 community health worker in and perinatal health educator  
23 for the first black infant health program in LA County,  
24 which was Great Beginnings for Black Babies and Healthy  
25 Mothers and Babies. So the AAIMM CAT was born.

1           At that time, I was with DHS Whole Person Care.  
2           And part of our work was to identify gaps in services and  
3           resources and look at ways where we can either create a  
4           community action team or join one that was in place. And  
5           there was not one at the time in place. And so what we  
6           decided to do in conversations we were having with DPH and  
7           DMH, with the health agency as well as First 5, was we  
8           came up with the idea, from our regional collaboration  
9           team, to leave that work in developing an African American  
10          infant and maternal mortality action team, which was a  
11          partnership between government and community, to address  
12          and look at ways that we can integrate and create  
13          strategies and support the current organizations that were  
14          providing services, especially at the grass roots level,  
15          some of the smaller CBO's, nonprofit organizations. But  
16          then also to look at doulas, mid wives, birth workers of  
17          all types, and the African American community, as well as  
18          faith based partners, to see how we could further  
19          introduce this issue. And then also see if there was a  
20          need -- that the community felt there was a need.

21                 And at that first meeting in talking with Kaiser  
22          and them being a partner in serving and providing us a  
23          space and providing the food to be able to share with  
24          those and make it a welcome environment, we had over a  
25          hundred folks there. And the community said yes, we want

1 this model. And it's to be a model that is co-led by  
2 community and government.

3 So, for example, at our planning team level, I am  
4 leading South LA/South Bay. We're going to be looking for  
5 a community leader as well as within some of the other  
6 CATs, there are some community co-leads. But then at the  
7 work group level, each work group is either led by a  
8 community member and a County member, or it can be led by  
9 two community members. But the whole purpose is to really  
10 look at where we're at with this issue of AAImm. Does  
11 your community know about it? How do we further engage  
12 community members such as fathers, such as birthing  
13 persons, women and birthing persons, and how do we support  
14 them and really activate our doulas and support pregnancy  
15 and birthing for black people without bias and racism?

16 And so we first started in South LA/South Bay in  
17 October of 2018, officially launched in January of 2019.  
18 And then Antelope Valley came in 2019, and San Gabriel  
19 Valley and SPA 2, Santa Clarita and San Fernando Valley,  
20 2020. And officially -- well, 2021. And officially  
21 started in 2022. But the bottom line is it has been  
22 replicated in three other areas throughout our county.  
23 And we're finding to have great success with the work  
24 we're doing.

25 Next slide, Nicky.

1           Some of our highlights today is the first we were  
2 able to -- with fatherhood, I was able to bring a  
3 gentlemen with -- Henry Solomon, with our work with the  
4 South LA/South Bay planning team, to talk about how do we  
5 further engage our fathers. And one of the first things  
6 he did along with some of the members of The Family  
7 Centers of Models of Care work group was to implement the  
8 black daddy dialogue, which started in 2019. And when  
9 Covid happened, we pivoted to offer that virtually. We  
10 were initially meeting in person at the MLK Center for  
11 Public Health. And that groups meets every second  
12 Wednesday of the month.

13           Then also San Gabriel Valley in their END CAT,  
14 they had focus on maternal mental Health. And so you  
15 heard from co-lead Nakia Fields when she asked her  
16 question earlier, but through her team and her leadership  
17 along with Annette and Trey Ho and Chalet Lewis, the  
18 County department, they have implemented two support  
19 groups that are being offered right now virtually, but  
20 will be also implemented in other places throughout our  
21 County. The San Gabriel Valley has led -- excuse me led  
22 that work.

23           In each CAT meeting, we offer racial grounding  
24 for our bimonthly meeting so that we give a historical  
25 perspective on what the experience has been for

1 African-Americans in this nation for the last 400 years,  
2 as well as within our community. We also offer partner  
3 spotlights, because we do not know some of the agencies  
4 that are serving in the Community. For example, if you  
5 look at the picture here, this young lady offers 4-D  
6 ultrasound. And she came to several of -- two of our  
7 events of late and is willing to still serve, and was  
8 offering free 4-D ultrasounds. So imagine the women came  
9 and were finding out some of them were pregnant, and  
10 parenting -- birthing persons. Oh, I can have a free  
11 ultrasound? And so that's some of the work that we're  
12 doing.

13 We're also going to be having an AV birth worker,  
14 where we're looking at the black birth worker capacity in  
15 Antelope Valley. And looking at how we can strengthen  
16 that. So we have a consultant that is able to work with  
17 us and develop the -- pretty much a needs assessment and  
18 analysis. And then we will also work with those in AV so  
19 we can build that out. But I will say that you saw what  
20 we call -- Nicki called the flower. We are really now  
21 calling it the garden, because it keeps growing and  
22 growing.

23 But much of the what has happened within the  
24 AAIMM structures first began with the AAIMM CAT,  
25 especially in South LA/South Bay -- Cherished Futures for

1 Black Babies, a hospital collaborative, as Nicki and  
2 Dr. Allen mentioned, was first led by Dana Sherad who was  
3 one of the first to come to one of our meetings, as well  
4 as the CDU Center for Black Maternal Health Excellence,  
5 led by Dr. Bitu Amani and Dr. Brandi Desjolaais, first also  
6 started within the AAImm CAT meetings of planning teams  
7 and the actual bimonthly meetings to our community.

8           And so we're also happy to be partners with like,  
9 I Dream for Racial Health Equity on the Black Mama's  
10 prenatal support group. The AV CAT started a village  
11 support group for black pregnant women. We also have,  
12 thankfully to Casey Patterson, the Village Fund and  
13 fatherhood engagement really sprang forth even more  
14 because our South LA and AV CATs were able to participate  
15 in the PEI grant application that the County submitted to  
16 give thought and ideas to what interventions would best  
17 serve African American communities.

18           Next slide.

19           So just to bring you a little up to speed, we're  
20 very excited about, a couple weeks ago we had a father's  
21 day, Juneteenth celebration where we wanted to really  
22 honor the fathers. For black maternal health week, we  
23 focused a lot on black women and birthing persons, and  
24 focused on their needs. But we also wanted to uplift the  
25 fathers; so we're very excited, as you see, in some of

1 these pictures. These were some of the gifts that were  
2 able to be given to participants. We also have fathers  
3 there present with their children. We see them get free  
4 haircuts for them and their children, and then we design a  
5 special shirt that says support, protect, believe black  
6 women, that our team is now wearing. And for all those  
7 you see, last year, at the bottom, we participated in  
8 black breast feeding week.

9 And we did a walk through out in Leimert Park in  
10 our South LA community, and we'll be hosting that event  
11 again. So we're very excited about the work that has been  
12 done and continues to grow within our African American  
13 Infant and Maternal Mortality Community Action Teams,  
14 known as the AAIMM CATS. Thank you very much.

15 MS. JONES: Thank you so much.

16 So as you all can see, all of the great work of  
17 our CATS to date would not have been possible without a  
18 high level of community involvement as well as  
19 community-based backbone support.

20 And so what is backbone support? So we define  
21 that as referring to investing in community-based  
22 organization or individuals to coordinate this CAT work.  
23 It provides funding for cats to develop core  
24 infrastructure and, quote, unquote, get their legs under  
25 them. It is not programmatic support, but overarching

1 structural support. And to date, two Community Action  
2 Teams have had some backbone supports and two have had  
3 none. So responsibilities include providing  
4 administrative, operational, and logistical support to  
5 Community Action Teams, supporting organizational  
6 infrastructure, building, such as fundraising and  
7 evaluation, and overall working with CATS -- CATS to  
8 implement their goals.

9           And so this is critical because of two reasons:  
10 One, it helps shift the balance back. Shift the balance  
11 of power back to community. As Adjoa mentioned, CATS are  
12 currently intended to be co-led by DPH and community; so  
13 investing in community backbone helps shift the balance of  
14 power more fully back to community. Furthermore,  
15 community organizations co-lead CATS on a voluntary basis,  
16 with little to no financial support, which can contribute  
17 to burn out. So additional funding can help further  
18 support our partners with the additional administrative  
19 and infrastructural support they need.

20           So the item that we are bringing you today, to  
21 the board, is really to seek to respond to these learnings  
22 of AAImm leadership by promoting CATS growth and  
23 sustainability through investment and backbone support.  
24 So our partner in funding community base AAImm efforts  
25 like cats is through -- through the LA Partnership for

1 Early Childhood Investment, also known as the LA  
2 Partnership. First 5 LA first established the strategy  
3 partnership with LA Partnership in June 2020, and it has  
4 been in effect for 3 years. It contributes to this fund,  
5 to the AAIMM innovation fund, which -- the pool fund which  
6 leverages public and private funding to support AAIMMs  
7 sustainability and community driven strategies.

8 And the purpose of this fund is to support two  
9 main areas of work. That would be community grant making  
10 for the village fund. And these funds are community based  
11 organizations and/or individuals to help implement and  
12 evaluate local strategies to support the well being of  
13 families -- of black families before, during, and after  
14 birth. And these grants are not tied to any particular  
15 region, but are open to any eligible applicant throughout  
16 LA County.

17 And for the second reason, to support with  
18 advocacy and capacity building for our Community Action  
19 Teams. And so to enable a few achievements to date.

20 And for the sake of time, I'll just highlight a  
21 few. Firstly, our LA Partnership has successfully  
22 launched two village cohorts, comprising of a total of 15  
23 grantee organizations and individuals rooted in black  
24 communities across LA County. So by end of 2021, we  
25 served in our first cohort of grantees a total of 768

1 families. Furthermore, due to the capacity building  
2 efforts, we brought on consultants to support with  
3 infrastructure, building and fundraising for your  
4 Community Action Teams.

5 So the item we're bringing forward today, seeking  
6 to expand the AAIMM innovation fund, current capacity  
7 building efforts for the CATS and to -- really to continue  
8 and invest and be backbone support for our Community  
9 Action Teams.

10 Therefore, we are requesting to amend the current  
11 strategic partnership for an additional 400,000 for our  
12 Community Action Teams backbone support and additional  
13 capacity building efforts.

14 So this will bring the total investment for AAIMM  
15 innovation fund to 700,000. This funding will ensure that  
16 each community action team has a minimum of a 100,000 for  
17 CAT serving one DPH service planning area, also known as  
18 SPA, and 150,000 for those serving two SPAS. These  
19 amounts were based on our learning from existing backbone  
20 support to date.

21 So next steps include returning to the board in  
22 July to approve a strategic partnership amendment to  
23 include CATS backbone support and other items and  
24 priorities for AAIMM in the coming year, including  
25 strategic planning in which we brought on a consultant for

1 AAIMM steering and Community Action Teams to revise our  
2 structure and help us finalize our strategic plans for  
3 fiscal year '22-'23. We also have two fellows joining us  
4 to help support with data collection and relationship  
5 building, to explore systems integration between AAIMM,  
6 home visiting, and Help Me Grow. We already met twice and  
7 we focused on learning centering, equity, and relationship  
8 building.

9 And so with that, I'll conclude our presentation.  
10 Thank you so much for your attention. And at this point,  
11 we'll open it up for questions.

12 COMMISSIONER HEGER: Do we have any questions?

13 MS. VO: I see Commissioner Taylor. You're up.

14 COMMISSIONER TAYLOR: Okay. There we go.

15 First of all, let me thank you for the great work  
16 you're doing in the community. Like the other group, you  
17 guys are doing good work. The only thing of any concern  
18 is getting data out that says -- and I can't wait until I  
19 get the report. So I would like to make sure that you  
20 come back to the commission and report on the outcomes of  
21 that report. Especially, are we making an impact in  
22 reducing the number of black women and children that are  
23 dying in our community. And by the work you're doing, it  
24 should be better.

25 The other thing is what I would like you to

1 highlight more, and I don't know if it really came  
2 forward, is that a lot of this expansion to funding is  
3 about giving them the ability to do sustainability work;  
4 right? And so let's -- let's elevate that, because it's  
5 not just about doing the sustained work. It's about  
6 teaching them to go out and get funding to do that work.  
7 I read it in your memo, but I didn't hear it in your  
8 presentation as much as I would have liked to.

9           Good work. Just want to thank you for your work.  
10 And hopefully you can tell just in an anecdotal piece how  
11 the communities and families are feeling about what we're  
12 doing. Just one story. I believe in stories, by the way.

13           So who's going to talk to me?

14           MS. JONES: I will talk to you.

15           COMMISSIONER TAYLOR: Okay.

16           MS. JONES: I mean the whole story piece, it  
17 really goes back to what I've been doing for so long.  
18 When people see me, they always want to know, are you  
19 still helping black mothers and babies? Are you still  
20 doing that same work? So we -- you know, we are getting  
21 more and more that are interested. I even wore the shirt.  
22 It has become my whole uniform. I met a pregnant woman on  
23 Monday when we were off who was headed in for induction.  
24 And I asked her do you have a Doula? And she was having  
25 twins. I can see you're ready to deliver. And she's,

1 like, no, I don't. But I'd be interested. So we  
2 exchanged information.

3 I sat there with another family who had just --  
4 they were across from us and I was listening kind of, and  
5 I was hearing the husband speak. And we just turned  
6 around. I was with two social workers and nurse friend of  
7 mine, and we turned around and started talking to them.  
8 Come to find out, they had already had their baby, who was  
9 in the NICU, and had a heart surgery -- African-American  
10 couple. And they were in need of support. So they were  
11 very interested in this. I told them about our Black  
12 Daddy Dialogue, and Jessica Wade who is of Mighty Little  
13 Giants who created her NICU program.

14 So this is just smaller stories. But we have a  
15 story every day. We have partners joining our work every  
16 day who are very much interested. We're having more  
17 conversations. I had one with DCFS earlier today who's  
18 interested in learning how they too can partner more. And  
19 I told them about The Consortium and African American home  
20 visitation.

21 So our sustainability is much needed, because we  
22 knew we would not solve this within five years. What has  
23 happened for over 400 years can't be fixed that easily and  
24 that quickly.

25 I hope I answered your question.

1           COMMISSIONER TAYLOR: You did that was a good  
2 story.

3           One other thing, you can -- you can -- I hope you  
4 will share. I know Dr. Allen already talked about it, is  
5 the impact of the mental health portion of this that  
6 you're doing. Because the trauma of a systems, that  
7 effect on the black people -- people don't translate that  
8 into mental health and well-being, but it is there. So  
9 how is that going and are we connected with Department of  
10 Mental Health to get the trauma issue addressed properly?

11           MS. JONES: DMH has been a partner with us since  
12 inception; so we do have some DMH staff that are part of  
13 it. I'm sure you know Keesha Thompson and Dr. Erica  
14 Melborne. They're part of our work as well. And so we  
15 are making further connections.

16           I will also tell you that I have some professors  
17 that have reached out that had BSW students, that they  
18 want to partner in the work. So we're looking at a way  
19 that we can further expand mental health services and  
20 support. I know USC does some offering of mental health  
21 services; so what we're doing is looking at ways that we  
22 can further partner and engage and offer people the  
23 services and let them know that they're -- you know, this  
24 is the way. We're not trying to increase harm. And black  
25 folks have to feel comfortable. We all know that, because

1 it has been just what has happened systemically that we  
2 have more black children being removed. So folks are  
3 fearful of what to share. And that's why I approached the  
4 gentlemen and his wife, because I wanted to make sure they  
5 were offered the mental health support they need, you  
6 know, with a new baby that had various health issues, as  
7 well as the children they have.

8 COMMISSIONER TAYLOR: Thank you for your work.

9 MS. JONES: Thank you.

10 COMMISSIONER TAYLOR: I'll leave it to the other  
11 people that have questions.

12 MS. VO: Thank you, Adjoa and Commissioner  
13 Taylor.

14 Up next is Dr. Allen and then Commissioner  
15 Sigala.

16 COMMISSIONER TAYLOR: You're on mute.

17 DR. ALLEN: I was saying I'll go after the  
18 question.

19 COMMISSIONER SIGALA: Okay. I wanted to commend  
20 you all for the wonderful work you've been doing, and  
21 especially we need the data for black fathers as we know  
22 very little about it. We'll need that. 400 years of  
23 oppression has had to have had profound affect on males,  
24 and we don't have enough data on that.

25 So I'm sure that, as a result of your work, you

1 can give us some rich information so that we can educate  
2 ourselves about what we need to do systemically to change  
3 the situation and become more enlightened. So I look  
4 forward to the information on that, on your outcomes in  
5 that area, and I hope that you can provide us with that.

6 DR. ALLEN: If I may go now, I'd like comment on  
7 mental health, if I may, and really tie it to our  
8 framework. So at the very broadest level, thinking about  
9 social conditions and social experience.

10 A very important part of what AAIMM does that I  
11 see as a mental health intervention and population scale  
12 is to communicate that when there is a loss of an infant  
13 in a black community to a black family, that's part --  
14 that's the result of social circumstances. Because one of  
15 the things that happens to families, and is obviously a  
16 cause of tremendous mental distress, is self blame. And  
17 you know that happens in any family where there's a loss  
18 of an infant, where there's an adverse outcome. And  
19 really communicating that this is something, yes, it is  
20 something to grieve. But it's also grounds for anger.  
21 Just as we get angry when a gun kills a child, we also  
22 need to get angry when social circumstances lead to an  
23 infant death. And that has a therapeutic effect. We  
24 think of mobilizing people, giving people agency, giving  
25 people a place to come to get involved. And then on our

1 second level, where we say what do we do about supporting  
2 people who are subject to stress, almost all of AAIMM's  
3 interventions have a major mental health component through  
4 person to person support.

5 So the whole point of father engagement is  
6 support for the pregnant person and for the father's sense  
7 of agency and supporting the pregnancy. The point of the  
8 doula person is to relieve the stress experienced by the  
9 mother. The point of our Birthing Center that we're  
10 working on with Charles Drew University is to provide  
11 comprehensive integrated care that includes mental health  
12 and group prenatal care as having a means of black women  
13 support one another.

14 And then, you know, finally, at the highest level  
15 we're engaged in dealing with problems that have resulted  
16 in people's health because of exposure to racism, really  
17 thinking about how we integrate mental health into all of  
18 health care services and build a trauma-informed approach  
19 in all of the hospitals. That's really something  
20 Cherished Futures has focused on.

21 So the mental health -- in many ways, AAIMM is  
22 intimately tied to the notion of mental health, because  
23 stress is really the link between social experience and  
24 these adverse outcomes. So on the one hand, we absolutely  
25 want to focus on mental health services exclusively. But

1 we want to reframe our way of thinking about mental  
2 health. Just as a, you know, a clinician meeting a  
3 patient in a room and more as a trauma informed County.

4 COMMISSIONER SIGALA: Thank you. Excellent.

5 COMMISSIONER HEGER: Are there any more comments?

6 MS. VO: I don't see any more commissioner hands  
7 up.

8 COMMISSIONER HEGER: Deborah, you just have your  
9 hand up.

10 DR. ALLEN: I keep trying to put it down and  
11 clicking one too many times.

12 COMMISSIONER HEGER: All right. Are we ready to  
13 go on to Item 6? I'd like to just make one comment. I  
14 think I love what you're doing, and I love this report.  
15 And I really would like to see an incredible investment in  
16 this part of LA County to -- to begin to pull up social  
17 barriers and the pressure off of the African American  
18 families, which I personally think is the causes of their  
19 -- of the health disparities, and really invest in sending  
20 the best -- the best clinicians, Deborah, down there. And  
21 not those who are just -- who are willing to go, but those  
22 who want to go and want to make a difference and want to  
23 make an impact.

24 And the more African-American topnotch doctors  
25 and professionals we can get down there in the clinics,

1 the better we not only enter a service delivery, but  
2 modeling for the community and giving those kids an idea  
3 of everything that's possible for them in a -- in a world  
4 where they haven't always seen that. And maybe, you know,  
5 I shouldn't say that, but, I mean, to me, that's what I  
6 saw in going to medical school and training and  
7 everything, was this -- this tremendous search for quality  
8 to send down there when we had inequities, you know, not  
9 -- were unbelievable. And I don't know that we've made --  
10 we've made some progress, but we need to make more.

11 So anyway, thanks for that report. And -- and  
12 I'm looking at Item 6, unless there's other comments.

13 Looking at, from Gina, I believe, is going to  
14 report on the strategic partnership with Childcare  
15 Alliance of Los Angeles, etcetera.

16 COMMISSIONER TAYLOR: Astrid, can I just say  
17 thank you, Dr. Allen, for your great effort and work in  
18 leadership. Really appreciate that. Thank you very much,  
19 Dr. Allen.

20 COMMISSIONER HEGER: Yes.

21 COMMISSIONER TAYLOR: Okay.

22 Dr. ALLEN: Thank you.

23 MS. VO: Thank you.

24 And before we move on to Item 6, confirming for  
25 the record there are no public comments on Item 5. And

1 we'll move on to Item 6, which is a written-only item.

2 COMMISSIONER HEGER: Written only? God, what do  
3 I do with that? When it's a written only item, do we vote  
4 on this?

5 MS. VO: If there aren't any questions or  
6 comments from board members, we can move on to the next  
7 item, which is public comments. And this item will be up  
8 for action in next month's consent agenda item.

9 COMMISSIONER HEGER: All right. If there's no  
10 comments on this, then I guess we can move on to public  
11 comments. And looks to me like that's coming to the end  
12 of our meeting. Right? Am I right about that?

13 MS. VO: Yeah. And it does look like we do have  
14 one general public comment from Ms. Adam. And with that,  
15 I'll hand this over to Ms. Adam for her public comment.

16 SPEAKER: Hello. Hi. Thank you so much. I  
17 didn't realize that I would have the opportunity to state  
18 it to y'all directly. I appreciate the work of this  
19 Commission. I'm Sonya Young-Adam with California Black  
20 Women's Health Project. And the AAIMM team, Dr. Allen and  
21 everyone, just have really done the most amazing  
22 presentation of what AAIMM is and has the potential to be  
23 with additional support and resources.

24 And my comment was really in response to the  
25 question -- I don't know if it was a question or request

1 from Commissioner -- I don't want to say people's --  
2 people pronounce my name incorrectly all the time. But  
3 the commissioner; so I'll be careful. But the  
4 commissioner who mentioned the need for more data on black  
5 fathers and that that data would seem to be necessary to  
6 begin to think of, you know, ways to provide support or to  
7 intervene or resources for black fathers.

8 And, you know, so often we hear, you know, these  
9 extensive requests, not even necessarily extensive. She  
10 didn't say extensive. But we hear requests for data so  
11 frequently; so I always wonder. Data? I mean, what --  
12 like, how much more data? Like, the very outcomes of, you  
13 know, the lives of black families and black men, black  
14 fathers, you know, black communities is so evident  
15 everywhere, across every single social sector and  
16 institution that we can find, that it just -- it just  
17 makes me question that, you know, there might be the need  
18 for more data in order to consider an investment or, you  
19 know, some sort of a dedicated intervention. I mean, the  
20 AAImm initiative is so incredibly unique because, I mean,  
21 most of you would already know in California, you know, we  
22 are not allowed by law to use race specifically, you know,  
23 as a criteria for, you know, providing public investment.  
24 And here, you know, because of the governor and the  
25 legislature, you know, that's possible. So I just like to

1 ask for the consideration that when we're asking for data,  
2 that we think very carefully about the data that already  
3 exists that is readily out there, readily available, and  
4 could be probably compiled in a very short space of time.  
5 So thank you.

6 COMMISSIONER HEGER: Thank you. I think unless  
7 there's further public comment, I believe that is  
8 everything today, isn't it? Did I miss something here?

9 MS. VO: No. We don't have any other public  
10 comments.

11 COMMISSIONER HEGER: So we can actually adjourn?

12 MS. VO: We can adjourn if there are no  
13 objections.

14 COMMISSIONER HEGER: Three minutes early. Thank  
15 you very, very much. Always lovely to see Romalis.  
16 Always appreciate your comments. And thank you for that.

17 And let's all hope that we've learned enough that  
18 we can actually bring some change into our -- into our  
19 world. I'm really impressed with - I'm learning more and  
20 more and more about this commission. And I'm -- I feel  
21 very honored to be part of it. So thank you all and stay  
22 well.

23 (At 3:28 p.m. the meeting was adjourned.)

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C E R T I F I C A T E

I, Heatherlynn Gonzalez, a Certified Shorthand Reporter for the State of California, License Number 13646, do hereby attest that:

The preceding is a true and accurate transcription of the meeting of the organization named herein;

The meeting was taken down stenographically and transcribed into English under my supervision and authority;

I have no interest, financial or otherwise, in any of the parties, issues, or individuals who are involved in this organization.

Attested to on this 7th day of July 2022.

DocuSigned by:  
*Heatherlynn Gonzalez*  
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CERTIFIED SHORTHAND REPORTER  
FOR THE STATE OF CALIFORNIA

Annual Comprehensive Financial Report  
For the Year Ended June 30, 2022

**Los Angeles County Children and  
Families First – Proposition 10  
Commission**

(a Component Unit of the County of Los Angeles, California)

Los Angeles County Children and Families First – Proposition 10 Commission

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October 13, 2022

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

Dear Commissioners:

The Annual Comprehensive Financial Report of the Los Angeles County Children and Families First – Proposition 10 Commission (First 5 LA) for the year ending June 30, 2022, 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 team. 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.

Eide Bailly LLP, Certified Public Accountants, has issued an unmodified (“clean”) opinion on First 5 LA’s financial statements for the year ending June 30, 2022. 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 20+ years, First 5 LA has made a lasting positive impact in Los Angeles County through its allocation of over \$2.5 billion to support diverse partnerships, innovative programs, leading policy, and systems change efforts and operations that improve the well-being of young children and families.

**ADVANCING OUR STRATEGIC DIRECTION**

In Fiscal Year 2021-2022, First 5 LA completed its second year of implementation of the 2020-2028 Strategic Plan which reflects a shift in approach from mainly funding programs toward a focus on systems change – changing policy, practice and public will to strengthen families and improve child outcomes. This strategic approach is based on First 5 LA’s desire to direct its resources to have the greatest impact on families and children prenatal to age five in Los Angeles County. Consistent with the Commission-approved strategic direction, First 5 LA will continue to place greater emphasis on

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---

**EXECUTIVE DIRECTOR**

Kim Belshé

**EXECUTIVE VICE PRESIDENT**

John A. Wagner

**A PUBLIC ENTITY**

efforts to contribute to sustainable public financing, public policy and systems-level change, and less emphasis on funding direct services. Our four strategic priority areas remain:

Strengthen Public and Community Systems: Improve, integrate, and expand systems of early prevention, intervention and learning to become family-centered, child-focused and promote equitable outcomes.

Advance and Build on Community Experience: Connect, maximize, and coordinate public resources, relationships and local assets, and relationships within our 14 Best Start geographies.

Expand Influence and Impact with Data: Expand the availability, use and power of data and parent voice to call attention to disparities, amplify advocacy, and drive policy change, practice change, and will building.

Optimize Our Effectiveness: Heighten organizational performance to enhance our impact.

Building on these priorities, First 5 LA will be focusing on integrated “whole child” advocacy strategies and pursuit to leverage learning from our programmatic efforts to inform and drive state policy change. Examples here include family-strengthening home visiting and early identification and intervention.

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, acknowledging First 5 LA’s declining revenues.

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 2020-2028 Strategic Plan, which will continue to be refined and responsive to the communities we serve in the years ahead.

## ORGANIZATIONAL HIGHLIGHTS

- ***Strengthening County child- and family-serving systems.*** First 5 LA is clear that we are not the agent of scale of sustainability. Instead, we partner with County agency systems leaders to strengthen and support their efforts to support more accessible, integrated, sustainable and higher quality child- and family-serving systems. The Commission has pursued investments to build upon a number of critical partnerships with County agencies to catalyze coordination across diverse stakeholders, strengthen cross-sector collaboration, and develop and sustain county-wide systems that serve, support, and strengthen children and families. Examples include LA County home visiting and early care and education systems building.
- ***Implementing our Strategic Plan, adapting to our context.*** As a systems change leader and funder, First 5 LA is attentive to the evolving context in which our work is undertaken. First 5 LA recognizes that addressing the COVID-19 pandemic and contributing to efforts to eradicate racial disparities and systemic inequities are not new, additive pieces to our work; rather, they represent the context in which we are doing work, and our Strategic Plan will guide our response. The budgetary priorities in FY 2021-22 and in the year ahead speak directly to the opportunities we see for First 5 LA to adapt to our context and contribute to an LA County that is just, inclusive, and equitable.

- ***Living our values of diversity, equity, and inclusion.*** First 5 LA's refined Strategic Plan provides a solid roadmap to guide our work as a systems-change leader, grounded in our values and investment guidelines, including diversity, equity, and inclusion (DEI). Consistent with Board direction, we're challenging ourselves in our Strategic Plan implementation to recognize racial disparities and inequities in the systems we seek to change, better identify causes that contribute to inequities, and work to change the underlying policies and practices that continue to hold these inequities in place.

First 5 LA can contribute to addressing the systemic barriers that impede equity and opportunity for Black children and families and communities of color. First 5 LA continues its work with SEED Collaborative and engagement of internal staff through our DEI Governance Board. DEI continues to inform and center our work, such as seen in efforts to close racial disparities in home visiting, our evolving early care and education strategic focus on family child care and the centrality of DEI in First 5 LA's more focused policy agenda. We recognize that the road ahead to live into our DEI value and investment guideline will continue to take time and effort; and we understand this work is critical to how First 5 LA undertakes its work and to the safe, equitable and just future we envision for our County's youngest children.

- ***First 5 LA staff as impact multipliers.*** While attentive to our evolving fiscal context, we recognize we are a resource-rich organization, in terms of our programmatic funding as well as our human resources – each member of the First 5 LA team. The budget recognizes our staff team as one of First 5 LA's most significant investments in systems change and aligns operational expenditures with the functionality required to successfully execute against our Strategic Plan.
- ***Energizing advocacy across our work, diverse partners, and Network of First 5s.*** First 5 LA plays an important and visible role as a connector, convener, and partner in local, county and state advocacy to prioritize young children and their families in policy and practice. The organization recommends continued support of such critical advocacy investments as the Early Care and Education Coalition, the Association of First 5s, and our Sacramento-based advocates. Focus will continue on engaging and building the capacity of early childhood health and family strengthening advocates to shape and help advance a whole child, whole family framework in state and local policies. In addition, the First 5 LA will launch the Childhood Policy and Advocacy Fund, aligned to the more holistic child and family goals outline in the Strategic Plan.
- ***Advancing sustainability of early childhood development priorities, of First 5s.*** Consistent with First 5 LA's investment guidelines, sustainability strategies are embedded within all of our work – a recognition by the Board of the predicted and real decline in Proposition 10 revenue. First 5 LA's fiscal realities require that we bring a comprehensive approach to sustainability, including operating within our fiscal discipline, pursuing new revenue and fund leveraging strategies, and maximizing opportunities to co-invest with partners.
- ***Principal work concludes on improving our capital asset, 750 N Alameda Street.*** As the owner and operator of its building, into which First 5 LA moved in 2005, we have completed significant progress in the Board-approved Capital Improvement Plan (CIP), completing phase milestones and upgrades to the building. In FY 2021-2022, First 5 LA's general contractor for CIP, Dewberry Design-Builders, Inc., led the completion of significant steps, including exterior and interior renovations of three floors of the existing office building, with specific attention to rooftop replacement, HVAC, solar panel installation and site security improvements. While the timeline for this project extends into FY 2022-23, the value for the physical space has already been significantly impacted and the improvements are already being utilized by the First 5 LA team, with a continued goal of maximizing the health and safety of our employees and the public.

## LOOKING AHEAD

- Long term financial planning.** First 5 LA's approach to sustainability requires that we take a multi-year view beyond the budget year. Towards that end, the Board-approved Long Term Financial Plan (LTFP) provides financial guardrails to focus and discipline First 5 LA's expenditures over the course of the 2020-2028 Strategic Plan. The LTFP represents a framework for multi-year financial planning to manage continued reduction in tobacco revenue. By taking proactive measures grounded in a longer view, First 5 LA is able to responsibly plan for the future and mitigate the need for dramatic and disruptive reductions in the future.
- Continued refinement and implementation of our 2020-2028 Strategic Plan.** The FY 2022-2023 budget represents resources that will support year three implementation of the 2020-2028 Strategic Plan. Completion of year two and the formation of the budget for year three represents the culmination of internal collaboration across teams, alignment of program costs to our strategic direction and fiscal realities of declining tobacco tax revenues, and the continued evolution of First 5 LA as it fulfills its multiple roles as advocate, convener, funder, catalyst, communicator, and partner. The reduced level of spending, compared to the prior year, reflects the progress undertaken to apply the drivers of strategic plan implementation – focus and prioritization, alignment and integration, and diversity, equity, and inclusion – to our work. This has led to greater clarity around how to deploy and maximize First 5 LA's human and fiscal resources strategically and in alignment with the evolution of First 5 LA, our fiscal reality, and the results we seek for children and families in Los Angeles County.

## OTHER FINANCIAL INFORMATION

### Internal Controls

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 controls 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 adjust the operating budget in an amount not to exceed \$75,000, 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 Plan

First 5 LA has annually prepared a long-term financial projection which forecasts future revenues and fund balance, assuming spending trends continue as forecasted and approved. The projection allowed us to test what the future would look like, and it helped the Commission establish financial guardrails to inform future budgeting and spending. Given First 5 LA's declining revenues, fund balance and increased priority on addressing sustainability, First 5 LA staff, with input provided by

the June 11, 2020, meeting of the Board of Commissioners, has transitioned to implement a higher degree of fiscal discipline through the adoption of a long-term financial plan in place of the long-term financial projection. While both processes provide important planning and context for the Board on future spending, the Long-Term Financial Plan will change how the organization plans, adjusting to the organization's fiscal reality and 2020-2028 Strategic Plan goals and establishing spending limits for outer years which will help us to better manage our ever-decreasing fund balance. The future spending limits, grounded in an 85%-15% maximum split of total expenditures between programmatic and administrative costs, respectively, will require changing current norms but also promote shared resources and decision making across the organization to leverage and maximize resources and partnerships. Deviations from the established annual limits will require Board review and approval.

### **CERTIFICATE OF ACHIEVEMENT**

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to First 5 LA for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the fourteenth consecutive year that First 5 LA has achieved this prestigious award. In order to be awarded a Certificate of Achievement, First 5 LA must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **ACKNOWLEDGEMENTS**

The Commission's Annual Comprehensive 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 your responsible and thoughtful fiscal stewardship of First 5 LA's financial operations.

Sincerely,

Kim Belshé  
Executive Director

KB:ro

**FIRST 5 LA**

**Commissioners**

Sheila James Kuehl, Los Angeles County Supervisor, Chair  
Judy Abdo, Vice Chair  
Barbara Ferrer, Ph.D., M.P.H., M.Ed.  
Astrid Heger, M.D.  
Yvette Martinez  
Maricela Ramirez  
Carol Sigala  
Romalis J. Taylor

**Ex-Officio Commissioners**

Robert Byrd  
Karla Pleitéz Howell, J.D.  
Jacquelyn McCroskey  
Deanne Tilton Durfee

**Alternate Commissioners**

Luis Bautista  
Victor Manalo, Ph.D.  
Kristin McGuire  
Frank Ramos  
Vivian Rescalvo  
Sylvia S. Swilley, M.D.

**Executive Director**

Kim Belshé

**Executive Vice President**

John A. Wagner

**Chief Operating Officer**

Teofilo "JR" Nino

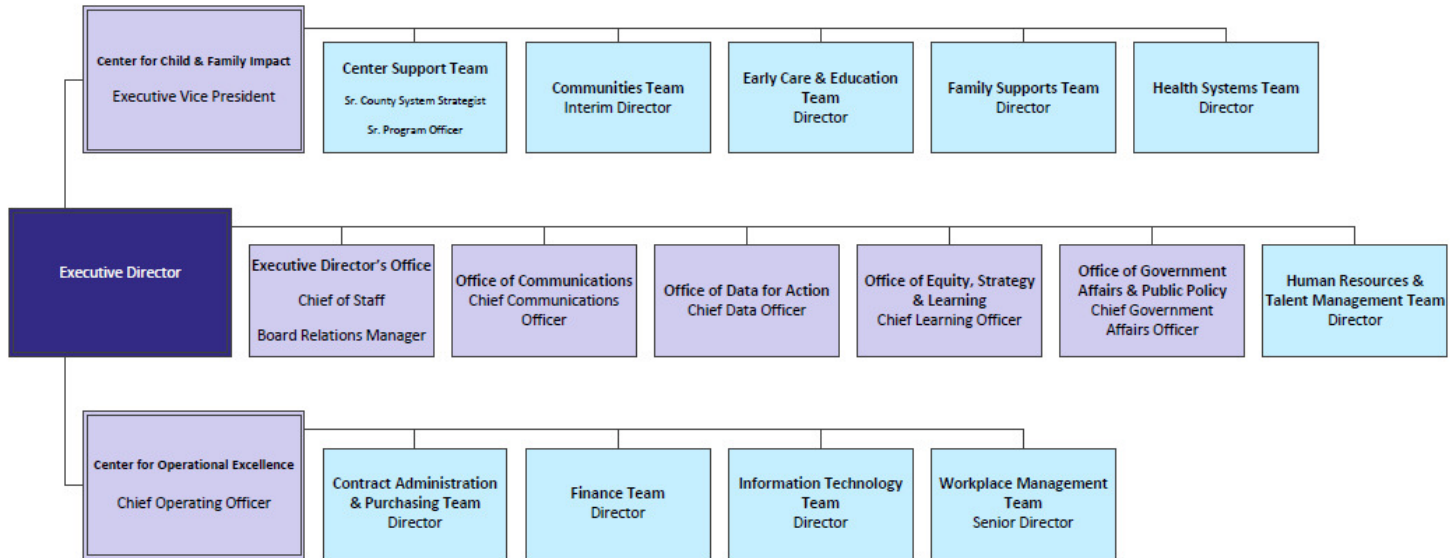
**Chief of Staff**

Peter Barth

**Team/Center/Office Chiefs/Directors**

Antoinette Andrews-Bush, Office of Equity, Strategy and Learning  
Diana Careaga, Family Supports  
Galina Collins, Human Resources & Talent Management  
Jennifer L. Eckhart, Contract Administration & Purchasing  
Tara Ficek, Health Systems  
Jasmine Frost, Information Technology  
Kim Hall, Office of Data for Action  
Raoul Ortega, Finance  
Becca Patton, Early Care and Education  
Lee Werbel, Communities  
Charna Widby, Office of Government Affairs and Public Policy

Organization Structure First 5 LA





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**First 5 LA  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

## Independent Auditor's Report

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

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited 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, 2022 and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2022, 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.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***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, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

***Supplementary 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 Schedule of First 5 California Funding is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 First 5 California Funding is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated "date of report" 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 solely 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 the effectiveness of the Commission's 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.

Eide Bailly Signature

Rancho Cucamonga, California

**Los Angeles County Children and Families First – Proposition 10 Commission  
Management’s Discussion and Analysis  
(Unaudited)**

This section of the Los Angeles County Children and Families First – Proposition 10 Commission (the “Commission”) annual comprehensive financial report presents management’s discussion and analysis of the Commission’s financial performance during the year ending June 30, 2022. 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 recognized a total of \$78.4 million in program revenues which include tobacco taxes, Proposition 56 backfill, IMPACT funds, Dual Language Learner Grant, Home Visiting Coordination Grant and pass-through funds for Medi-Cal Administrative Activities. Revenues from First 5 California (the State) totaled \$77.4 million, reflecting a 4.8% decrease of \$3.9 million from \$81.3 million in FY 2020-21.
- Commission expenses totaled \$94.4 million in FY 2021-22, representing an 9.5% decrease of \$9.9 million from \$104.3 million in FY 2020-21.
- The Commission’s liabilities decreased from \$22.9 million in FY 2020-21 to \$21.5 million in FY 2021-22, reflecting a total decrease of approximately \$1.4 million, or 6.1%.
- The Commission’s total net position decreased from \$326.1 million in FY 2020-21 to \$300.6 million in FY 2021-22, a decline of approximately \$25.5 million, or 7.8%.

**Overview of the Financial Statements**

The annual comprehensive 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 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 when 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 the Commission's activities are accounted for in the general fund.

Governmental fund financial statements focus on near-term inflows and outflows of spendable resources and 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 2021-22 with FY 2020-21:

	FY 2021-22	FY 2020-21	Percent Increase (Decrease)	Increase (Decrease)
<b>Assets:</b>				
Current and other assets	\$309,181,599	\$338,580,128	-8.68%	(\$29,398,529)
Capital assets	12,880,231	10,394,423	23.91%	2,485,808
Total assets	<u>\$322,061,830</u>	<u>\$348,974,551</u>	<u>-7.71%</u>	<u>(\$26,912,721)</u>
<b>Liabilities:</b>				
Long-term liabilities	\$935,048	\$806,802	15.90%	\$128,246
Other liabilities	20,560,008	22,078,610	-6.88%	(1,518,602)
Total liabilities	<u>\$21,495,056</u>	<u>\$22,885,412</u>	<u>-6.08%</u>	<u>(\$1,390,356)</u>
<b>Net Position:</b>				
Unrestricted	\$287,686,543	\$315,694,716	-8.87%	(\$28,008,173)
Investment in capital assets	12,880,231	10,394,423	23.91%	2,485,808
Total net position	<u>\$300,566,774</u>	<u>\$326,089,139</u>	<u>-7.83%</u>	<u>(\$25,522,365)</u>
Total liabilities and net position	<u>\$322,061,830</u>	<u>\$348,974,551</u>	<u>-7.71%</u>	<u>(\$26,912,721)</u>

The Commission’s total assets of \$322.1 million represent a decrease of \$26.9 million, or a 7.71% decline, compared with the prior year. Of this total, the decrease in current and other assets is approximately \$29.4 million. The key factor contributing to this reduction in total assets is that total expenses, including program expenses (such as provider grants and contractors), were higher than the total revenue by \$25.5 million.

The \$2.5 million increase in capital assets is a result of the organization’s execution of its Capital Improvement Project to provide physical improvements to the 750 N. Alameda Street building. The depreciation expense for FY 2021-22 was \$399,451. Additional information on capital assets can be found in Note 3 of this report.

The following is a summary of the Commission’s revenues; expenses and change in net position comparing FY 2021-22 with FY 2020-21:

	FY 2021-22	FY 2020-21	Percent Increase (Decrease)	Increase (Decrease)
<b>Revenues:</b>				
<b>Program revenues</b>				
Tobacco taxes	\$55,265,755	\$60,590,413	-8.79%	(\$5,324,658)
Prop 56	18,534,434	18,215,617	1.75%	318,817
State Commission program funds	3,574,885	2,469,410	44.77%	1,105,475
Medi-Cal Administrative Activities	189,125	80,319	135.47%	108,806
California Department of Education	0	32,830	-100.00%	(32,830)
Other program revenue	811,368	522,406	55.31%	288,962
<b>Total program revenues</b>	<b>\$78,375,567</b>	<b>\$81,910,995</b>	<b>-4.32%</b>	<b>(\$3,535,428)</b>
<b>General revenues</b>				
Investment income	\$1,629,048	\$1,987,840	-18.05%	(\$358,792)
Net Increase (decrease) in fair value of Investments	(11,173,321)	(2,861,364)	290.49%	(\$8,311,957)
Other general income	18,000	121,894	-85.23%	(\$103,894)
<b>Total general revenues</b>	<b>(9,526,273)</b>	<b>(751,630)</b>	<b>1167.42%</b>	<b>(8,774,643)</b>
<b>Total revenues</b>	<b>\$68,849,294</b>	<b>\$81,159,365</b>	<b>-15.17%</b>	<b>(\$12,310,071)</b>
<b>Expenses:</b>				
Provider grants and other allocations	\$75,838,658	\$84,700,927	-10.46%	(\$8,862,269)
Salaries and benefits	15,131,025	16,838,090	-10.14%	(1,707,065)
Operating services	1,217,057	1,087,787	11.88%	129,270
Consultant services	1,343,030	905,278	48.36%	437,752
Professional services	327,245	426,218	-23.22%	(98,973)
Professional development	113,106	61,235	84.71%	51,871
Other expenses	2,087	86	2326.74%	2,001
Depreciation	399,451	309,554	29.04%	89,897
<b>Total expenses</b>	<b>\$94,371,659</b>	<b>\$104,329,175</b>	<b>-9.54%</b>	<b>(\$9,957,516)</b>
<b>Change in net position:</b>	<b>(25,522,365)</b>	<b>(23,169,810)</b>	<b>10.15%</b>	<b>(2,352,555)</b>
Net position – beginning	326,089,139	349,258,949	-6.63%	(23,169,810)
Net position – ending	\$300,566,774	\$326,089,139	-7.83%	(\$25,522,365)

## Revenues

The Commission received a total of roughly \$68.8 million in revenues for FY 2021-22, reflecting a decrease of \$12.4 million, or 15.3% compared with the prior year's total revenues of \$81.2 million. The overall changes in revenue are due to the following:

### Tobacco Tax

Tobacco tax revenue decreased from \$60.6 million in FY 2020-21 to \$55.3 million in FY 2021-22, a decrease of \$5.3 million, or 8.8%. Revenue decreased due to a decline in sale of tobacco products.

### Proposition 56

Proposition 56 backfill (or "hold harmless") amounts are calculated in arrears, which considered in FY 2016-17 actual revenue loss was attributable to Proposition 56. The backfill amount increases revenue in FY 2021-22 by \$18.5 million compared to \$18.2 million in the prior fiscal year. The backfill is received the following fiscal year and the actual amount represented here is for FY 2020-21.

### State Commission Program Funds

State Commission program funds increased from \$2.5 million in FY 2020-21 to \$3.6 million in FY 2021-22, an increase of \$1.1 million. This increase was primarily due to several programs from First 5 CA including IMPACT and Hub funds, Dual Language Learner and Home Visiting Coordination Funds.

### Medi-Cal Administrative Activities

The Medi-Cal Administrative Activities (MAA) program increased from \$80,319 in FY 2020-21 to \$189,125 in FY 2021-22. 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. This increase is a result of more timely County reimbursements from prior periods. It is important to note that MAA reimbursements are based on activities that are reimbursed from 18 months prior to billing.

### Other Program Revenue

Other Program revenue increased from \$522,406 in FY 2020-21 to \$811,368 in FY 2021-22. This revenue includes grants from Blue Shield of California, Los Angeles County of Education and Aurrera Health Group for ACEs Aware program.

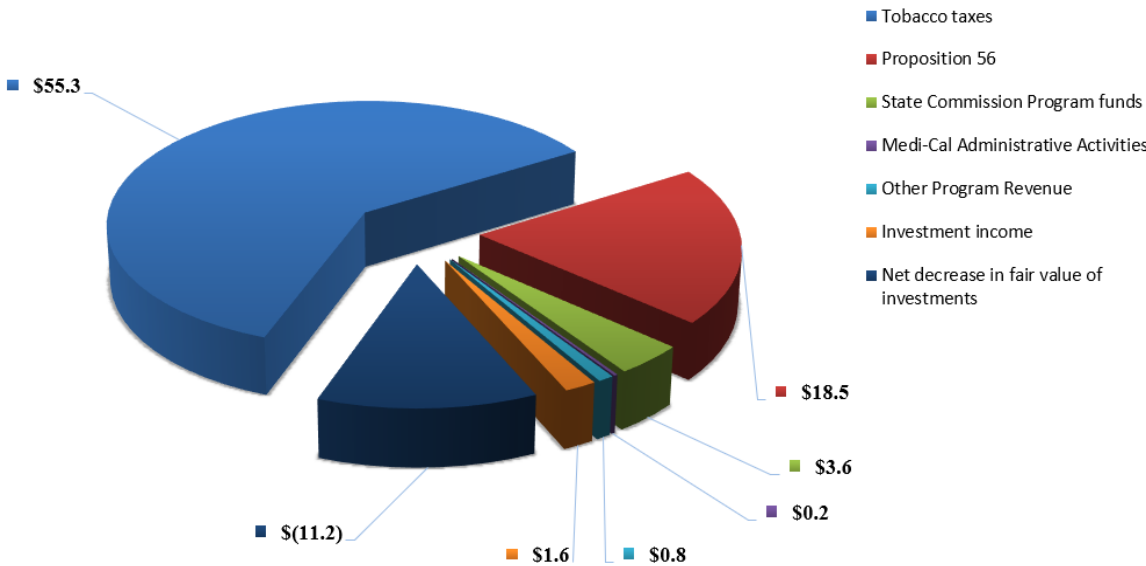
### Investment Income

The Commission earned \$1.63 million of investment income in FY 2021-22, which was a decrease of \$358,792, or approximately 18%, compared with the \$1.99 million earned in the prior year. While the overall rate of return for FY21-22 was 0.65%, an increase of .07% over the prior year, lower average fund balances in our investments yielded lower overall interest income.

### Fair Value Adjustment

First 5 LA separates the fair value adjustment under investment income from the Statement of Activities to more accurately reflect true interest earned. In FY 2020-21, the fair value of First 5 LA investment portfolio adjustment decrease was \$11.17 million, compared to the \$2.86 million unrealized loss in FY 2020-21. This significant decrease can be attributed to ongoing external macroeconomic economic factors related to low interest rates and overall economic health at this point-in-time.

**Revenues  
June 30, 2022  
(In Millions)**



**Expenses**

The Commission recognized expenses of \$94.4 million in FY 2021-22 compared with \$104.3 million in FY 2020-21, a decrease of \$9.9 million, or 9.5%. The \$9.9 million net decrease in overall expenditures encompasses the following from FY 2021-22:

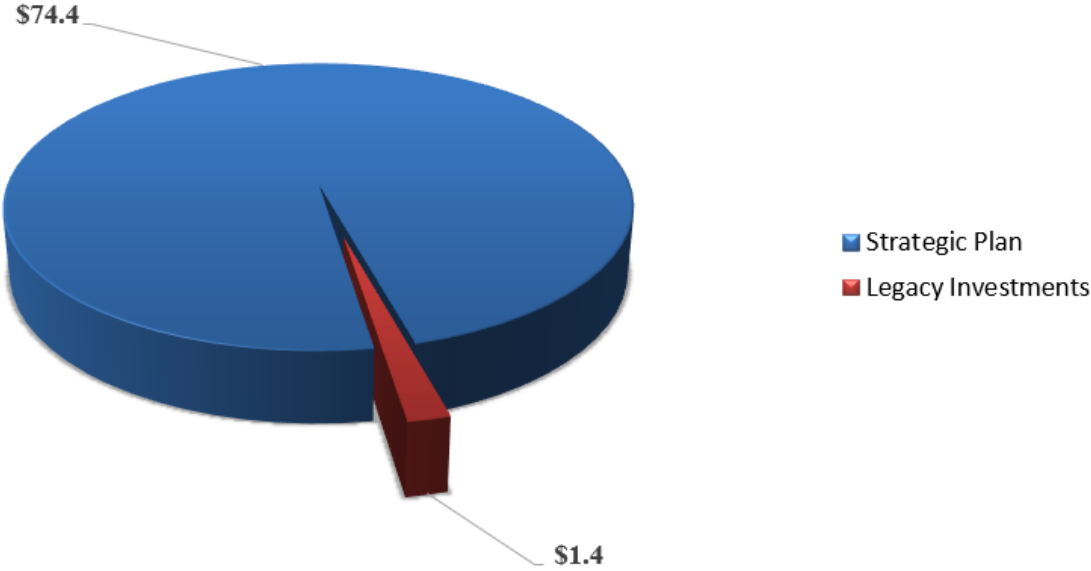
**Provider Grants and Other Allocations**

The Commission experienced a decrease of \$8.9 million, or 10.5%, expending approximately \$75.8 million in FY 2021-28 compared to \$84.7 million in FY 2020-21 for “Provider grants and other allocations”. The net decrease is the result of refinement of the Long-Term Financial Plan along with ongoing effects of the COVID-19 pandemic, which impacted how services were rendered, the type of services rendered, and the timelines for the proposed activities as well as sunsetted or scaled-back projects. The following details activity based on the Commission’s investment categories, during the fiscal year:

- 2020-2028 Strategic Plan: Focusing for the Future: FY 2021-22 marks the second year of the eight-year 2020-2028 Strategic Plan. Roughly \$74.0 million was expended in FY 2021-22, a decrease of approximately \$8.1 million as compared to FY 2020-21. The primary driver for the decrease was greater alignment to the 2020-2028 Strategic Plan and First 5 LA’s adapted organizational structure which resulted in a restructuring of the organizations sectors, staff reductions and ramp down of numerous projects. Additionally, the decrease also aligns with the long-term financial plan and annual spending limits, reflective of an annual decline in spending. Spending was reduced within the areas of Family Supports, Communities, Early Care and Education (ECE), Office of Communications, and Office of Data for Action, in alignment with the long-term spending plan. In addition, many of the activities within the former Strategic Partnerships, Community Relations, and Integration & Learning departments were ramped down and sunsetted.

- Legacy Investments: This category includes existing multi-year funding scheduled to conclude or be realigned with the 2020-2028 Strategic Plan. Approximately \$1.4 million was expended in FY 2021-22 which reflected a \$1.2 million reduction in spending. The overall continued decline of resources in support of the Legacy Investments is aligned with internal projections and will continue to decrease in the coming years.

**First 5 LA Funded Provider Grants and Other Allocations Expenses  
June 30, 2022  
(In Millions)**



Salaries and Benefits

Salaries and Benefits decreased from FY 2020-21 by \$1,707,065 or 10.14%. This was primarily due to vacancy savings and a full year of savings resulting from the reorganization and restructure during the fall of 2020 which eliminated selected positions and reduced the overall full-time equivalent positions.

Operating Services

Operating Services increased by \$129,270 or 11.88% from the prior year due to inflationary and macroeconomic factors affecting general operating costs, particularly in facilities, maintenance and utilities. Additionally in 2022, some staff were working in the office either in a hybrid or full-time capacity, increasing facility usage and associated costs.

Consultant Services

The Commission recorded \$1,343,030 in expenses for Consultant services in FY 2021-22, a 48.4% increase from FY 2020-21. The increase is due to the engagement of firms and individuals for assistance in ongoing DEI work, and temporary labor support for IT services and building management services.

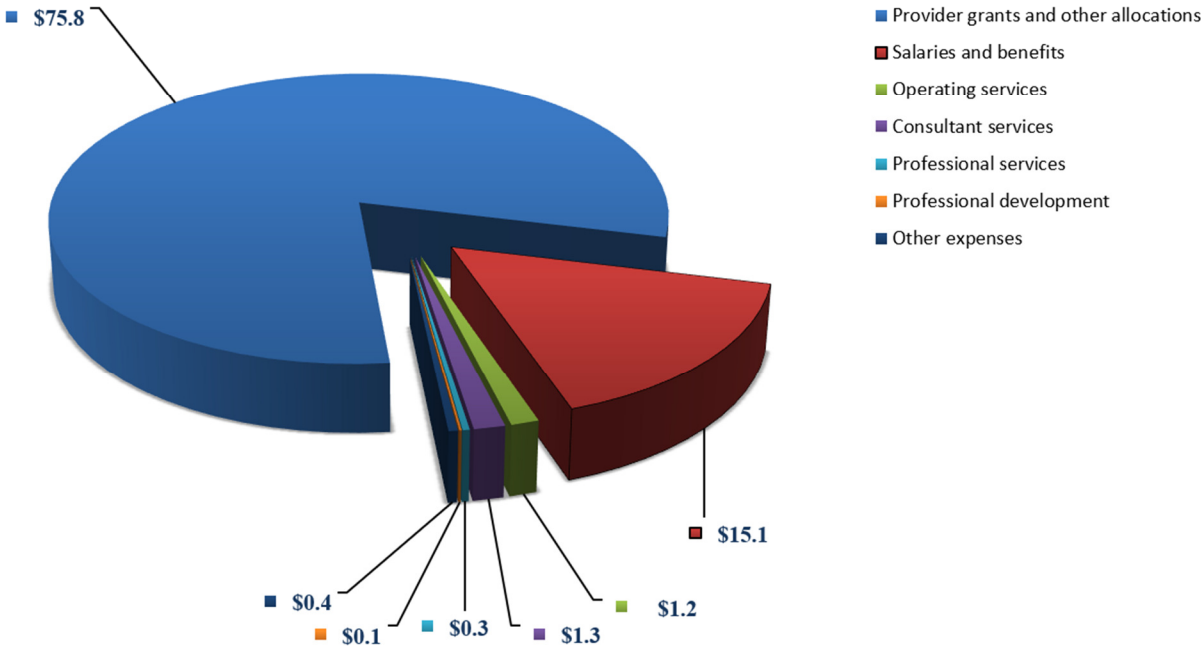
Professional Services

Professional services decreased from FY 2020-21 by \$98,973 or 23.2%. The decrease is largely due to a decline in expenses for legal, audit and staff recruitment services.

Professional Development

Professional development increased in FY 2021-22 by \$51,871 or 84.7% from FY 2020-21. The increase is primarily due to relaxation of COVID-19 pandemic related travel restrictions and the return of some on-site conference opportunities throughout the fiscal year.

**Program and Operating Expenses  
June 30, 2022  
(In Millions)**



**Analysis of the Governmental Fund**

The activities are contained in the general fund of the Commission. The focus of the Commission’s governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Commission’s financing requirements. In particular, fund balance may serve as a useful measure of the Commission’s net resources, both committed and available for future operation needs.

At the end of FY 2021-22, the Commission’s general fund reported a total ending fund balance of \$287.8 million, a decrease of \$28.6 million, or 9.0% in comparison with the prior fiscal year balance of \$316.4 million.

Total fund balance decreased due to an ongoing decline between annual incoming revenue and the expenditures that are required to advance the activities and strategies outlined in the 2020-2028 Strategic Plan, including the ongoing responsibility to multi-year commitments for specific initiatives.

**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 and Prop 56**

Tobacco tax revenue recorded for FY 2021-22 was \$55.3 million of tobacco tax revenue and \$18.5 million of Proposition 56 backfill. The total combined amount of \$73.8 million was approximately \$2.3 million or 3.1% lower than the anticipated amount of \$76.1 million. The original estimate of \$76.1 million was based on data provided by the California Department of Tax and Fee Administration, updated June 2021.

**Other Program Revenue**

Other program revenue recorded for FY 2021-22 was \$811,368 which was in line with expectations estimated in the Long-Term Financial Plan approved by the Commission in June of 2021. Revenue recorded includes funds from Aurrera Health Group for ACEs Aware, Blue Shield of California and from Los Angeles County Office of Education for the Quality Improvement System project.

**Investment Income**

Investment income of \$1.63 million was earned in FY 2021-22. The monthly average return of 0.65% is lower than the 1.2% anticipated and included in the Long-Term Financial Projection approved by the Commission in June 2022.

**Original Expenditure Budget vs. Final Expenditure Budget**

In March 2022, the Commission approved an overall reduction of \$3.9 million or 3.4% to the original approved \$114.3 million of the FY 2021-22 budget. The following provides a brief summary of the primary factors that contributed to the decrease 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 \$3.9 million or 4.2%. In March 2022, the Commission approved a mid-year budget revision adjusting the Early Care & Education Systems downward by \$159,000, Health Systems increased by \$10,000, Office of Government Affairs & Public Policy reduction of \$55,750, Office of Communication reduction of \$700,000, Office of Data for Action reduction of \$717,600, Emerging Opportunities Fund reduction of \$1,300,000, and Legacy Investments reduction of \$967,000. The downward adjustment to Early Care & Education systems is due to decreases in the Kindergarten Readiness Assessment (KRA) program. The upward adjustment to the Health Systems budget is due to the receipt of external funding from the Los Angeles County Department of Public Health (LACDPH) and corresponding activities and costs related to the African American Infant and Maternal Mortality (AAIMM) Strategic Communications initiative. The net downward adjustment to the Office of Government Affairs & Public Policy area of the budget is largely due to the ongoing pandemic and state of emergency which has impacted the Conference Funding to Advance the Field of Early Childhood Development's proposed support for in-person conferences. The total downward adjustment to the Office of Communications is the result of a downward adjustment to Strategic Marketing due to the ongoing COVID restrictions which has resulted in fewer in-person marketing events and printing costs and more integrated digital marketing, as well as a delay in a proposed strategic partnership with LA Partnership for Early Childhood Investment (PECI) under the Strategic Communications Partnership. The net downward adjustment to the Office of Data for Action is an aggregate result of reductions to several programs budgets including Data Policies & Practices, WIC Data Mining Research Partnership, Assisting and Supporting Staff with Information for Specialized Tasks, and Impact Framework. The reduction to the Emerging Opportunities Fund is based on a year-to-date spending and anticipated need for the remainder of the fiscal year. In Legacy Investments, the reduction was due to the grantee

acquiring additional funding for the project resulting in a downward adjustment to the First 5 LA Little by Little/One Step Ahead Program budget for FY 21-22.

#### Operating Services

This category includes several line-item adjustments, both upward and downward, with a total net decrease of \$8,500. Adjustments include a decrease to both Utilities and Building Repairs and Maintenance line items within the Facilities Team Budget, based on reduced anticipated need compared to the original budget. These downward adjustments will be used to offset an increase in Consultant Services. Additional decreases include Outside Printing and Publishing (\$500), Office Supplies (\$1,000), Equipment Rents and Leases (\$1,000), and Internal Meetings (\$14,500). Internal meetings were primarily being driven down by the Communities Team due to far fewer in-person meetings than originally planned. These decreases are offset by increases to Offsite Storage (\$2,500) which was adjusted to align with the revised anticipated needs. The most notable upward adjustments were increases to Hardware and Software Maintenance which is the result of the Consolidation of all (enterprise wide) Adobe Acrobat Pro licenses (\$4,000), Next Request - Software to track Public Records (\$5,000), \$12,000 increase in Blackbaud grantmaking license costs, and increase in miscellaneous costs (\$10,000) to support and enhance the return to office, such as hardware requirements for conference rooms to facilitate remote/in-person meetings.

#### Consultant Services

This category includes adjustments across multiple departments, resulting in a net overall increase of \$11,000. However, the increase is primarily driven by an increase in the Facilities Team's Other Professional Fees budget. The additional resources, repurposed from Operating Services lower than anticipated spending, were used toward the Facilities Manager's status change from part-time to full-time beginning September 2021 to support the building improvements and renovations. Funds were also adjusted downward at mid-year by \$17,000, driven primarily by a decrease in the Early Care and Education Department budget from which a budget for offsite retreat was eliminated.

#### Professional Services

This category reflects a net upward adjustment in costs of \$49,000 primarily the result of an increase to Web-Based Services (\$50,000) in the Human Resources & Talent Management (HRTM) Team budget. HRTM is looking into an ADP module for tracking COVID-19 vaccination records for First 5 LA employees, in compliance with Federal mandate. This increase is offset by decreases in other areas that net \$1,000, resulting in an overall \$49,000 increase.

#### Travel and Meetings

This category includes adjustments to many of the Team/Office/Center travel budgets in response to the ongoing pandemic. There was an overall net decrease in the Travel cost category by \$33,000 as travel in the second half of the fiscal year was affected by the occurrence of the more recent Omicron COVID-19 variant.

#### Professional Development

This category includes Training Materials & Supplies, Internal Training, Leadership Programs, Conference Registrations and External Education/Training. Downward adjustments were made to Training Materials & Supplies, Internal Training, Leadership Programs, and External Education/Training due to ongoing pandemic challenges. Family Supports and the Health Teams both had increases in their Conference Registration line items due to participation in virtual seminars, conferences, and events. CAP reduced their overall Professional Development line item by \$4,000 and repurposed those resources to Consultant Fees. The overall adjustments to these line items resulted in a net decrease of \$2,200.

**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 2021-22 was approximately \$12.6 million. The primary overarching factor contributing to the FY 2021-22 budget to actual variance was the ongoing COVID-19 pandemic and the challenges associated with rethinking our approach to services and engagement. In addition, more time was required to establish the needed partnerships and infrastructure to render services in redefined work structures. In addition:

- Many activity timelines were assessed and extended into the following fiscal year.
- Several activities were assessed and put on a hold or eliminated.
- New external funds were received to offset some budgeted costs.

**Salaries and Benefits**

Salary and benefit costs were lower than budgeted, with a total variance of \$2,285,545. This is due to a combination of regular employee turnover during this fiscal year and vacant positions that were budgeted but not immediately filled.

General Operating Expenditures were less than final budget by \$614,667. Below is an analysis of the significant activities comprising this variance:

**Office Supplies**

Office Supplies were lower than budgeted, with a variance of \$34,861. This is due to ongoing remote work and lower utilization of the building and offices for meetings.

**Hardware & Software Maintenance**

Hardware & Software Maintenance was lower than budgeted with a variance of \$77,976. This is primarily due to several applications that were not utilized in FY 21-22 and did not require licenses to be obtained.

**Miscellaneous/Contingency**

Miscellaneous and contingency expenses had a savings of \$237,323 for FY 21-22. This is due to a reduction in one-time events or emergency needs over the fiscal year.

**Internal Meetings**

Internal Meeting expense was lower than budgeted, with a variance of \$56,250. This is due to a large portion of staff still working remotely during this fiscal year and lack of in-person meetings.

**Division Capacity Building**

There were no costs for division capacity building in FY 21-22, with a variance of \$35,000 or 100%. Remote work, limited hybrid work schedules and lack of in-person meetings with internal staff and contractor/external partner meetings have created ongoing delays in spending within this expense category.

**Capital Outlay**

Capital outlay fees were significantly lower than budgeted, with a variance of \$131,013. This is due to the utilization of existing computer equipment inventory and any new purchases of laptops and computer equipment transferred and added to fixed asset category and depreciated.

Consultant Services

Total consultant services expenditures were \$469,070 less than the final budget. The variance was primarily the result of delays in project milestones (and related Consultant payments) or no cost extensions into the next fiscal year.

Professional Development

Professional development expenditures were \$249,209 less than the final budget. The variance was primarily the result of timing issues related to Leadership Programs and Conference Registrations which were less than the final budget by \$82,038 and \$81,801 respectively. This is a result of ongoing delays in the ramp up of in-person professional development opportunities, particularly for in-person leadership cohorts and conferences.

**Other Potentially Significant Matters**

The State projections assume a roughly 3-5% rate of revenue decline on an annual basis starting in FY 2020-21 through FY 2027-28. The projected annual revenue decrease is estimated to be 3.4% through FY 2021-22 based on the most recent estimate from the California Department of Tax and Fee Administration (CDFTA) projections updated June 6, 2021.

First 5 LA continues to receive backfill “hold harmless” payments from the State to keep Proposition 10 revenue whole for participating counties following the passage and implementation of SBx2 and Proposition 56.

**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) 482-7545 or 750 N. Alameda Street, Suite 300, Los Angeles, California 90012.

Los Angeles County Children and Families First – Proposition 10 Commission  
Statement of Net Position and Governmental Fund Balance Sheet  
June 30, 2022

	General Fund	Adjustments (Note 1)	Statement of Net Position
<b>Assets</b>			
Cash and investments	\$ 301,738,376	\$ -	\$ 301,738,376
State receivable	6,351,487	-	6,351,487
Investment income receivable	207,190	-	207,190
Advances to grantees	884,546	-	884,546
Capital assets			
Not depreciated	-	2,039,000	2,039,000
Depreciable capital assets (net)	-	10,841,231	10,841,231
<b>Total assets</b>	<b>\$ 309,181,599</b>	<b>\$ 12,880,231</b>	<b>\$ 322,061,830</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 20,438,045	\$ -	\$ 20,438,045
Compensated absences			
Due within one year	-	121,963	121,963
Due in more than one year	-	935,048	935,048
<b>Total liabilities</b>	<b>20,438,045</b>	<b>1,057,011</b>	<b>21,495,056</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	896,972	(896,972)	-
<b>Total deferred inflows of resources</b>	<b>896,972</b>	<b>(896,972)</b>	<b>-</b>
<b>Fund Balance/Net Position</b>			
Fund balance			
Nonspendable	884,546	(884,546)	-
Committed	91,366,959	(91,366,959)	-
Assigned	120,353,448	(120,353,448)	-
Unassigned	75,241,629	(75,241,629)	-
<b>Total fund balance</b>	<b>287,846,582</b>	<b>(287,846,582)</b>	<b>-</b>
<b>Net position</b>			
Investment in capital assets	-	12,880,231	12,880,231
Unrestricted	-	287,686,543	287,686,543
<b>Total net position</b>	<b>-</b>	<b>300,566,774</b>	<b>300,566,774</b>
<b>Total liabilities, deferred inflows of resources and fund balance/net position</b>	<b>\$ 309,181,599</b>	<b>\$ 12,880,231</b>	<b>\$ 322,061,830</b>

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, 2022

	General Fund	Adjustments (Note 1)	Statement of Activities
<b>Revenues</b>			
Program revenues			
Operating grants and contributions			
Tobacco taxes	\$ 55,265,755	\$ -	\$ 55,265,755
Prop 56	18,534,434	-	18,534,434
State Commission Program Funds	2,901,648	673,237	3,574,885
Medi-Cal Administrative Activities	189,125	-	189,125
Other program revenue	861,659	(50,291)	811,368
<b>Total program revenues</b>	<b>77,752,621</b>	<b>622,946</b>	<b>78,375,567</b>
<b>General revenues</b>			
Investment income	1,629,048	-	1,629,048
Net decrease in fair value of investments	(11,173,321)	-	(11,173,321)
Other general income	18,000	-	18,000
<b>Total general revenues</b>	<b>(9,526,273)</b>	<b>-</b>	<b>(9,526,273)</b>
<b>Total revenues</b>	<b>68,226,348</b>	<b>622,946</b>	<b>68,849,294</b>
<b>Expenditures/expenses</b>			
Provider grants and other allocations	75,838,658	-	75,838,658
Salaries and benefits	15,075,561	55,464	15,131,025
Operating services	1,217,057	-	1,217,057
Consultant services	1,343,030	-	1,343,030
Professional services	327,245	-	327,245
Professional development	113,106	-	113,106
Travel	2,087	-	2,087
Capital outlay	2,885,259	(2,885,259)	-
Depreciation	-	399,451	399,451
<b>Total expenditures/expenses</b>	<b>96,802,003</b>	<b>(2,430,344)</b>	<b>94,371,659</b>
<b>Net Change in Fund Balance</b>	<b>(28,575,655)</b>	<b>28,575,655</b>	<b>-</b>
<b>Change in Net Position</b>	<b>-</b>	<b>(25,522,365)</b>	<b>(25,522,365)</b>
<b>Fund balance/net position</b>			
Beginning of year	316,422,237	9,666,902	326,089,139
<b>End of year</b>	<b>\$ 287,846,582</b>	<b>\$ 12,720,192</b>	<b>\$ 300,566,774</b>

## Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements  
For the Year Ended June 30, 2022

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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.

**Los Angeles County Children and Families First – Proposition 10 Commission**

Notes to Financial Statements  
For the Year Ended June 30, 2022

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**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.

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 grants and contributions that are restricted to meeting the operational requirements of a particular program. 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 investment in capital assets and unrestricted funds. At June 30, 2022, the Commission reported unrestricted net position of \$287,686,543.

**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 resources. 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.

Los Angeles County Children and Families First – Proposition 10 Commission  
Notes to Financial Statements  
For the Year Ended June 30, 2022

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## **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 \$12,880,231 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 \$2,885,259 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, 2022 amounted to \$399,451 and is included in the government-wide financial statements.

### **Long-Term Liabilities**

As of June 30, 2022, the Commission estimated its liability for vested compensated absences to be \$1,057,011. 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 \$55,464 is reported in the statement of activities and does not require the use of current financial resources.

### **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, 2022, the Commission has unavailable revenues of \$896,972. The change in unavailable revenue during the year of \$622,946 is reported in the 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:

- 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.

## Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements  
For the Year Ended June 30, 2022

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**Fund Balance**

Fund balance classifications 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. The Commission established the following classifications and definitions of fund balance for the year ended June 30, 2022:

- a. **Nonspendable**  
Portion of net resources that cannot be spent because they are not in an expendable form (e.g., Advances to Grantees) 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).
- 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, 2022, 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 50% of the operating and programmatic budget. It also includes the negative residual fund balance that cannot be eliminated by offsetting assigned fund balance amounts.

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.

Los Angeles County Children and Families First – Proposition 10 Commission  
Notes to Financial Statements  
For the Year Ended June 30, 2022

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### Effect of New Governmental Accounting Standards Board (GASB) Pronouncements

#### Effective in Current Fiscal Year

**GASB Statement No. 87** – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistency of information about the leasing activities of governments. This Statement is effective for reporting periods beginning after June 15, 2021. The Commission implemented this statement effective July 1, 2021 and determined that there was no material impact on the Commission’s financial statements.

**GASB Statement No. 91** – In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issues and eliminate diversity in practice. The Statement is effective for reporting periods beginning after December 15, 2021. The Commission has determined that there was no material impact on the Commission’s financial statements.

**GASB Statement No. 92** – In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practices issues that have been identified during implementation and application of certain GASB Statements. The Statement is effective for reporting periods beginning after June 15, 2021. The Commission has determined that there was no material impact on the Commission’s financial statements.

**GASB Statement No. 93** – In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address the accounting and financial reporting implications that result from the replacement of an IBOR. The Statement is effective for reporting periods beginning after June 15, 2021. The Commission has determined that there was no material impact on the Commission’s financial statements.

#### Effective in Future Fiscal Years

The GASB has issued the following pronouncements that have effective dates which may impact future financial statement presentation. The Commission has not determined the effect of the following Statements:

GASB Statement No. 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*.

GASB Statement No. 96 - *Subscription-Based Information Technology Arrangements*.

GASB Statement No. 97 - *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

GASB Statement No. 99 - *Omnibus 2022*

GASB Statement No. 100 - *Accounting Changes and Error Corrections*

GASB Statement No. 101 - *Compensated Absences*

## Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements  
For the Year Ended June 30, 2022**Investments**

The Commission participates in the common investment pool of Los Angeles County. Investments are reported at fair value which is the amount at which financial instruments could be exchanged in a current transaction between willing parties. The Commission categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Los Angeles County Treasurer is responsible for establishing and consistently applying a policy for identifying those events that might affect fair value measurements.

**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. During fiscal year 2020-21, the Commission entered into agreements with various grantees to support the Commission's 2020-2028 Strategic Plan "North Star" – *that by 2028, all children in Los Angeles County will enter kindergarten ready to succeed in school and life*. The Commission has the following outstanding advances to grantees as of June 30, 2022. This includes an allowance for doubtful accounts of \$673,237. The Commission estimates an allowance for doubtful accounts based on an evaluation of the current status of receivables, historical experience, and other factors as necessary. It is reasonably possible that the Commission's estimate for the allowance for doubtful accounts will change.

## Advances to Grantees

California Community Foundation	\$ 6,559
Community Partners	200,194
Los Angeles County Office of Education (LACOE)	545,856
Para Los Ninos	82,354
The Nonprofit Partnership	<u>49,583</u>
Total advances to grantees	<u>\$ 884,546</u>

**Capital Assets**

Capital assets are composed of land, buildings, building improvements, computer software and accessories, office equipment and furniture and fixtures and are recorded at cost. Donated capital assets are recorded at acquisition value at the date of donation. The Commission capitalizes assets with a cost in excess of \$5,000 and 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.

Los Angeles County Children and Families First – Proposition 10 Commission  
Notes to Financial Statements  
For the Year Ended June 30, 2022

**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, 2022 are as follows:

Cash	
Cash in bank	<u>\$ 262,526</u>
Investments	
Money Market Mutual Funds	4,207,569
Investments with County Treasurer	
Pooled cash and investments	<u>297,268,281</u>
Total investments	<u>301,475,850</u>
Total cash and investments	<u><u>\$ 301,738,376</u></u>

**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% 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% of an agency's total deposits and collateral is considered to be held in the name of the Commission. At June 30, 2022, cash held by financial institutions of \$267,425 was entirely insured and collateralized as described above. The book balance at June 30, 2022 was \$262,526.

## Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements  
For the Year Ended June 30, 2022**Pooled Cash and Investments**

Investments with the Los Angeles County Treasurer at June 30, 2022 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. As of June 30, 2022, the Commission's percentage of participation is 0.65. 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, 2022, the weighted average maturity for the County pool approximated 933 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 Annual Comprehensive Financial Report.

**Fair Value Measurements**

The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Commission's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Deposits and withdrawals are made on the basis of \$1 and not fair value. Accordingly, the Commission's proportionate share of investments in the Los Angeles County Investment Pool and investments in money market mutual funds at June 30, 2022 are uncategorized and not defined as a Level 1, Level 2, or Level 3 input.

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 a 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
Money Market Mutual Funds	None	None	None

## Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements  
For the Year Ended June 30, 2022

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. The Commission's investment in money market mutual funds is rated Aaa (Moody's) and AAA (S&P), and has weighted average maturity of 12 days.

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover collateral securities that are in the possession of an outside party.

Deposits that potentially subject the Commission to custodial credit risk consist of demand deposits. The Commission had deposits of \$12,526 at June 30, 2022 which were not covered by the FDIC insurance. However, these amounts are secured in accordance with the California Government Code, which requires that financial institutions secure deposits made by state and local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Collateral is considered held in the Commission's name.

**Note 3 - Capital Assets**

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022
Capital assets, not depreciated				
Land	\$ 2,039,000	\$ -	\$ -	\$ 2,039,000
Capital assets, depreciable				
Building and improvements	12,076,512	2,856,496	-	14,933,008
Computer software and accessories	2,115,729	28,763	-	2,144,492
Office equipment	331,035	-	-	331,035
Furniture and fixtures	627,670	-	-	627,670
Total depreciable capital assets	<u>15,150,946</u>	<u>2,885,259</u>	<u>-</u>	<u>18,036,205</u>
Less accumulated depreciation				
Building and improvements	(3,890,744)	(326,556)	-	(4,217,300)
Computer software and accessories	(1,946,078)	(72,895)	-	(2,018,973)
Office equipment	(331,032)	-	-	(331,032)
Furniture and fixtures	(627,669)	-	-	(627,669)
Total accumulated depreciation	<u>(6,795,523)</u>	<u>(399,451)</u>	<u>-</u>	<u>(7,194,974)</u>
Total capital assets, depreciable (Net)	<u>8,355,423</u>	<u>2,485,808</u>	<u>-</u>	<u>10,841,231</u>
Capital assets, net	<u>\$ 10,394,423</u>	<u>\$ 2,485,808</u>	<u>\$ -</u>	<u>\$ 12,880,231</u>

Los Angeles County Children and Families First – Proposition 10 Commission  
 Notes to Financial Statements  
 For the Year Ended June 30, 2022

**Note 4 - Changes in Compensated Absences**

Compensated absences liability activities for the year ended June 30, 2022 is as follows:

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022	Due Within One Year
Compensated absences	\$ 1,001,547	\$ 729,797	\$ (674,333)	\$ 1,057,011	\$ 121,963

**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, 2022 consists of the following:

Initiative/Program Allocation	Nonspendable
Advances	
California Community Foundation	\$ 6,559
Community Partners	200,194
Los Angeles County Office of Education (LACOE)	545,856
Para Los Ninos	82,354
The Nonprofit Partnership	49,583
Total Nonspendable	\$ 884,546
	Committed
Annual Reporting	\$ 87,000
Capital Project Fund	3,269,068
Center Support	600,000
Children's Data Network (CDN)	793,000
Communities	16,302,000
Conference Funding to Advance the Field of Early Childhood Development	50,000
County Data Partnership	147,000
Data Requests	5,000
Early Care & Education Systems	10,942,000
Early Childhood Policy and Advocacy Fund	1,500,000
Emerging Opportunities Fund	150,000
Families	38,170,000
Federal Policy and Sustainability Advocate	75,000
First 5 LA Data Strategy	200,000
Health-Related Systems	5,364,955
Impact Framework	256,000
L.A. Care Health Plan	934,089
Little by Little/One Step Ahead	6,082,847
Organizational Memberships and Stakeholder Engagement Efforts	393,000
Organization-wide Sponsorships to Build Partnerships and Public Will for First 5 LA's Results Areas	200,000
Policy Advocacy Fund Technical Assistance Provider	596,000
State Policy and Sustainability Advocate	366,000
Strategic Communications	1,897,000
Strategic Communications Partnerships	250,000

Los Angeles County Children and Families First – Proposition 10 Commission  
 Notes to Financial Statements  
 For the Year Ended June 30, 2022

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	Initiative/Program Allocation	
Strategic Marketing		\$ 1,450,000
Strategic Plan Advocacy Strategies		973,000
Women, Infants & Children Data Mining Research Partnership		<u>314,000</u>
Total Committed		<u>\$ 91,366,959</u>
		Assigned
Strategic Plan		<u>\$ 120,353,448</u>
Total Assigned		<u>\$ 120,353,448</u>
		Unassigned
Operating Budget - FY 2022-23		\$22,245,086
Fund Balance Reserve - 50% of total FY 22-23 Budget		<u>52,996,543</u>
Total Unassigned		<u>\$75,241,629</u>
Total Fund Balance		<u><u>\$ 287,846,582</u></u>

**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 \$2,385,767 on program evaluation during the year ended June 30, 2022.

**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.

Los Angeles County Children and Families First – Proposition 10 Commission

Notes to Financial Statements

For the Year Ended June 30, 2022

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% for 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 \$775,643, comprised of \$641,363 in elective contribution and \$134,280 in non-elective contribution for the fiscal year ended June 30, 2022.

**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 funds not received within the 60-day period of availability were as follows:

Unavailable Revenue	
Child360	\$ 673,237
DLL Grant from F5CA	<u>223,735</u>
Total unavailable revenue	<u><u>\$ 896,972</u></u>

**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.

Los Angeles County Children and Families First – Proposition 10 Commission  
Notes to Financial Statements  
For the Year Ended June 30, 2022

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**Note 10 - Related Party Transactions**

The Commission incurred expenses totaling \$10,716 for County of Los Angeles services provided during the year ended June 30, 2022.

In the fiscal year, the Commission incurred \$54,715,795 of expenditures for provider grants, operating services, consultant services, and professional services to organizations which are represented by 12 members of the Board of Commissioners. As of June 30, 2022, amounts of \$5,053,815 are included in accounts payable to these organizations.

**Note 11 - First 5 California Signature Programs**

**Improve and Maximize Programs so All Children Thrive (IMPACT) Regional Coordination and Training and Technical Assistance Hubs (Hubs) Program**

The purpose of IMPACT is to support a network of local quality improvement systems to better coordinate, assesses, and improve the quality of early learning settings to achieve the goal of helping children ages 0 to 5 and their families thrive by increasing the number of high quality early learning settings, including supporting and engaging families in the early learning process. Funding is to center around Continuous Quality Improvement, including a network of local Quality Rating and Improving System (QRIS). All IMPACT funds require a local match based on county size. For the Commission, a one to one match ratio or a dollar of local funding match with a dollar of IMPACT fund is required. The Commission claimed \$1,944,214 in IMPACT Regional Coordination and Training reimbursable expenditures for the year ended June 30, 2022.

For IMPACT Technical Assistance Hubs, the primary focus is to provide coordination and specialized support to consortia within a region or with similar technical assistance needs to create economies of scale while building a local early learning system. The Commission claimed \$741,610 in IMPACT Technical Assistance Hubs reimbursable expenditures for the year ended June 30, 2022.

Required Supplementary Information  
June 30, 2022

**Los Angeles County Children and  
Families First – Proposition 10  
Commission**

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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Tobacco taxes	\$ 68,806,793	\$ 74,599,402	\$ 55,265,755	\$ (19,333,647)
Prop 56	-	-	18,534,434	18,534,434
State Commission Program Funds	-	-	2,901,648	2,901,648
Medi-Cal Administrative Activities	-	-	189,125	189,125
Other program revenue	5,144,000	5,789,000	861,659	(4,927,341)
Investment income	4,017,415	4,288,532	1,629,048	(2,659,484)
Net increase (decrease) in fair value of investments	-	-	(11,173,321)	(11,173,321)
Other general income	-	-	18,000	18,000
Total revenues	<u>77,968,208</u>	<u>84,676,934</u>	<u>68,226,348</u>	<u>(16,450,586)</u>
<b>Expenditures</b>				
<b>Program Costs</b>				
Provider grants and other allocations	109,152,168	109,945,118	75,838,658	34,106,460
Total program costs	<u>109,152,168</u>	<u>109,945,118</u>	<u>75,838,658</u>	<u>34,106,460</u>
<b>Operations &amp; Administration</b>				
<b>Personnel Related Expenditures</b>				
Salaries and wages	13,151,967	13,108,967	11,564,326	1,544,641
Fringe Benefits	4,252,139	4,252,139	3,511,235	740,904
Total personnel related expenditures	<u>17,404,106</u>	<u>17,361,106</u>	<u>15,075,561</u>	<u>2,285,545</u>
<b>General Operating Expenditures</b>				
ADP Payroll Charges	40,000	40,000	36,336	3,664
Workers' Compensation Insurance	65,000	65,000	44,519	20,481
Utilities	135,000	120,000	129,530	(9,530)
Corporate Insurance	106,000	106,000	104,041	1,959
Mileage and Parking	21,680	21,680	4,823	16,857
Telephones and Modems	70,000	70,000	60,805	9,195
Cell Phones and Mobile Devices	133,800	133,800	117,200	16,600
Outside Printing	1,500	1,000	301	699
Other Supplies	5,250	5,250	-	5,250
Postage and Delivery	8,000	8,000	4,577	3,423
Educational Supplies	3,100	3,100	475	2,625
Office Supplies	59,700	58,700	23,839	34,861
Subscriptions and Publications	31,180	31,180	85,158	(53,978)
Equipment Rental	27,000	26,000	22,849	3,151
Building Repairs and Maintenance	150,000	140,000	137,834	2,166
Equipment Repairs and Maintenance	11,500	11,500	-	11,500
Offsite Storage	27,000	29,500	22,718	6,782
Hardware and Software Maintenance	445,214	476,214	398,238	77,976
Miscellaneous/Contingency	244,000	244,000	6,677	237,323
Stipend/Honorarium	2,100	2,100	700	1,400
Internal Meetings	84,200	69,700	13,450	56,250
Division Capacity Building	35,000	35,000	-	35,000
Capital Outlay	134,000	134,000	2,987	131,013
Total general operating expenditures	<u>1,840,224</u>	<u>1,831,724</u>	<u>1,217,057</u>	<u>614,667</u>

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, 2022

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Professional Services				
Audit	\$ 90,000	\$ 90,000	86,105	\$ 3,895
Legal	225,000	225,000	141,532	83,468
Professional Dues	44,023	43,023	31,039	11,984
Staff Recruitment	10,000	10,000	10,798	(798)
Commission Stipends	23,000	23,000	18,000	5,000
Web-Based Services	56,600	106,600	29,055	77,545
Bank & Other Service Charges	20,000	20,000	10,716	9,284
Total professional services	<u>468,623</u>	<u>517,623</u>	<u>327,245</u>	<u>190,378</u>
Consultant Services				
Consultant Fees	1,481,100	1,467,100	992,033	475,067
Other Professional Fees	320,000	345,000	350,997	(5,997)
Total consultant services	<u>1,801,100</u>	<u>1,812,100</u>	<u>1,343,030</u>	<u>469,070</u>
Travel and Meetings				
Airfare	31,850	24,850	1,723	23,127
Lodging	44,900	26,900	295	26,605
Per Diem	20,100	13,850	69	13,781
Other Travel Expense	16,750	15,000	-	15,000
Total travel and meetings	<u>113,600</u>	<u>80,600</u>	<u>2,087</u>	<u>78,513</u>
Professional Development				
Training Materials & Supplies	7,200	6,500	-	6,500
Internal Training	63,500	61,000	4,053	56,947
Leadership Programs	172,000	170,000	87,962	82,038
Conference Registration	87,215	97,215	15,414	81,801
External Education/Training	34,600	27,600	5,677	21,923
Total professional development	<u>364,515</u>	<u>362,315</u>	<u>113,106</u>	<u>249,209</u>
Capital Improvements	-	-	2,885,259	(2,885,259)
Total operating expenditures	<u>21,992,168</u>	<u>21,965,468</u>	<u>20,963,345</u>	<u>1,002,123</u>
Total program costs and operating expenditures	<u>131,144,336</u>	<u>131,910,586</u>	<u>96,802,003</u>	<u>35,108,583</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (53,176,128)</u>	<u>\$ (47,233,652)</u>	(28,575,655)	<u>\$ 18,657,997</u>
Fund balance - Beginning of year			<u>316,422,237</u>	
Fund balance - End of year			<u>\$ 287,846,582</u>	

Los Angeles County Children and Families First – Proposition 10 Commission  
Note to the Required Supplementary Information  
For the Year Ended June 30, 2022

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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 final budget for FY 2021-22 was \$131.9 million, which included \$109.9 million for Program costs and \$22 million for Operating and Administrative costs.

Other Supplementary Information  
June 30, 2022

**Los Angeles County Children and  
Families First – Proposition 10  
Commission**

Los Angeles County Children and Families First – Proposition 10 Commission  
Schedule of First 5 California Funding  
For the Year Ended June 30, 2022

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<u>Program</u>	<u>Source</u>	<u>Revenue Funds</u>	<u>Expenditures</u>
IMPACT Regional Coordination and Training Technical Assistance Hubs (Hubs)	First 5 California First 5 California	\$ 1,944,214 741,610	\$ 1,944,214 741,610

Los Angeles County Children and Families First – Proposition 10 Commission

Statistical Section  
(Unaudited)

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 Annual Comprehensive 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.

	Page
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the Commission's financial performance and well-being have changed over time.	36-39
<b>Revenue Capacity</b>	
These schedules contain trend information to help the reader assess the Commission's most significant revenue base.	40-42
<b>Demographic Information</b>	
These schedules offer economic and demographic indicators to help the reader understand how the information in the Commission's financial report relates to the services the Commission provides and the activities it performs.	43-45
<b>Operating Information</b>	
This schedule contains infrastructure data to help the reader understand how the information in the Commission's financial report relates to the services the Commission performs.	46-47

Sources:

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant years.

Los Angeles County Children and Families First – Proposition 10 Commission  
 Net Position by Component  
 Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	287,686,543	315,694,716	338,630,916	364,338,314	379,018,838	422,015,244	461,512,770	543,521,742	632,680,166	723,252,516
Investment in capital asset	12,880,231	10,394,423	10,628,033	10,841,379	11,046,294	11,310,273	11,593,026	11,885,041	12,082,438	12,355,226
<b>Total net position</b>	<u>\$ 300,566,774</u>	<u>\$ 326,089,139</u>	<u>\$ 349,258,949</u>	<u>\$ 375,179,693</u>	<u>\$ 390,065,132</u>	<u>\$ 433,325,517</u>	<u>\$ 473,105,796</u>	<u>\$ 555,406,783</u>	<u>\$ 644,762,604</u>	<u>\$ 735,607,742</u>

\* The Commission presented net position as unrestricted beginning with 2010.

Los Angeles County Children and Families First – Proposition 10 Commission  
Changes Net Position  
Last Ten Fiscal Years

	2022	2021	2020	2019	2018*	2017	2016	2015	2014	2013
<b>Revenues</b>										
Tobacco taxes*	\$ 55,265,755	\$ 60,590,413	\$ 60,022,841	\$ 68,580,443	\$ 72,330,836	\$ 83,567,141	\$ 87,942,700	\$ 89,475,135	\$ 90,280,307	\$ 94,112,590
Prop. 56	18,534,434	18,215,617	18,068,329	7,482,310	-	-	-	-	-	-
State School Readiness	-	-	-	-	-	-	-	-	-	-
State Commission Program Funds	3,574,885	2,469,410	922,472	13,986,085	896,040	556,665	5,796,252	10,283,414	18,009,907	2,749,082
Medi-Cal Administrative Activities	189,125	80,319	133,955	350,924	181,859	137,599	159,549	80,799	232,408	316,369
Partnership for Families Fund**	-	-	-	-	-	4,334,967	9,001,152	4,615,313	-	-
California Department of Education	-	32,830	328,658	376,551	298,700	-	-	-	-	-
Other program revenue	811,368	522,406	584,118	123,793	1,016,683	401,956	115,000	-	-	-
Investment income	1,629,048	1,987,840	6,938,051	8,183,532	6,830,856	4,003,489	3,759,751	3,903,275	6,368,593	(3,402,141)
Net increase (decrease) in FMV of investments	(11,173,321)	(2,861,364)	1,354,275	4,898,141	(2,742,856)	(3,026,254)	1,064,007	2,152,879	-	-
Other revenues	18,000	121,894	110,899	133,321	148,135	122,208	119,100	104,072	100,320	98,880
<b>Total revenues:</b>	<b>\$ 68,849,294</b>	<b>\$ 81,159,365</b>	<b>\$ 88,463,598</b>	<b>\$ 104,115,100</b>	<b>\$ 78,960,253</b>	<b>\$ 90,097,771</b>	<b>\$ 107,957,511</b>	<b>\$ 110,614,887</b>	<b>\$ 114,991,535</b>	<b>\$ 93,874,779</b>
<b>Expenses</b>										
Provider grants and other allocations	\$ 75,838,658	\$ 84,700,927	\$ 93,379,930	\$ 97,979,838	\$ 101,364,209	\$ 106,777,128	\$ 159,337,913	\$ 182,991,937	\$ 189,910,283	\$ 185,753,622
Pass-through grants	-	-	65,042	273,294	136,877	4,150,975	13,519,735	N/A	N/A	N/A
AB 99	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
First 5 California (SRI)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Salaries and benefits	15,131,025	16,838,090	17,393,319	17,532,230	17,382,747	15,763,620	14,357,480	13,423,832	12,682,373	11,583,915
Operating services	1,217,057	1,087,787	1,212,116	1,122,911	1,232,687	1,172,319	1,157,290	1,346,532	1,207,259	1,159,609
Consultant services	1,343,030	905,278	1,308,527	881,090	850,154	999,806	990,724	1,216,609	956,488	549,676
Professional services	327,245	426,218	323,816	382,450	500,050	346,529	323,336	404,560	543,038	426,726
Professional development	113,106	61,235	176,217	186,902	166,975	-	-	-	-	-
Other expenses	2,087	86	224,934	339,524	273,951	358,346	255,453	264,892	183,974	149,116
Depreciation	399,451	309,554	300,441	302,300	312,988	309,327	316,567	322,346	353,258	452,182
<b>Total expenses:</b>	<b>\$ 94,371,659</b>	<b>\$ 104,329,175</b>	<b>\$ 114,384,342</b>	<b>\$ 119,000,539</b>	<b>\$ 122,220,638</b>	<b>\$ 129,878,050</b>	<b>\$ 190,258,498</b>	<b>\$ 199,970,708</b>	<b>\$ 205,836,673</b>	<b>\$ 200,074,846</b>
<b>Change in net position</b>	<b>\$ (25,522,365)</b>	<b>\$ (23,169,810)</b>	<b>\$ (25,920,744)</b>	<b>\$ (14,885,439)</b>	<b>\$ (43,260,385)</b>	<b>\$ (39,780,279)</b>	<b>\$ (82,300,987)</b>	<b>\$ (89,355,821)</b>	<b>\$ (90,845,138)</b>	<b>\$ (106,200,066)</b>

\* For FY 2018, tobacco taxes include \$3,212,942 of Prop. 56 backfill.

\*\*Partnership for Families initiative was funded by the LA County Department of Children and Family Services (DCFS), with First 5 LA acted as a pass-through entity and received reimbursement from DCFS. This initiative ended December 2016.

Los Angeles County Children and Families First – Proposition 10 Commission  
 Fund Balances – General Fund  
 Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Fund Balance</b>										
Nonspendable	\$ 884,546	\$ 2,239,303	\$ 2,193,116	\$ 50,000	\$ 1,044,000	\$ 19,760,505	\$ 34,279,475	\$ 39,411,636	\$ 37,578,099	\$ 27,022,268
Committed	91,366,959	175,100,818	138,338,530	154,580,859	195,282,039	216,214,576	249,515,814	340,879,636	451,133,640	561,003,855
Assigned	120,353,448	59,941,864	113,226,421	141,221,211	125,245,775	128,331,556	114,665,689	78,113,279	57,716,899	64,902,466
Unassigned	75,241,629	79,140,252	84,925,739	56,257,698	57,847,860	57,832,380	61,615,198	78,223,453	79,494,722	70,816,380
<b>Total Fund Balance</b>	<u>\$ 287,846,582</u>	<u>\$ 316,422,237</u>	<u>\$ 338,683,806</u>	<u>\$352,109,768</u>	<u>\$379,419,674</u>	<u>\$ 422,139,017</u>	<u>\$ 460,076,176</u>	<u>\$ 536,628,004</u>	<u>\$ 625,923,360</u>	<u>\$ 723,744,969</u>

Los Angeles County Children and Families First – Proposition 10 Commission  
Changes in Fund Balances – General Fund  
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Revenues</b>										
Tobacco taxes*	\$ 55,265,755	\$ 60,590,413	\$ 71,477,179	\$ 68,580,443	\$ 72,330,836	\$ 83,567,141	\$ 87,942,700	\$ 89,475,135	\$ 90,280,307	\$ 94,112,590
Prop. 56	18,534,434	18,215,617	18,068,329	7,482,310	-	-	-	-	-	-
State School Readiness	-	-	-	-	-	-	-	-	-	-
State Commission Program Funds	2,901,648	2,952,210	1,450,823	13,986,085	896,040	556,665	5,796,252	11,050,327	10,668,187	10,741,413
Medi-Cal Administrative Activities	189,125	80,319	133,955	350,924	181,859	137,599	159,549	80,799	232,408	316,369
Partnership for Families Funds**	-	-	-	-	-	4,334,967	9,001,152	3,701,993	-	-
California Department of Education	-	32,830	328,658	376,551	298,700	-	-	-	-	-
Other program revenue	861,659	531,868	320,982	123,793	1,016,683	401,956	115,000	-	-	-
Investment income	1,629,048	1,987,840	6,938,051	8,183,532	6,830,856	4,003,489	3,759,751	3,903,275	6,368,593	(3,402,141)
Net increase (decrease) in FMV of investments	(11,173,321)	(2,861,364)	1,354,275	4,898,141	(2,742,856)	(3,026,254)	1,064,007	2,152,879	-	-
Other income	18,000	105,414	110,899	133,321	148,135	122,208	119,100	104,072	100,320	98,880
Total revenues:	<u>\$ 68,226,348</u>	<u>\$ 81,635,147</u>	<u>\$ 100,183,151</u>	<u>\$ 104,115,100</u>	<u>\$ 78,960,253</u>	<u>\$ 90,097,771</u>	<u>\$ 107,957,511</u>	<u>\$ 110,468,480</u>	<u>\$ 107,649,815</u>	<u>\$ 101,867,110</u>
<b>Expenditures:</b>										
Provider grants and other allocations	\$ 75,838,658	\$ 84,700,927	\$ 93,379,930	\$ 97,979,838	\$ 101,364,209	\$ 106,777,128	\$ 159,337,913	\$ 182,991,937	\$ 189,910,283	\$ 185,753,622
Pass-through grants	-	-	65,042	273,294	136,877	4,150,975	13,519,735	N/A	N/A	N/A
AB 99	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
First 5 California (SRI)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Salaries and benefits	15,075,561	16,639,241	17,281,687	17,532,230	17,382,747	15,763,620	14,357,480	13,414,357	12,589,911	11,502,328
Operating services	1,217,057	1,087,787	1,212,116	1,122,911	1,232,687	1,172,319	1,157,290	1,346,532	1,207,258	1,159,609
Consultant services	1,343,030	905,278	1,308,527	881,090	850,154	999,806	990,724	1,216,609	956,488	549,676
Professional services	327,245	426,218	323,816	382,450	500,050	346,529	323,336	404,560	543,038	426,726
Professional development	113,106	61,235	176,217	186,902	166,975	-	-	-	-	-
Other expenses	2,087	86	224,934	339,524	273,951	358,346	255,453	264,892	183,974	149,116
Capital outlay	2,885,259	75,944	87,095	302,300	312,988	309,327	\$ 316,567	124,949	80,471	29,648
Total expenditures:	<u>\$ 96,802,003</u>	<u>\$ 103,896,716</u>	<u>\$ 114,059,364</u>	<u>\$ 119,000,539</u>	<u>\$ 122,220,638</u>	<u>\$ 129,878,050</u>	<u>\$ 190,258,498</u>	<u>\$ 199,763,836</u>	<u>\$ 205,471,423</u>	<u>\$ 199,570,724</u>
<b>Excess of revenues over expenditures</b>	<u>\$ (28,575,655)</u>	<u>\$ (22,261,569)</u>	<u>\$ (13,876,213)</u>	<u>\$ (14,885,439)</u>	<u>\$ (43,260,385)</u>	<u>\$ (39,780,279)</u>	<u>\$ (82,300,987)</u>	<u>\$ (89,295,356)</u>	<u>\$ (97,821,608)</u>	<u>\$ (97,703,614)</u>

\*For FY 2018, tobacco taxes include \$3,212,942 of Prop. 56 backfill.

\*\*Partnership for Families initiative was funded by the LA County Department of Children and Family Services (DCFS), with First 5 LA acted as a pass-through entity and received reimbursement from DCFS. This initiative ended December 2016.

**Los Angeles County Children and Families First – Proposition 10 Commission**  
 First 5 California County Tax Revenue Projections for FY 2016-2022 – FY 2023-2024

<u>2016 Projected Births</u>	<u>2016 Projected Birthrate</u>	<u>2018-2019 Tax Revenue Projection</u>	<u>2017 Projected Births</u>	<u>2017 Projected Birthrate</u>	<u>2019-2020 Tax Revenue Projection</u>	<u>2018 Projected Births</u>	<u>2018 Projected Birthrate</u>	<u>2020-2021 Tax Revenue Projection</u>	<u>2019 Projected Births</u>	<u>2019 Projected Birthrate</u>	<u>2021-2022 Tax Revenue Projection</u>	<u>2020 Projected Births</u>	<u>2020 Projected Birthrate</u>	<u>2022-2023 Tax Revenue Projection</u>	<u>2021 Projected Births</u>	<u>2021 Projected Birthrate</u>	<u>2023-2024 Tax Revenue Projection</u>
122,958	25.169%	\$ 72,739,589	121,413	24.987%	\$ 71,741,717	119,336	24.735%	\$ 69,271,309	117,752	24.555%	\$ 67,078,213	115,758	24.303%	\$ 64,761,175	114,079	24.070%	\$ 62,565,322

Source:  
 "First 5 California County Tax Revenue Projections for FY 2018-19 through 2023-24"  
 (Updated 5/20/2019 Utilizing DOF May Revise 2019 Tobacco Tax Projections and DOF Birth Projections for California State and Counties 1990-2040)

Los Angeles County Children and Families First – Proposition 10 Commission  
 Cigarette Taxes and Other Tobacco Products Surtax Revenue  
 1959-60 to 2020-21  
 (In thousands of dollars)

Fiscal year	Cigarette tax			Other tobacco products surtax			
	Revenue a/	Distributors' discounts b/	Gross value of tax indicia c/	Refunds	Revenue	Rate	
2020-21	1,700,943,000	5,053,000	1,705,996,000	335,000	266,694,000	56.93%	
2019-20	1,708,597,000	5,075,000	1,713,672,000	1,191,000	258,560,000	59.27%	
2018-19	1,786,074,000	5,305,000	1,791,379,000	3,659,000	271,772,000	62.78%	
2017-18	1,852,854,000	15,884,000	1,868,738,000	1,033,000	169,244,000	65.08%	
2016-17	948,636,000	8,133,000 d/	956,769,000 d/	1,185,000	95,330,000	27.30%	
2015-16	741,937,000	6,360,000	748,297,000	1,262,000	101,427,000	28.13%	
2014-15	748,022,000	6,413,000	754,434,000	837,000	86,949,000	28.95%	
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% e/	
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	7,206,000	849,117,000	6,808,000	42,137,000 g/	61.53% g/	
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	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	6,581,000	776,623,000	11,615,000	24,956,000 h/	37.47%	
1988-89	499,712,000	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			

Los Angeles County Children and Families First – Proposition 10 Commission  
Cigarette Taxes and Other Tobacco Products Surtax Revenue  
1959-60 to 2020-21  
(In thousands of dollars)

Fiscal year	Cigarette tax				Other tobacco products surtax	
	Revenue a/	Distributors' discounts b/	Gross value of tax indicia c/	Refunds	Revenue	Rate
1968-69	238,836,000	2,046,000	240,882,000	492,000		
1967-68	208,125,000	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	1,675,000 <sup>l/</sup>	67,726,000	76,000		
1959-60	61,791,000	767,000 <sup>m/</sup>	62,558,000	67,000		

Note: Detail may not compute to total due to rounding.

**Footnotes**

- a. Net of refunds for tax indicia on cigarettes that become unfit for use (See Refunds).
- b. 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.
- c. Includes sales of indicia purchased on credit. Effective July 16, 1961, distributors have been able to purchase tax indicia on credit.
- d. Effective April 1, 2017, the overall tax rate on cigarettes was increased from 87 cents to \$2.87 per pack.
- e. 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.
- f. 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.
- g. 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.
- h. 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.
- i. 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.
- j. 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.
- k. 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.
- l. Effective July 1, 1960, a discount was allowed at the time tax indicia were purchased.
- m. 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

Demographic Data

	2011 (1)	2012 (1)	2013 (1)	2014 (1)	2015 (1)	2016 (1)	2017 (1)	2018 (1)	2019 (1)	2020 (1)
Total Population	9,902,197	9,990,748	10,067,904	10,126,977	10,181,066	10,215,207	10,261,736	10,278,836	10,324,698	10,257,557
White	2,743,604	2,746,860	2,747,854	2,745,389	2,742,057	2,734,611	2,732,047	2,722,365	2,724,168	2,637,825
Black	827,192	830,806	833,290	834,117	833,564	831,614	831,069	828,565	832,355	833,261
American Indian	19,581	19,753	19,859	19,959	20,027	20,093	20,175	20,229	20,410	29,994
Asian	1,344,135	1,354,023	1,364,296	1,372,821	1,381,892	1,385,913	1,393,055	1,395,155	1,395,377	1,646,804
Native Hawaiian & Other Pacific Islander	23,398	23,705	23,919	24,085	24,189	24,289	24,403	24,476	24,597	23,806
Hispanic or Latino	4,759,731	4,827,179	4,886,304	4,934,442	4,979,470	5,015,652	5,054,516	5,078,483	5,114,541	4,877,565
Other	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multi-race	184,556	188,422	192,382	196,164	199,867	203,035	206,471	209,563	209,563	208,302
Female	5,019,305	5,062,122	5,099,417	5,127,633	5,155,652	5,175,095	5,201,009	5,210,549	5,232,284	5,194,651
Male	4,882,892	4,928,626	4,968,487	4,999,344	5,025,414	5,040,112	5,060,727	5,068,287	5,092,414	5,062,906
Under 5 years	649,434	648,278	646,688	646,206	645,034	634,158	624,988	607,092	587,690	568,989
5-9 years	631,437	638,148	643,942	644,459	643,497	644,771	640,576	636,547	637,200	634,122
10-14 years	662,373	651,743	643,751	637,498	632,422	629,523	634,291	637,463	638,667	632,785
15-19 years	766,806	767,285	755,305	742,241	727,556	713,861	697,383	692,400	691,590	682,645
20-24 years	752,195	764,271	783,178	797,897	807,553	810,493	802,622	786,678	773,665	771,182
25-29 years	740,780	722,040	700,712	681,244	668,489	666,490	676,732	691,365	706,231	705,970
30-39 years	1,429,129	1,437,704	1,447,018	1,450,724	1,447,331	1,440,568	1,431,051	1,413,067	1,397,968	1,423,634
40-49 years	1,428,340	1,432,793	1,429,492	1,423,090	1,419,677	1,414,860	1,413,542	1,406,380	1,400,493	1,351,616
50-59 years	1,257,742	1,285,111	1,311,668	1,330,539	1,343,517	1,348,247	1,354,647	1,355,259	1,362,848	1,333,654
60-69 years	821,450	859,004	896,157	935,625	979,320	1,016,812	1,048,181	1,075,050	1,104,938	1,100,157
70-79 years	449,308	465,003	484,287	504,232	525,638	546,827	579,910	611,339	643,520	657,221
80+ years	313,203	319,368	325,706	333,222	341,032	348,597	357,813	366,196	379,888	395,582

Source:

(1) State of California, Department of Finance, Population Projections for California and Its Counties 2010-2060. Sacramento, CA, January 2013.

Economic Data

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021**
LA County Personal Income	486,733,508	483,578,594	514,516,564	549,073,019	563,907,868	593,741,110	628,808,732	653,482,910	678,829,092	-
LA County Per Capita Personal Income	48,900	48,283	51,111	54,298	55,624	58,419	62,224	65,094	68,272	-
California Personal Income	1,838,567,162	1,861,956,514	1,986,025,976	2,133,664,158	2,212,691,221	2,303,870,496	2,475,727,500	2,632,279,800	2,814,010,800	2,997,205,600
California Per Capita Personal Income	48,359	48,555	51,317	54,664	56,374	58,272	62,586	66,745	71,480	76,386
United States Personal Income	13,904,485,000	14,068,960,000	14,811,388	15,547,661,000	15,913,777,000	16,413,550,863	17,572,929,100	18,551,503,000	19,690,964,000	21,056,621,900
United States Per Capita Personal Income	44,283	44,489	46,486	48,429	49,204	50,392	53,712	49,763	52,992	63,444

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.

\*\*2021 economic data is not yet available for Los Angeles County.

Data provided reflects the most recent updates released by the Bureau of Economic Analysis.

Los Angeles County Children and Families First – Proposition 10 Commission  
Unemployment Rate  
2012 - 2021

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Area	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
United States	5.3%	8.1%	3.7%	3.7%	4.4%	4.3%	5.3%	6.2%	7.4%	8.1%
California	7.3%	10.1%	4.0%	4.2%	4.8%	4.7%	6.2%	7.5%	8.9%	10.4%
Los Angeles County	8.2%	12.8%	4.0%	4.6%	4.7%	4.6%	6.7%	8.3%	9.9%	10.9%

Source:

Bureau of Labor Statistics (<http://www.bls.gov/>; annual averages)

Los Angeles County Children and Families First – Proposition 10 Commission  
 Ten Largest Industries  
 Last Year and Ten Years Ago

Industry	June 30, 2021			June 30, 2012		
	Number of Employees	Rank	Percentage of Total	Number of Employees	Rank	Percentage of Total
Educational & Health Services	839,300	1	19.91%	696,000	2	17.15%
Trade, Transportation & Utilities	804,600	2	19.09%	769,200	1	18.96%
Professional & Business Services	598,800	3	14.21%	562,100	4	13.85%
Government	558,700	4	13.26%	571,800	3	14.09%
Leisure & Hospitality	438,300	5	10.40%	420,400	5	10.36%
Manufacturing	306,900	6	7.28%	377,800	6	9.31%
Financial Activities	209,300	7	4.97%	212,900	7	5.25%
Information	177,000	8	4.20%	187,600	8	4.62%
Construction	148,100	9	3.51%	108,600	10	2.68%
Other Services	127,100	10	3.02%	143,000	9	3.52%
<b>Sub-total Ten Largest Industries</b>	<b>4,208,100</b>		<b>99.85%</b>	<b>4,049,400</b>		<b>99.78%</b>
All Other Industries	6,400		0.15%	8,600		0.22%
<b>Total Industries</b>	<b>4,214,500</b>		<b>100.00%</b>	<b>4,058,000</b>		<b>100.00%</b>

Note:

(1) Employment by industry is presented because employment data for individual employers was unavailable.

Source:

County of Los Angeles Annual Comprehensive Financial Report for the year ended June 30, 2021:  
<http://auditor.lacounty.gov/wp-content/uploads/2020/01/CAFR-FY-2019-2020.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  
 2013 - 2022

Functional Area	2022 (10)	2021 (9)	2020 (8)	2019 (7)	2018 (6)	2017 (5)	2016 (4)	2015 (3)	2014 (2)	2013 (1)
Executive	7	6	8	8	7	8	5	4.5	5.5	3
Administration	34	34	32	32	30	38	37.5	34.5	34	35
Programs	79	80	108	108	111	107	106	101.5	91.5	92
<b>Total</b>	<b>120</b>	<b>120</b>	<b>148</b>	<b>148</b>	<b>148</b>	<b>153</b>	<b>148.5</b>	<b>140.5</b>	<b>131</b>	<b>130</b>

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 2012-13 Operating Budget
- (2) First 5 LA Approved FY 2013-14 Operating Budget
- (3) First 5 LA Approved FY 2014-15 Operating Budget
- (4) First 5 LA Approved FY 2015-16 Operating Budget
- (5) First 5 LA Approved FY 2016-17 Operating Budget
- (6) First 5 LA Approved FY 2017-18 Operating Budget
- (7) First 5 LA Approved FY 2018-19 Operating Budget
- (8) First 5 LA Approved FY 2019-20 Operating Budget
- (9) First 5 LA Approved FY 2020-21 Operating Budget
- (10) First 5 LA Approved FY 2021-22 Operating Budget

**Independent Auditor’s 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, 2022, and the related notes to the financial statements, which collectively comprise the Commission’s basic financial statements, and have issued our report thereon dated \_\_\_\_\_.

**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) as a basis for designing 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.

### **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 financial statements. 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  
Report date

## Independent Auditor's Report on State Compliance

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

### Report on Compliance Opinion

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, 2022.

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, 2022.

### Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above, and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the California Children and Families Program.

**Auditor’s Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether the material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *State of California’s Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission’s compliance with the requirements of the California Children and Families Program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission’s compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the Commission’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State of California’s Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act, but not for the purpose of expressing an opinion on the effectiveness of the Commission’s internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test 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 Benefits Policies	2	Yes

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identify during the audit.

### **Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention from those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control 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. Accordingly, this report is not suitable for any other purpose.

Rancho Cucamonga, California

Report date

October \_\_, 2022

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

We have audited the financial statements of the governmental activities and 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, 2022, and have issued our report thereon dated October \_\_, 2022. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in the May 4, 2022 meeting, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Commission solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor’s 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* dated October \_\_, 2022.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Commission is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the fiscal year ended June 30, 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

Management's estimate of the fair value of investments as disclosed in Note 1 to the financial statements is based on information provided by the County of Los Angeles. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

### *Financial Statement Disclosures*

The financial statement disclosures are neutral, consistent, and clear.

## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Commission's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

## **Representations Requested from Management**

We have requested certain written representations from management which are included in the management representation letter dated **October \_\_, 2022**.

**Management’s Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

**Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the Commission, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Commission’s auditors.

This report is intended solely for the information and use of the Board of Commissioners, and management of the Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

"Eide Bailly Signature"

Rancho Cucamonga, California

# Los Angeles County Children and Families First – Proposition 10 Commission Annual Comprehensive Financial Report for the Year Ended June 30, 2022

Special Board/Program & Planning  
Committee Meeting

Presented by: Faustino Genio  
September 22, 2022



# Presentation Overview

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- Fiscal Year 2020-21 GFOA Award
- Annual Comprehensive Financial Report Overview and Journey
- Independent Auditor's Report
- Fiscal Year 2021-22 highlights
- 3 Year Comparisons
- Next steps



# Government Finance Officers Association Award

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- Our annual report for fiscal year 2020-21 was awarded a Certificate of Achievement for Excellence in Financial Reporting
- 14<sup>th</sup> Consecutive Year for this award

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# Annual Financial Report Overview

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- Annual Comprehensive Financial Report
  - Detailed view of the Commission's financial position at a moment in time (June 30, 2022)
  - Activities and results of operations for the fiscal year 21-22
  - Presentation of the Commission's overall financial condition

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# Annual Financial Report Journey

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- Audit process: May 2022 through October 2022
  - Entrance interview/planning – May 2022
  - Fieldwork – 6/13-6/17 & 8/15-8/26
  - Reporting – 8/29-10/13
- Board & Committee Meetings
  - 9/22 – Special Board/Program & Planning Committee
  - 10/13 – Board of Commissioners Meeting

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# Independent Auditor's Report

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- Clean audit:
  - The CPA firm of Eide Bailly LLP, noted that the financial statements are presented fairly
  - Unmodified opinion
  - No findings or adjustments

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# Budget Highlights

- June 2021: Board approved FY 2021-22 total budget of \$114.3 million:
  - Program Budget = \$92.3 million
  - Operating Budget = \$22.0 million
- The Board approved a revised budget in March 2022 of \$110.4 million:
  - Program Budget = \$88.4 million
  - Operating Budget = \$22.0 million

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# Revenue Highlights

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- Total revenue of \$68.8 million:
  - Tobacco tax = \$55.3 million
  - Prop. 56 backfill = \$18.5 million
  - Other revenues = \$6.2 million
  - Fair Value Adjustment/Unrealized Loss = -\$11.2 million

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(Other revenues - IMPACT Program, Investment income, MAA Program, F5CA grants (Dual Language Learner and HV Coordination))

# Expenditures Highlights

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- Total expenditures of \$94.4 million:
  - Program expenditures = \$75.8 million
  - Program/Operating expenditures = \$6.5 million
  - Administrative expenditures = \$12.1 million

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# Fund Balance Categories

Fund Balance as of  
June 30, 2022

Highest Constraint



Lowest Constraint  
(As determined by Board Action)

## First 5 LA Fund Balances are 100% Dedicated through Board Action with the following Constraints:

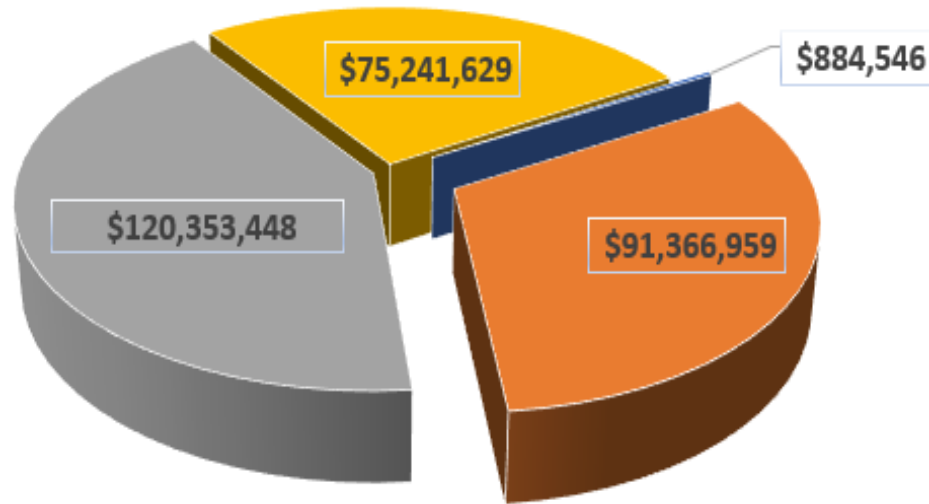
### Level of Constraints:

- **Nonspendable (\$884,546):** Includes all levels of constraints below 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. *Board Action through Contract Consent & Audit (Fund Balance)*
- **Committed (\$91,366,959):** Includes all levels of constraints below 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. *Board Action through the Budget & Audit (Fund Balance)*
- **Assigned (\$120,353,448):** Includes the constraint below. Funds are reserved for Commission use consistent with the 2020-2028 Strategic Plan. *Board Approved through Audit (Fund Balance)*
- **Unassigned (\$75,241,629):** Funds designated for the Operating Budget and Reserve. *Board Approved through Audit (Fund Balance)*

**Total Fund Balance as of June 30, 2022 = \$287,846,582**

# Fund Balance

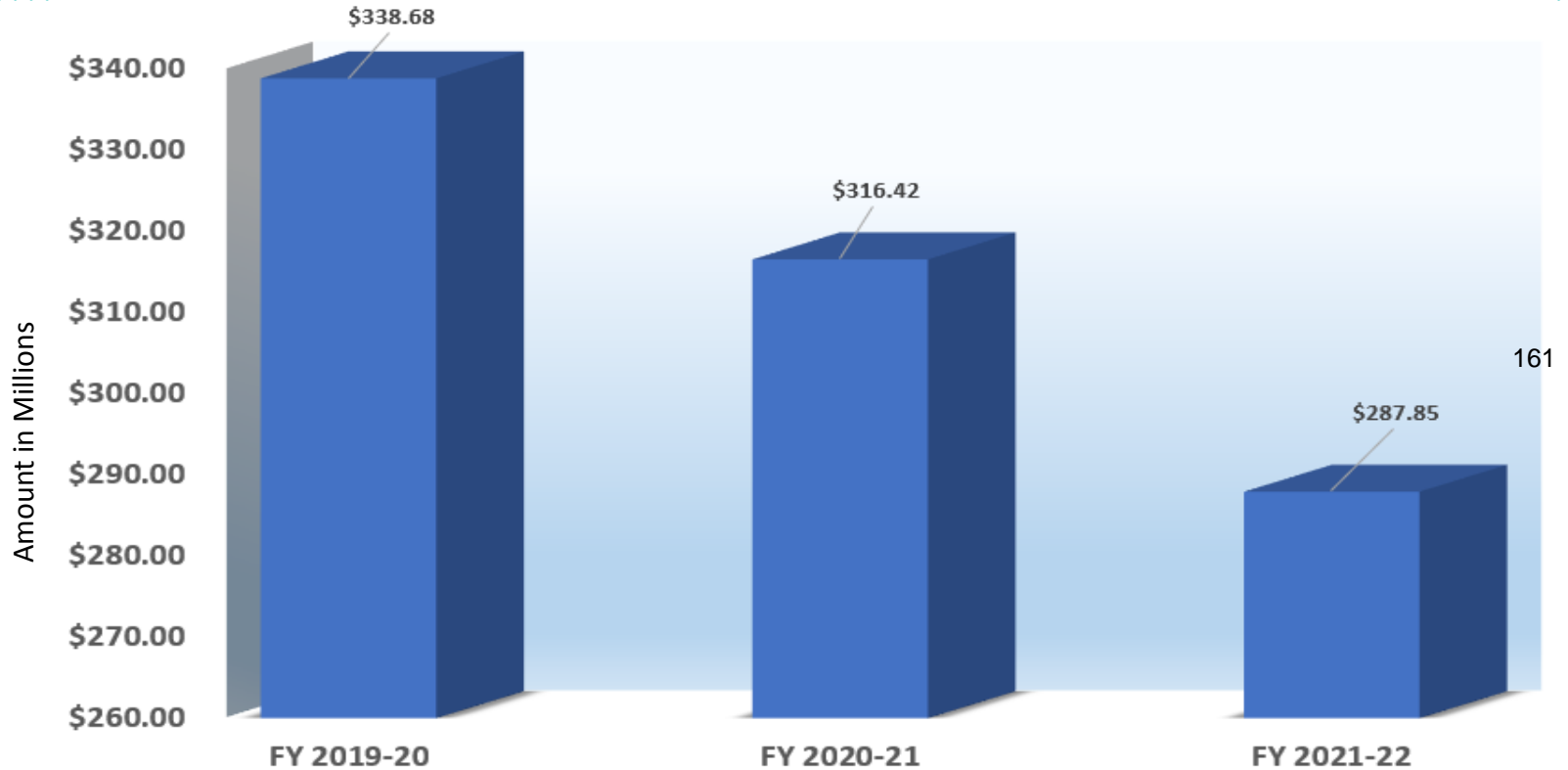
Total Fund Balance: \$287,846,582



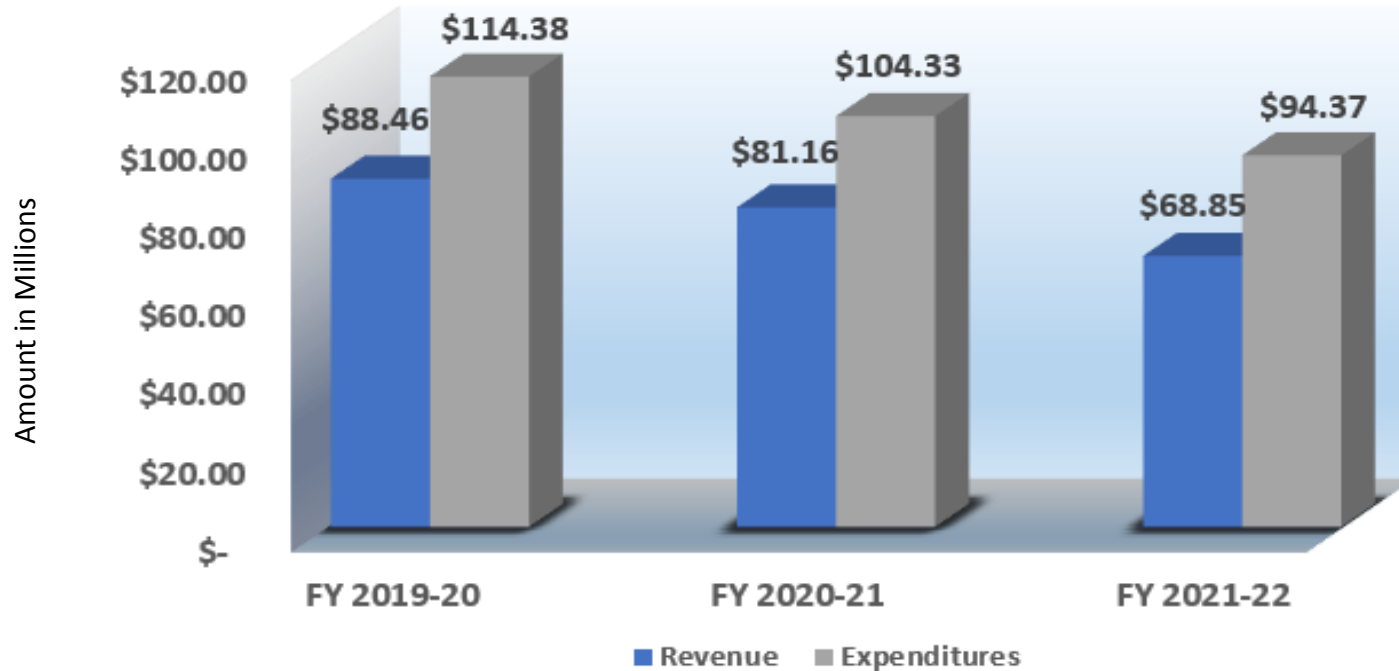
■ Nonspendable   ■ Committed   ■ Assigned   ■ Unassigned

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# 3 – Year Comparison: Fund Balance

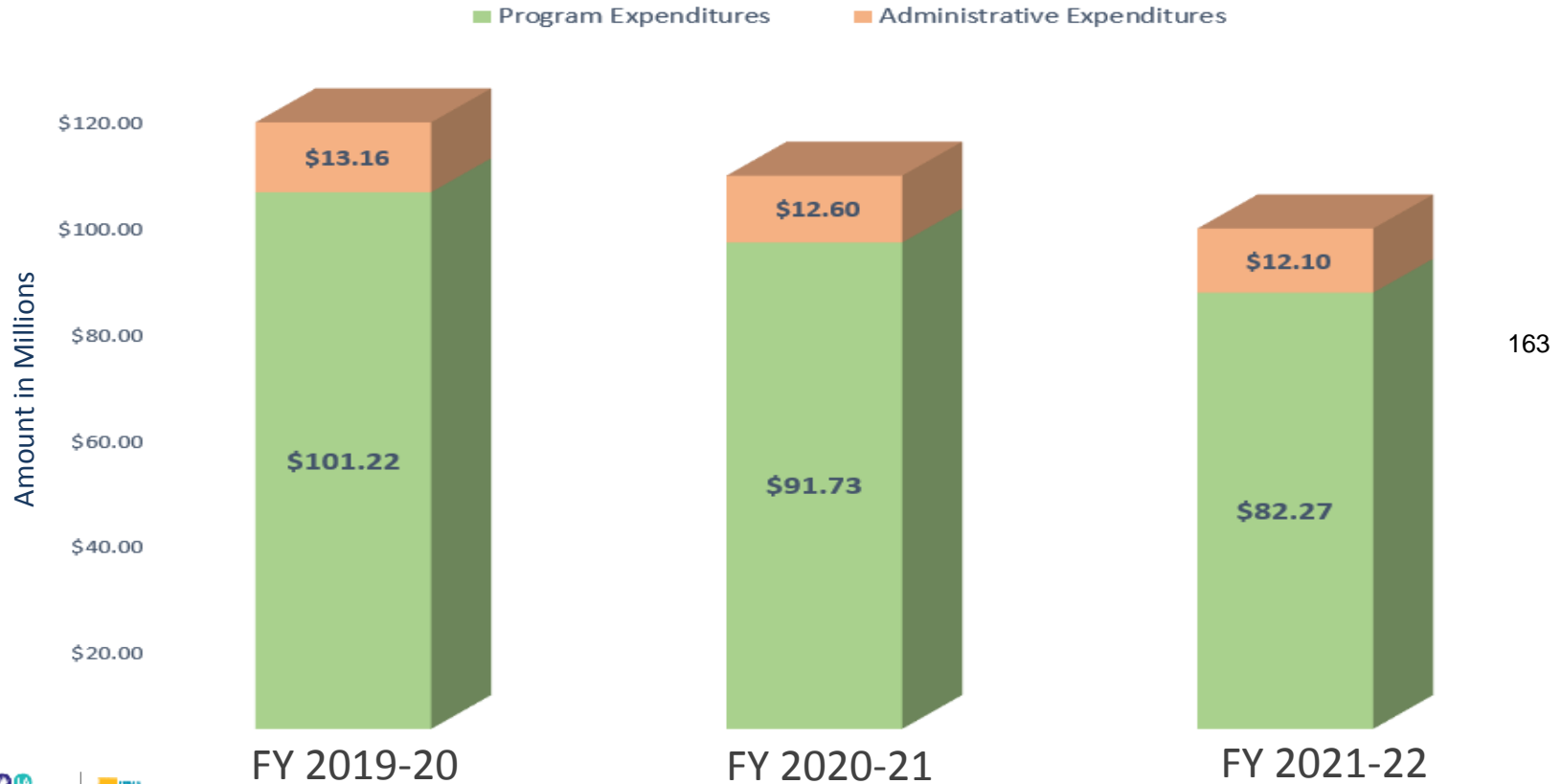


# 3 – Year Comparison: Revenue vs. Expenditure



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# 3 – Year Comparison: Program and Administrative Expenditures



# Audit Partner Overview

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- Kinnaly Soukhaseum, Partner, Eide Bailly, LLP

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# Next Steps

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- 10/13 - Board of Commissioners Meeting – for approval
- Submission of the Financial Report by 11/1:
  - State Controller's Office
  - First 5 California
- Update the Long-Term Financial Plan (LTFP)

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Questions?



**FIRST 5 LA**

**SUBJECT:**

2021-2022 Annual Report to First 5 California (State Commission)

**RECOMMENDATION:**

This memo is provided as preliminary information for the Board's consideration at the September 22, 2022, Special Meeting of the Board of Commissioners/Program and Planning Committee. First 5 LA recommends that at the next Commission Meeting on October 13, 2022, the Board approve the final Annual Report for submission to the State Commission.

**BACKGROUND:**

Each year staff prepares a report to the State Commission that provides fiscal and programmatic information in the format of a State Commission-designated template. Staff will be seeking approval of the First 5 LA Annual Report for Fiscal Year 2021-2022 (July 1, 2021 – June 30, 2022), which is due to First 5 California by October 30, 2022. First 5 LA staff will submit the entire report via the web-based forms provided by the State Commission. This request is brought as information at the September 22, 2022, Special Meeting of the Board of Commissioners/Program and Planning Committee (per the Bylaws) and will be brought for action on consent at the October 13, 2022, meeting of the Board of Commissioners.

The report sections outlined below reflect the categories and format required by First 5 California:

- Section 1: Revenue and Expenditure Summary
  - This section captures First 5 LA's fiscal data showing the relationship between financial resources and services.
- Section 2: Demographic Worksheet
  - This section captures demographic information about the populations served by First 5 LA at the county level.
- Section 3: Evaluation Summary/County Highlights
  - This section provides information about completed evaluations focused on improved family functioning, child development, child health, and systems of care. County highlights describing accomplishments during the fiscal year are also reported in this section.

As part of the data submission requirement, staff must categorize First 5 LA programmatic efforts to the following result areas defined by First 5 California:

- **Improved Child Health:** Investments in this area include general health education and promotion programs, perinatal and early childhood home visiting services, prenatal and infant/toddler pediatric supports, and early intervention services.
- **Improved Child Development:** Investments in this area include quality early learning supports and early learning program direct costs.
- **Improved Family Functioning:** Investments in this area include short-term non-intensive general family support programs, targeted intensive family support services, and family literacy and book programs.
- **Improved Systems of Care:** Investments in this area include policy and public advocacy as well as program and systems improvement efforts.

It is important to note that the First 5 California result areas do not align with the strategies or outcome in our current strategic plan, and therefore provide an additional perspective than our typical approach to telling First 5 LA's story.

**DISCUSSION:**

Preliminary findings summarize First 5 LA's investments and the populations reached through these investments. Some key findings include the following:

1. Consistent with the increased emphasis on systems change in the First 5 LA 2020-2028 Strategic Plan, in FY 21-22, more than half of our grants were categorized into the Systems of Care result area.
2. The majority of children reached through First 5 LA investments were less than 3 years old in FY 21-22, which is consistent with our emphasis on prioritizing supports during the critical development that occurs through age 3.
3. Even with our increasing emphasis on systems change, the number of children and primary caregivers reached through First 5 LA investments increased in FY21-22 compared to FY20-21. Though First 5 LA investments reached more children, there continues to be disparities in who we reach compared to LA County as reflected by the underrepresentation of Asian Pacific Islander children and children from households where Spanish or other languages are primarily spoken.

The data currently available is programmatic. We will incorporate expenditure data once available. Additionally, we will add highlights reflecting themes from grantee and contractor descriptions of FY 21-22 systems change accomplishments and their impacts on children and families.

**NEXT STEP:**

Staff will present the final report and request Board approval to submit to the State Commission at the October 13, 2022 Board meeting (via the consent item)



# First 5 LA Annual Report to the State, FY21-22: Preliminary Results

**Presentation to the Program and Planning  
Committee, F5LA Commission Board**

HaRi Kim Han, Office of Data For Action, F5LA

*State Annual Reporting Partners:*  
Limor Zimskind, Kari Parsons

**September 22, 2022**

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# Today We Will...

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1. Provide background on the State Annual Report
2. Review preliminary results
3. Summarize key takeaways
4. Provide an overview of next steps for State Annual Report



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# Background on State Annual Report

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# Background: State Annual Report

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- Requirement of Prop 10 Funding
- The report consists of the following sections:
  - Section 1: Revenue and Expenditure Summary
  - **Section 2: Demographic Worksheet**
  - Section 3: Evaluation Summary & County Highlights
- First 5 CA collects data from all 58 First 5 county commissions and summarizes the past fiscal year's accomplishments at both the state and county levels.

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# Background: Where do we get the information?

	Grantee Survey	State Financial Audit Data	F5LA Staff
Revenue and Expenditure Summary	✓	✓	
Demographic Worksheet	✓		
Evaluation Summary & County Highlights	✓		✓

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# Background: First 5 California Result Areas

## Child Health

- General Health Education & Promotion
- Home Visiting Services
- Pediatric Supports
- Oral Health and Education Treatment
- Early Intervention

## Child Development

- Quality Early Learning Supports
- Early Learning Program Direct Costs

## Family Functioning

- General Family Support (Short-term)
- Intensive Family Support (Targeted)
- Family Literacy & Book Programs

## Systems of Care

- Policy & Public Advocacy
- Systems Building
- Emergency and Disaster Relief

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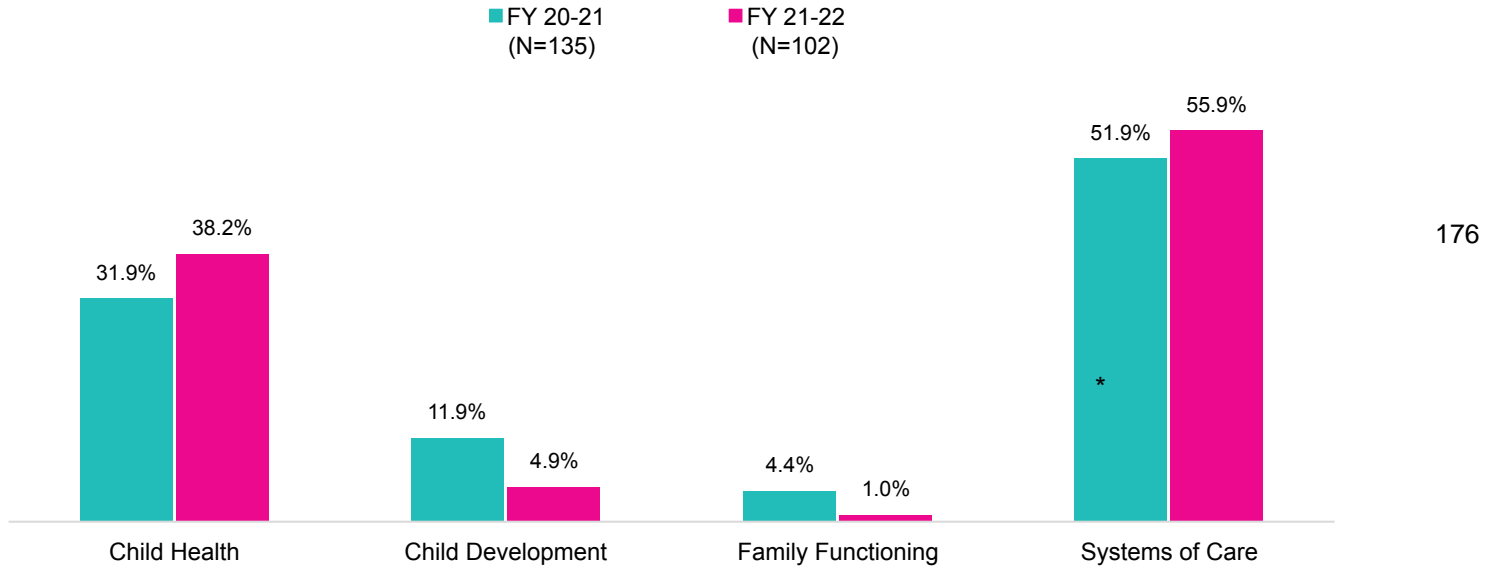


# Preliminary Results

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Though there was a decrease in the number of grants, the proportion of grants in the Systems of Care Result Area increased during the last fiscal year.

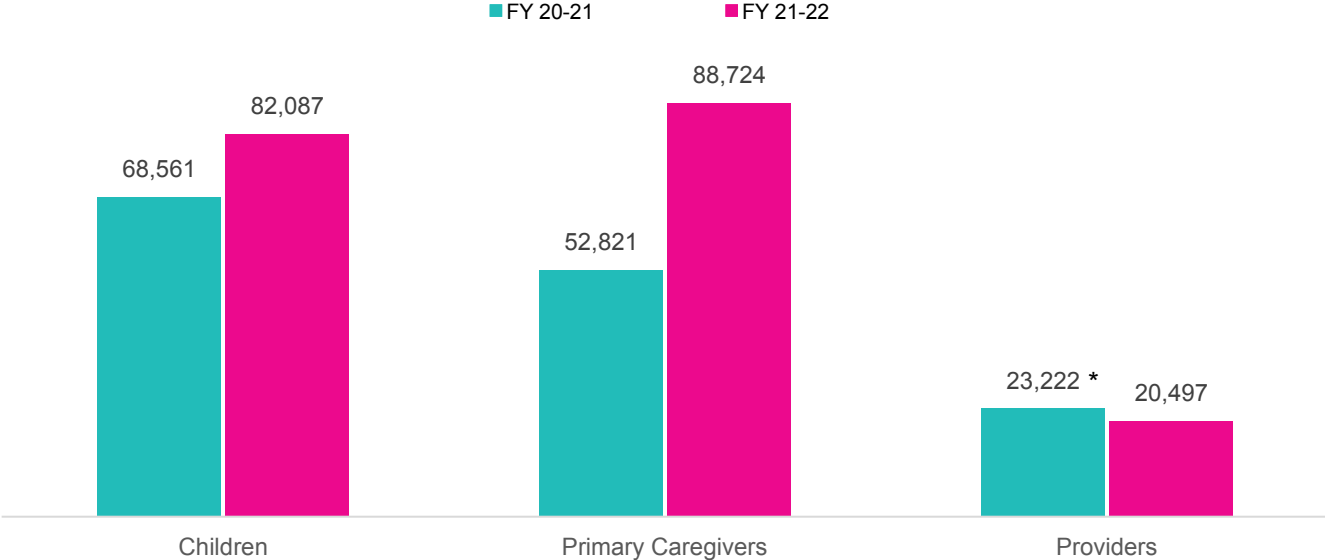
### First 5 LA Grants by First 5 CA Result Area



\*Note: Number is adjusted to account for only active users of the ECE Registry for FY 20 -21

# Compared to FY 20-21, First 5 LA investments reached more children and primary caregivers in FY 21-22

### Number of Individuals Reached, by Type

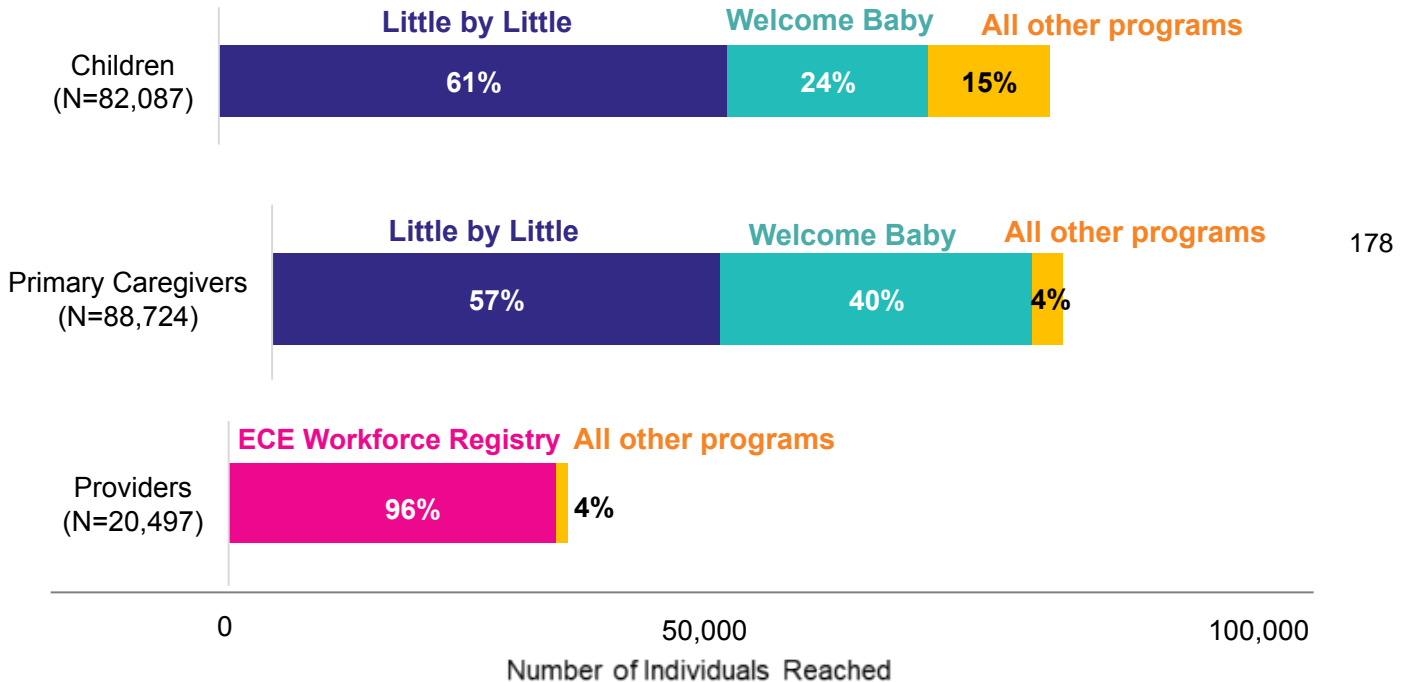


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\*Note: Number is adjusted to account for only active users of the ECE Registry for FY 20 -21

# Most children and primary caregivers were reached through Little By Little and Welcome Baby while providers were reached primarily through the ECE Workforce Registry

Individual Reached, by Program



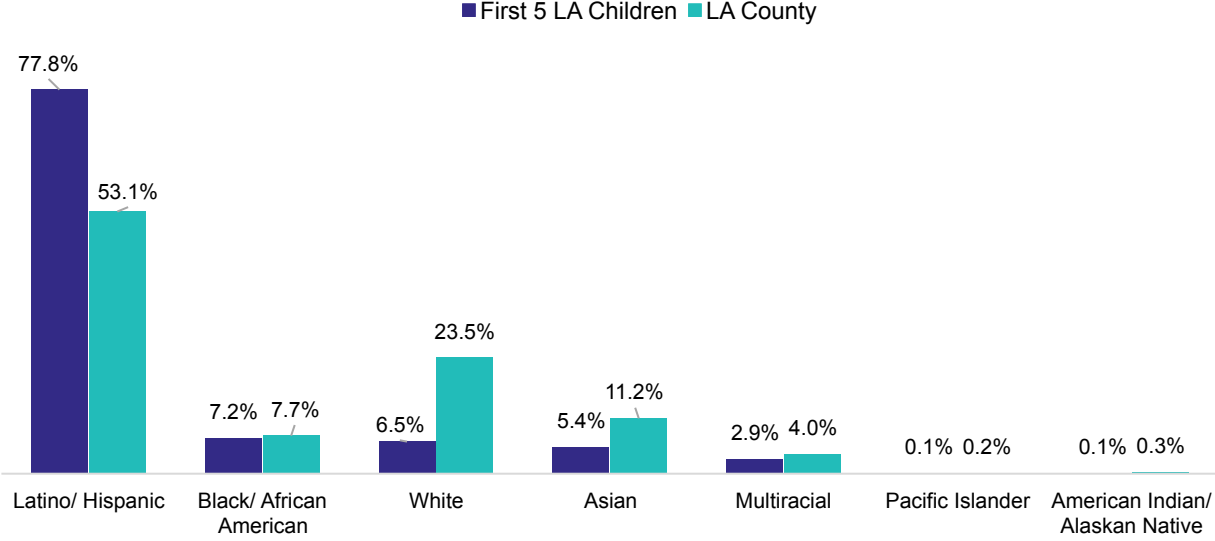
In FY 21-22, the overwhelming majority of children reached through First 5 LA investments were younger than age three.

Percentage of Children Reached, by Age Group



# First 5 LA investments are reaching a larger proportion of Latino/Hispanic children compared to LA County overall, but disparities exist in reaching White and Asian children

**Percentage of Children Reached by First 5 LA Investments Compared to LA County, by Race/Ethnicity**



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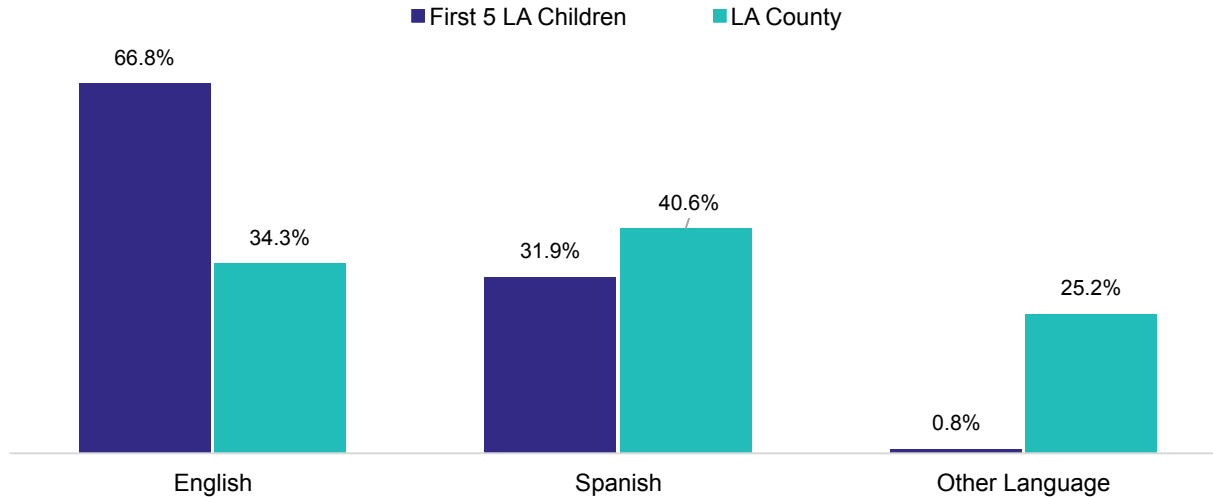
Note: Does not include children with "Other" and "Unknown" race/ethnicity (F5LA N=77,391)



Source for LA County: California Department of Finance. Demographic Research Unit. Report P-3: Population Projections, California, 2010-2060 (Baseline 2019 Population Projections; Vintage 2020 Release). Sacramento: California. July 2021.

English is the primary language in the homes of most children reached through our investments, while there is an underrepresentation of those from homes where Spanish or other languages are primarily spoken.

### Percentage of Children Reached by First 5 LA Investments Compared to LA County, by Primary Language



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Note: Does not include children with "Unknown" primary language (F5LA N=81,667)



# Summary of Findings & Next Steps

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# Key Takeaways from FY 21-22

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1. Consistent with the 2020-28 Strategic Plan, First 5 LA investments are increasingly focused on improving systems of care.
2. The majority of children reached through First 5 LA investments are less than 3 years old, which is consistent with our emphasis on prioritizing the critical period of development that occurs from prenatal through age 3.
3. Though First 5 LA investments reached more children, there are disparities in who we reach compared to LA County as reflected by the underrepresentation of Asian children and children from households where Spanish or other languages are primarily spoken.

# Next Steps for Annual Reporting to First 5 California

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# Discussion

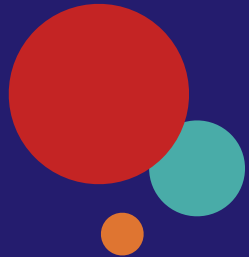
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1. What questions do you have about the Annual Report preliminary findings?
2. What are your reactions to the Annual Report preliminary findings?

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# Questions?

**First 5 LA**

**SUBJECT:**

**Information regarding a review of 2022 Policy and Advocacy activities, a refinement of the 2023 Policy Agenda, and a solicitation of the State Policy and Advocacy Consultant contract.**

**RECOMMENDATION (FOR INFORMATION):**

This memo is provided as information for the Board's consideration at the September 22, 2022, Program and Planning Committee meeting. First 5 LA staff recommends at the November 10, 2022, Board of Commissioners meeting, the Board approve the First 5 LA 2023 Policy Agenda and the contract for First 5 LA's State Policy and Advocacy Consultant which will be presented through Contracts Consent.

**BACKGROUND:**

In partnership with others, First 5 LA's Office of Government Affairs and Public Policy (OGAPP) executes policy and advocacy strategies to advance policies that strengthen systems of support at the local, state, and federal levels of government on behalf of Los Angeles County's youngest children and their families. To support this work, the First 5 LA Board of Commissioners has approved contracts with various organizations to maximize First 5 LA's advocacy capacity and approved annual Policy Agendas to allow First 5 LA staff to take positions on specific proposed policy proposals (administrative, legislative, budget) aligned with our strategic plan.

***2022 Policy and Advocacy Activities***

- **Waiving of family fees** for state subsidized child care, preschool, and developmental services for families making less than 75 percent of the state median income and establishing an equitable sliding scale for fees was a top policy priority for First 5 LA as well as the Early Care and Education Budget Coalition (ECE Coalition). In the finalized state budget, family fees for state subsidized preschool and child care have been waived through June 30, 2023, which fulfills part of First 5 LA's and the ECE Coalition's ask, ensuring young children from low-income families will continue to receive early childhood services for another year. As a supplement to this budget priority, First 5 LA had an official support position on AB 92 authored by Assemblymember Reyes. Besides waiving family fees, AB 92 charges the Department of Social Services to develop a new equitable family fee schedule. Though it had made it to the governor's desk, AB 92 was vetoed earlier this week.
- Addressing **rate reform and raising reimbursement rates** for child care workers who provide state subsidized early care and education was another critical priority for First 5 LA and the ECE Coalition. Specifically, the ask was for a combination of on-going General Funds and one-time funding from the American Rescue Plan Act to raise rates beyond the 75<sup>th</sup> percentile of the 2018 Regional Market Rate (RMR) survey. Though this did not make it into the final state budget, it will mostly likely continue to be a priority for child care advocates into next year.
- Since the beginning of 2022, the **Rate and Quality Stakeholder Workgroup**, which was established under AB 131, met extensively to develop recommendations on how to develop a singular statewide methodology for establishing reimbursement rates and assess the existing quality standards for equity and accessibility for all provider types and settings. First 5 LA monitored and provided feedback as the workgroup developed

recommendations to address rate reform and improve California's mixed delivery system. The final report was released in August 2022.

- Reinstating and increasing of the **Early Learning and Care Workforce Development Grants Program** to rebuild and expand workforce capacity was also a key priority of F5LA and the ECE Coalition shared during this year's Advocacy Day. Within this budget ask, First 5 LA prioritized two set asides aligned with our 2022 Policy agenda: a set aside for Family, Friend, and Neighbor (FFN) providers and a second set aside to support professional development specifically geared towards supporting Dual Language Learners (DLL). Unfortunately, this funding was not included in the 2022-2023 final state budget.
- On-going increases in funding for both the **California Home Visiting Program** and **Black Infant Health Program**. Advocating for these funding expansions was a key priority for First 5 LA during this year's Advocacy Day meetings with state lawmakers.
- Funding in 2023-2023 and potentially on-going to provide **children under the age of 5-years old with continuous Medi-Cal coverage**. Advocating for this policy was a key priority for First 5 LA during its Advocacy Day meetings with state lawmakers, and funding to provide continuous Medi-Cal eligibility was not included in either the governor's January budget or May Revise, demonstrating the important role of focused advocacy amongst First 5 LA and partners. However, funding beyond 2024 will be contingent upon sufficient General Fund resources to continue this policy. As such, First 5 LA will continue advocating for prioritization of early childhood health, and ensure lawmakers understand the importance role continuous and undisrupted access to care plays in supporting optimal childhood development.
- Reducing the developmental delay **thresholds for Early Start early intervention services** from a 33 percent delay to a 25 percent delay in specified assessment areas. In California, the level of a child's developmental delay in cognitive; physical and motor, including vision and hearing; communication; social/emotional; and adaptive development determines eligibility for Early Start services at Regional Centers. By lowering the delay threshold necessary to receive early intervention services, families will be able to access these supports more quickly, and in turn, help their child be better able to minimize or overcome a developmental delay. California will also begin to more clearly emphasize the role of **Fetal Alcohol Syndrome** as a risk factor for intellectual and/or developmental delay.
- Advocating for the **Maternal, Infant and Early Childhood Home Visiting Program (MIECHV)**, which is set to expire on September 30, 2022. OGAPP hosted virtual meetings with key members of the Los Angeles Congressional Delegation, including Rep. Judy Chu and the office of Rep. Lucille Roybal-Allard, who both serve on committees of jurisdiction, to discuss the importance of home visiting, and to ask for their support in reauthorizing the program. As a member of the National Home Visiting Steering Committee, First 5 LA has worked closely with the Steering Committee in advocating for MIECVH funding, including signing-on to national letters. First 5 LA has also collaborated with the Office of Communications (OOC) throughout the summer months to elevate the importance of the MIECHV program through First 5 LA's social media platforms. OGAPP will continue advocating to Los Angeles congressional members on the reauthorization throughout the fall months, alongside the First 5 Network and national partners.
- Additionally, First 5 LA served as a host member of the "**Community Based Home Visiting Working Group**" Roundtable Listening Session. This was the first of a series of listening sessions the National Home Visiting Coalition Steering Committee held across the country with community-based organizations to learn more about how home visiting

services are being provided and what can be done at the federal level to continue supporting and strengthening them.

- Advocating for the inclusion of child care and early learning investments in the **Inflation Reduction Act (IRA)** among the Los Angeles Congressional delegation. In partnership with the First 5 Network, First 5 LA coordinated a letter for this inclusion to Senator Feinstein and Senator Padilla asking for their support. Though child care and early learning investments were ultimately not included in the IRA, OGAPP will continue working with the First 5 Network and national partners to elevate the need for federal support of child care and early learning investments into the new Congress next year.
- For several years, First 5 LA has actively advocated against the Trump Administration's **public charge rule** alongside The Protecting Immigrant Families (PIF Campaign). Recently, First 5 LA signed-on to two coalition letters in response to the U.S. Department of Homeland Security's (DHS) proposed new public charge rule. The previous public charge rule, established by the Trump Administration, created disinformation that led to a high disenrollment in public benefits for children and their families. These sign-on comments highlighted critical changes in the new rule that will improve access to health care and other crucial benefits; and represented a last step to achieving a new regulation. Now that the new final public charge rule is in place, OGAPP will work with OOC to spread key messaging and reduce the negative effect that the previous rule caused.

Looking to the future, OGAPP is eager to continue to increase the impact of First 5 LA's policy and advocacy efforts, continuing to move the organization from reacting to policy proposals and responding to others to introducing solutions and driving policy and systems change. The following information outlines 2022 Policy and Advocacy activities and other tools proposed by OGAPP for Commission approval to continue working to strengthen systems of support for children and families.

### **2023 Policy Agenda**

First 5 LA uses the Policy Agenda to inform and prioritize administrative, budget, and legislative work to align with the organization's strategic priorities, and to clarify the federal, state, and policy priorities in which First 5 LA engages. OGAPP also uses the Policy Agenda as the guide for formal analysis of policy proposals and as the blueprint to develop policy recommendations. Starting in 2020, OGAPP engaged offices and teams across First 5 LA to refine the policy agenda for each upcoming year, incorporating learnings and best practices from the past year, all to further improve, focus, and clarify First 5 LA's high-level policy related goals. With the 2022 Policy Agenda, OGAPP worked toward embedding both equity and the need to support children holistically in the context of their families and communities, referred to as the "Whole Child and Whole Family" systems framework, across every First 5 LA policy priority. The 2022 Policy Agenda sought to close race-based disparities in health, well-being and opportunity; utilizing full, complete and disaggregated data, where available, to understand which communities face the most significant barriers to resources, and so have the greatest opportunity to benefit from First 5 LA policy and systems change efforts; and promoting a holistic system of supports that is language- and culturally- responsive. Now however, as First 5 LA's Strategic Plan undergoes its own refinement process, the 2023 Policy Agenda will mirror the [2022 Policy Agenda](#) to ensure greatest alignment between both authorizing vehicles.

### **Solicitation of the State Policy and Advocacy Consultant**

Since 2013, a critical support for First 5 LA's advocacy activities has been a dedicated State Policy and Advocacy Consultant based in Sacramento. In 2017, First 5 LA procured the services for a project term of five years. First 5 LA issued a contract to California Strategies & Advocacy LLC, and over the last five years, First 5 LA has been able to proactively advocate for the Board

approved organization-wide Policy Agenda, working alongside the First 5 Network, and partners to aggressively identify, analyze, and develop policy solutions to strengthen systems of support for children and families in LA County. For five years, the Board approved an annual contract with California Strategies to serve in this function and will expire on November 30, 2022.

The State Policy and Advocacy Consultant has been instrumental in supporting several First 5 LA policy wins, including several hundred million dollars invested in the early learning and home visiting systems, and the codification of AB 1004 (McCarty), which will ensure more children being served in the Medi-Cal system receive timely and appropriate developmental screenings.

In order to continue working with a State Policy and Advocacy Consultant as outlined in First 5 LA's 2022-23 budget and long-term financial plan, on August 18, 2022, staff released a Request for Qualifications to solicit for a State Policy and Advocacy Consultant. Staff will return to the Board in November to seek approval of a new contract. The awarded contractor will employ a variety of strategies and activities to support First 5 LA's state policy and advocacy efforts to strengthen systems of support for children ages prenatal to 5-years old including but not limited to: policy analysis, development, and strategy formation, lobbying, government affairs, strategic communication, technical assistance and project management.

**DISCUSSION:**

The purpose of the conversation at the September PPC meeting is three-fold. OGAPP will: (1) review the 2022 Policy and Advocacy activities, (2) provide an update on the 2023 Policy Agenda priorities to continue the current Policy Agenda, and (3) provide an overview of the solicitation of the State Policy and Advocacy Consultant.

**NEXT STEPS**

Staff anticipates returning to the Board of Commissioners to approve the contract for the State Policy and Advocacy Consultant, at the November 10, 2022, Board of Commissioners meeting, as a consent item. In addition, OGAPP will review Commissioner feedback on the draft 2023 Policy Agenda and return to the Board at the November meeting to ask for approval and adoption of the 2023 Policy Agenda.

# Policy and Advocacy Priorities: 2022 Year in Review 2023 Policy Agenda State Advocate RFQ

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Charna Widby, Chief Government Affairs Officer  
Anais Duran, Government Affairs Strategist  
Andrew Olenick, Senior Policy Analyst  
Jamie Zamora, Senior Government Affairs Strategist



- Review of Policy and Advocacy activities in 2022.
- 2023 Policy Agenda update.
- State Advocate Request for Qualification (RFQ) update.

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## State context:

- (Another year of) record budget surplus and spending.
- Budget “trigger” cuts and lack of on-going investments.
- Potential future recession and spending restrictions.
- Governor Newsom must veto or approve legislation by September 30.
- 1/3 of legislature will turn over due to term limits and redistricting.

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## Federal context:

- Maternal and Infant Early Childhood Home Visiting Program expiration.
- Inflation Reduction Act.
- Public Charge.
- Midterm elections and end of 117<sup>th</sup> Congress.

## State budget:

- California Home Visiting Program and Black Infant Health Program.
- Continuous Medi-Cal Eligibility for young children: Budget and AB 2402 (Rubio).
- Family fees and provider rates: Budget and AB 92 (Reyes).

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## State legislation:

- Paid Family Leave: SB 951 (Durazo).
- Whole Child Community Equity: AB 2882 (Rivas).
- It Takes a Village Act of 2022: 2517 (Bonta).

## Federal policy:

- Inflation Reduction Act of 2022.
- Reauthorization of Maternal, Infant, and Early Childhood Home Visiting (MIECHV) Program.
- Public Charge Rule.
- End of 117<sup>th</sup> Congress.

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## High-level policy goals that align with and advance the 2020-2028 Strategic Plan.

- Authorizes First 5 LA's policy and advocacy work, informing where First 5 LA leads, supports or does not engage on policy issues.
- Recognizes the full range of policy changes necessary to achieve desired outcomes, including budget items, legislation and administrative change.
- Guides First 5 LA public policy analysis and policy proposal development.
- Supports efforts to both advance long-term policy change and respond to short-term needs, issues and opportunities.

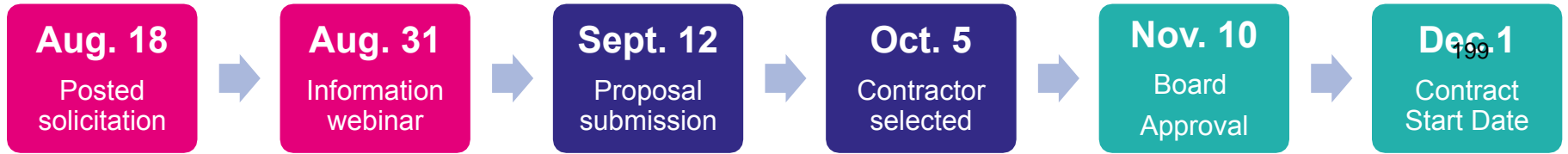
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- 2023 Policy Agenda will continue the board approved 2022 Policy Agenda advocacy priorities.
- Future Policy Agenda refinements will align with First 5 LA Strategic Plan Review and Refinement (underway) to focus and narrow on outcomes we will relentlessly and collectively pursue.
- Timeliness and urgency: Current Policy Agenda prioritizes policies that ensure optimal development of children.

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- On August 18, 2022, staff released a Request for Qualifications to solicit for a State Policy and Advocacy Consultant to continue to support First 5 LA policy and advocacy efforts in the state policy arena.
- Current State Policy and Advocacy Consultant contract expires November 30, 2022.
- Staff will recommend the Board approve a contract at the November 2022 board meeting through Contracts Consent.

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# Questions and Discussion

1<sup>ST</sup>  LA  
**first 5 la**  
Giving kids the best start



## **FIRST 5 LA**

### **SUBJECT:**

2020-2028 Strategic Plan Review & Refinement Cycle: Discussion on Proposed Refinements to First 5 LA's 2020-2028 Strategic Plan

### **BACKGROUND:**

The July 2022 Board of Commissioners meeting represented the official launch of the first three-year review and refinement cycle of the Board-approved 2020-2028 Strategic Plan. Over the past three years of strategic plan implementation, we have learned that there is continued confusion about First 5 LA's priorities, outcomes we will relentlessly pursue, and the focused actions we will employ to achieve meaningful systems change. The review and refinement cycle built into the 2020-2028 Strategic Plan now presents an opportunity to apply what we've learned and achieve the level of clarity and focus to achieve the greatest possible impact for children, families, and communities.

Over the summer, staff incorporated Commissioners' feedback from the July 2022 meeting to further refine the following foundational elements of the Strategic Plan:

- Our North Star that orients and grounds us in the "why" of our work
- Our logic flow that reflects a progression of our North Star to a shared problem statement
- What makes First 5 LA uniquely positioned to focus our systems change work for deeper impact
- The opportunity before us that informs a set of short- and long-term systems change outcomes

During the September 2022 Board of Commissioners meeting, First 5 LA staff captured Commissioners additional input on refinements to these foundational elements.

### **DISCUSSION:**

Grounded in these foundational elements, the next step in sharpening First 5 LA's strategic direction and telling a more coherent story about the systems change we seek has been drafting systems change outcomes that articulates the characteristics of systems that First 5 LA believe are critical for public systems to facilitate supportive conditions that enable full developmental potential throughout prenatal to age 5.

The September 2022 Program and Planning Committee meeting will be an opportunity to engage Commissioners in our current thinking of the draft systems change outcomes, informed by what we've heard, our learnings from strategic plan implementation to-date, community priorities, county priorities, and what would have the most impact on child development. The accompanying PowerPoint presentation provides information that will guide Board discussion.

### **NEXT STEPS:**

Staff will incorporate Commissioners' input and feedback during the September 2022 Program and Planning Committee meeting to inform staff's continued work on the draft systems change outcomes. Staff will share refinements during the October 2022 Board of Commissioner meeting with plans to seek directional endorsement of the refined North Star and draft systems change outcomes at November 2022 Board of Commissioners meeting.

## STRATEGIC PLAN REVIEW AND REFINEMENT CYCLE: DISCUSSION ON PROPOSED REFINEMENTS TO FIRST 5 LA'S 2020-2028 STRATEGIC PLAN

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Antoinette Andrews Bush, Chief Transformation Officer  
Charna Widby, Chief Government Affairs Officer  
Kimberly Hall, Chief Data Officer, Office of Data for  
Action  
Tara Ficek, Director, Health Systems



- Provide an overview of what we heard during the September 8 Board of Commissioners Meeting
- Preview and gather feedback on draft systems change outcomes
- Outline next steps



## Where We've Been

- **Jul 2022:** Launched the first cycle of 2020-2028 Strategic Plan Review and Refinement Cycle at Board of Commissioner Meeting
- **Jul – Early Sept 2022:** Continue to refine foundational elements of the Strategic Plan
- **Mid Sept 2022:** Shared refined foundational elements of the Strategic Plan at Board of Commissioners meeting <sup>204</sup>

## Where We Are Now

- **Late Sept 2022:** Program and Planning Committee meeting to share and gather feedback on prioritized conditions, public systems and draft systems change outcomes

## Where We Are Going

- **Oct 2022:** Board of Commissioners meeting to present draft systems change outcomes
- **Nov 2022:** Board of Commissioners meeting to endorse refined North Star and draft systems outcomes
- **After Nov 2022:** Planning for internal and external community engagement on refinements of other elements of the Strategic Plan (values, investment guidelines, strategy, Impact Framework, Long-Term Financial Plan, DEI implementation planning)

- Our **North Star** that orients and grounds us in the “why” of our work
- Our **logic flow** that reflects a progression of our North Star to a shared problem statement
- **What makes First 5 LA uniquely positioned** to focus our systems change work for deeper impact
- The **opportunity before us** that informs a set of short- and long-term systems change outcomes

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- Continued enthusiasm and support for the reframed North Star
- Clarify that definition of systems change includes “procedures and practices”
- Appreciation and support for whole child, whole family approach and inter-relatedness of conditions that support families and their child’s development
- Clarify that a focus on pre-natal to 3 is not exclusion of 4-5 years old
- Emphasize the unique position and responsibility of government of utilizing taxpayer dollars that reflects society’s values and priorities
- Interest in authentic community engagement throughout the process and in how we do our work
- Interest in the data and learning that staff are using to make decisions about the systems, systems outcomes, and strategies First 5 LA will choose
- Interest in learning more about the outcomes and the changes we seek to achieve and in what systems

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**Where We Are  
Now: What We're  
Hearing and  
Learning**



# Our Pathway for Systems Change



By 2028, all children in L.A. County will enter kindergarten ready to succeed in school and life.

- We Want Systems To Be**
- Accessible
  - Quality
  - Aligned
  - Sustainable

**Results for Children and Families**

- Families optimize their child's development.
- Children receive early developmental supports and services.
- Children are safe from abuse, neglect, and other trauma.
- Children have high-quality early care and education experiences.

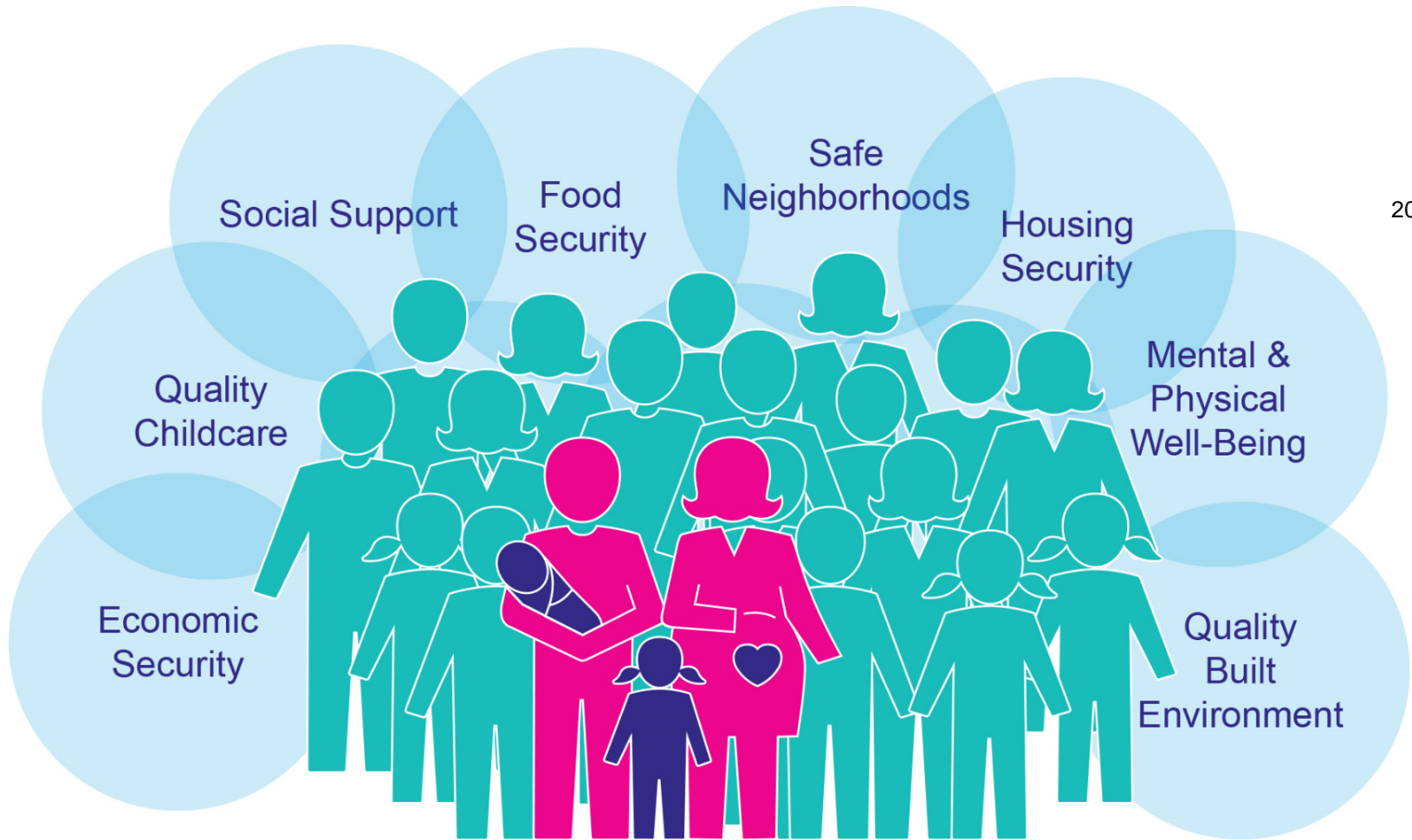
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- We Change Systems By**
- Policy change
  - Practice change
  - Will building

- Our Strategic Priorities**
- Strengthen public & community systems
  - Advance & build on community experience
  - Expand influence & impact with data
  - Optimize our effectiveness

**Our Values**

- Collaboration
- Integrity
- Learning
- Diversity, Equity and Inclusion



# County and Community Priorities

Though not exhaustive lists, the table below illustrates alignment among county and community priorities.

County Priorities (from L.A. County CEO*)	Community Priorities (from various data sources**)
<ul style="list-style-type: none"> <li>• Anti-Racism</li> <li>• Child Protection</li> <li>• Criminal Justice System Reform</li> <li>• Early Care and Education</li> <li>• Employment and Fair Wages</li> <li>• Food Security</li> <li>• Housing</li> <li>• Environmental Health</li> <li>• Housing</li> <li>• Healthcare</li> <li>• Mental Health</li> <li>• Immigration</li> <li>• Community Capacity Strengthening</li>   <li>• Not listed as board-directed priorities on CEO website but investments aligned with community priorities:               <ul style="list-style-type: none"> <li>– Transportation (Measure M)</li> <li>– Parks and Open Space (Measure A)</li> <li>– Digital Divide (Office of the Chief Information Officer)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Anti-racism</li> <li>• Child Abuse and Neglect</li> <li>• Community Capacity Strengthening</li> <li>• Criminal Justice System Reform</li> <li>• Digital Inclusion</li> <li>• Early Care and Education</li> <li>• Employment and Fair Wages</li> <li>• Environmental Health</li> <li>• Food Security</li> <li>• Housing</li> <li>• Healthcare</li> <li>• Immigration</li> <li>• Mental Health</li> <li>• Parks and Open Space</li> <li>• Safe Neighborhoods</li> <li>• Transportation</li> <li>• United Communities</li> </ul> <p style="text-align: right;">210</p>

\*County Board-directed priorities associated with this list included in the appendix of this presentation.

\*\*Community priorities data sources included in the appendix of this presentation.

Communities with lived experience are excluded from decision-making that affects them

Temporary basic needs supports during the pandemic helped stabilize families and are set to expire

Income eligibility cliffs make it challenging for families to meet basic needs, including childcare

Navigating multiple, unconnected systems is complex and overwhelming for parents 211

Services and supports are not available when, where, and how families need them

Medicaid policy and oversight directly impact what health services are available for low-income families

Families not experiencing dignity and respect when accessing services

Parent voice is critical and so too are CBOs and provider voices

Unintended consequences of policy decision implementation (e.g., transitional kindergarten)

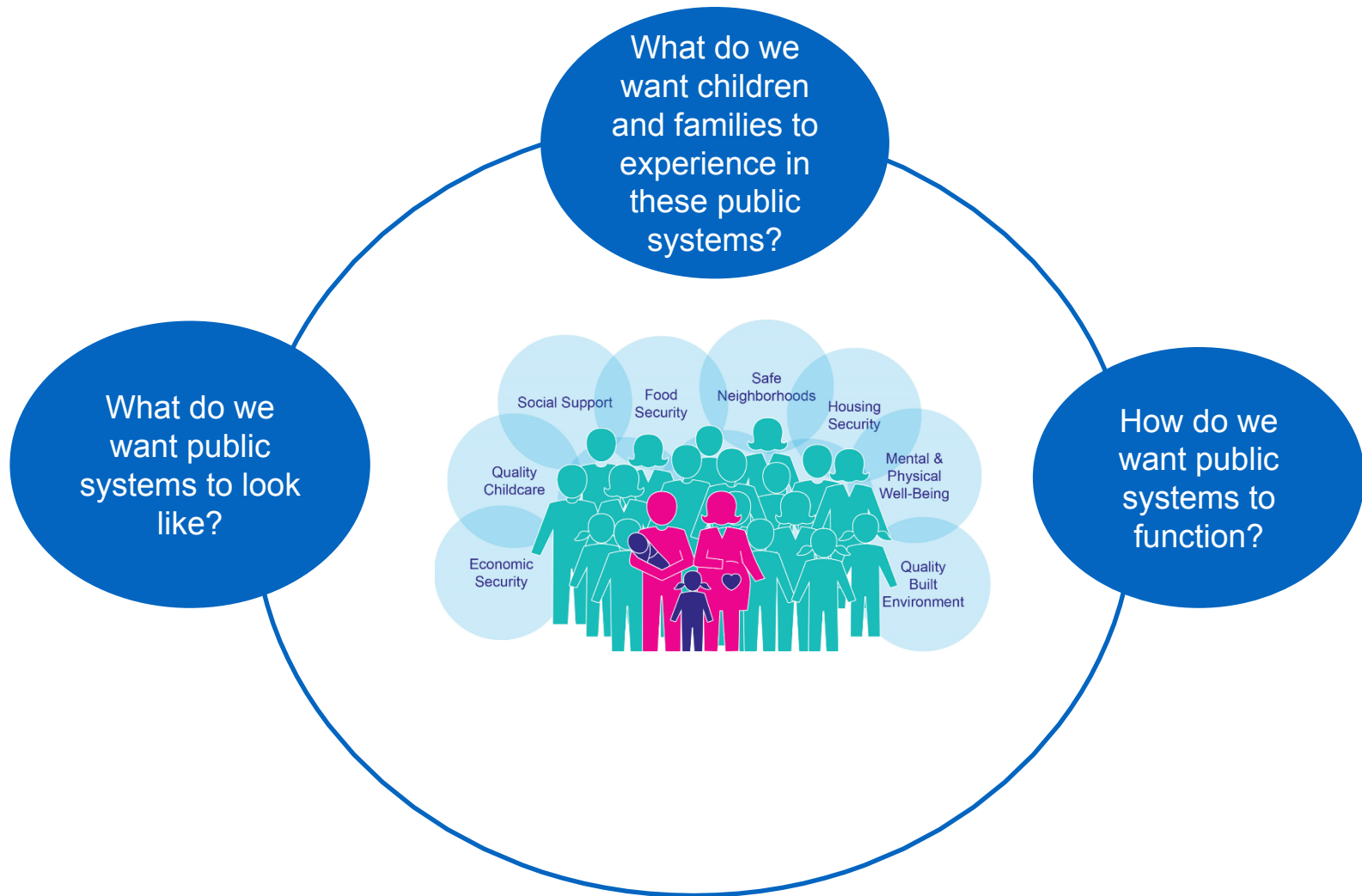
Families, community members, and providers are often asked for input, but nothing changes

Family childcare providers receive poverty wages due to the reimbursement rate policy

Administrative policies, procedures, and practices of systems make families feel shame and confused

**Where We  
Are Now:  
Systems  
Change  
Outcomes**





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**Overarching Systems Change Goal:** Public systems most critical to the development of children prenatal to 5 are transformed to advance justice and belonging with communities that have historically been harmed and excluded by them.

**Long-Term Systems Change Outcome #1:**

Public systems are **connected, coordinated and seamless**, enabling easy access for families

**Long-Term Systems Change Outcome #2:**

Public systems are **responsive to the needs, experiences, and assets** of families and communities

**Long-Term Systems Change Outcome #3:**

The **financing** mechanisms of public systems are **equitable** and incentivize a whole child, whole family, prevention-oriented approach

**Long-Term Systems Change Outcome #4:**

**Families and communities are engaged** and have **influence** shaping public systems

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**Short-Term Systems Change Outcomes (TBD)**

Public systems most critical to the development of children prenatal to 5 are transformed to advance justice and belonging with communities that have historically been harmed and excluded by them.

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- Why an overarching systems change goal?
  - Expresses the transformation that we seek - the elimination of systemic bias and inequities in public systems
  - Guides the development of long- and short-term outcomes that will describe the characteristics of public systems that advance justice and belonging
  - Embraces a shift from a mindset of fixing discrete problems to transformative systems change approach

- What are your reflections and/or insights on the draft Overarching Systems Change Goal?
- What needs to be clarified?
- What might be missing?

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1. Public systems are **connected, coordinated and seamless**, enabling easy access for families

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- Why this outcome?
  - Eliminate the burden families experience navigating within and across systems, providers and programs
  - Minimize duplication within and across systems
  - Necessary during the critical window of development from prenatal to age 5 when families experience cross systems transitions

## 2. Public systems are **responsive to the needs, experiences, and assets** of families and communities

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- Why this outcome?
  - Meet the varied needs of individual families in ways that acknowledge and address the systemic bias and inequities within public systems that undermine supportive conditions and disrupt young children's full developmental potential
  - Maximize the impact of the developmental window starting at the critical prenatal period and extending through age 5
  - Communities are often sources of great strength and resiliency for parents and young children

3. The **financing** mechanisms of public systems are **equitable** and incentivize a whole child, whole family, prevention-oriented approach

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- Why this outcome?
  - Whole child and whole family approach recognizes the overarching impact of structural bias and inequities that disrupts child development and family stability
  - Financing mechanism includes responsibilities, resource allocation and oversight
  - Misalignment of financial incentives means that whole child whole family initiatives are lower priority for higher cost populations
  - Sources of funding can be diverse

## 4. **Families and communities are engaged** and have **influence** shaping public systems

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- Why this outcome?
  - Families and communities with lived experience have valuable insights and should be co-creators with other systems partners, participating in decision-making that impacts children prenatal to 5.

## Outcome #1:

Public systems are **connected, coordinated and seamless**, enabling easy access for families

## Outcome #2:

Public systems are **responsive to the needs, experiences, and assets** of families and communities

## Outcome #3:

The **financing** mechanisms of public systems are **equitable** and incentivize a whole child, whole family, prevention-oriented approach

## Outcome #4:

**Families and communities are engaged** and have **influence** shaping public systems

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## Discussion

- Do these outcomes resonate with you? Do they reflect the outcomes that First 5 LA should relentlessly pursue?
- What needs to be clarified?
- What might be missing?

**Overarching Systems Change Goal:** Public systems most critical to the development of children prenatal to 5 are transformed to advance justice and belonging with communities that have historically been harmed and excluded by them.



**Long-Term Systems Change Outcome #1:**

Public systems are **connected, coordinated and seamless**, enabling easy access for families

**Long-Term Systems Change Outcome #2:**

Public systems are **responsive to the needs, experiences, and assets** of families and communities

**Long-Term Systems Change Outcome #3:**

The **financing** mechanisms of public systems are **equitable** and incentivize a whole child, whole family, prevention-oriented approach

**Long-Term Systems Change Outcome #4:**

**Families and communities are engaged** and have **influence** shaping public systems

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**Short-Term Systems Change Outcomes (TBD)**

- October 2022 Board of Commissioners Meeting
  - Incorporate today's input and share back any refinements to the Overarching Systems Change Goal and Long-Term Systems Change Outcomes
  - Present and gather input on draft Short-Term Systems Change Outcomes
- November 2022 Board of Commissioners Meeting
  - Seek Board approval of refined North Star
  - Seek Board directional endorsement on systems change outcomes

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# Appendix



# Key Terms

- **Child Development:** a series of skills and stages that occur in a child between birth and adulthood. Five domains of skills include motor, language, adaptive, social-emotional, and cognitive.
- **Community:** Groups of people who have something in common (demographics, culture, interest, geographic location) who are in relationship with each other and support each other.
- **Public systems:** Interconnected, and often interdependent, sets of rules, programs, resource flows, organizations, and institutions that work to meet a particular set of needs that are financed, at least in part, by taxpayer dollars
- **Levers:** Focused action that can produce significant improvements.
- **Outcomes:** A specific change as a result of some known effort.
- **Systems Change:** Shifting, reconfiguring, or transforming policies, procedures, practices, relationships, mindsets, resource flows, and power dynamics to improve how a system functions to achieve its purpose and goals.

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- **Anti-Racism, Diversity, and Inclusion Initiative (ARDI)**
  - Anti-Racism
  - Prevention Services
- **Child Protection**
  - Child Abuse and Neglect
- **Care First Community Investment and Jail Closure Implementation**
  - Criminal Justice System Reform
- **Poverty Alleviation Initiative**
  - Early Care and Education
  - Employment and Fair Wages
  - Food Security
  - Transportation
  - Housing
  - Community Capacity Strengthening

- **Environmental Health**
- **Homeless Initiative**
  - Housing
- **Alliance for Health Integration**
  - Healthcare
  - Mental Health
- **Immigration**
- Not listed as board-directed priorities on CEO website but investments aligned with community priorities:
  - Transportation (Measure M)
  - Parks and Open Space (Measure A)
  - Digital Divide Regional Strategic Plan (Office of the Chief Information Officer)

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1. Every child in LA County will reach their full developmental potential throughout the critical years of prenatal to 5.



2. In order for children to reach full developmental potential throughout prenatal to 5, they need safe, stable, nurturing, relationships and environments, particularly during the prenatal to 3 window of rapid development.

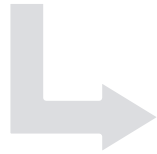
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3. Supportive conditions are needed for families/caregivers to provide safe, stable, nurturing, relationships and environments for children prenatal to 5.



4. Given the scale and reach of public systems, they have a role in facilitating supportive conditions that enable full developmental potential throughout prenatal to 5.



5. Our Problem Statement: Systemic bias and inequities within public systems undermine supportive conditions and disrupt children's full developmental potential.

- We are an independent county public agency with a mandate, knowledge, and insights to promote, support, and improve the early development of children from the prenatal stage to five years of age in Los Angeles County.
- Our governing board, which includes representatives of family serving public agencies, gives us the knowledge and direct connection to other public agencies that enable us to work within and across systems.
- Our history, relationships, and learning from communities shapes our understanding of families' experiences and priorities and informs what we do and how we approach our work.
- Our commitment to prevention, equity, and systems change compels us to address the effects of systemic bias and inequities within systems that impact the earliest moments of a child's life.

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Work within and across public systems to align, integrate, and prioritize supports that are responsive to families and communities, particularly during the prenatal to 3 window of rapid development, to eliminate disparities.

- Best Start Learning Series (First 5 LA Board of Commissioners meetings February 2021 – April 2021 )
  - [Region 1](#)
  - [Region 2](#)
  - [Region 3](#)
  - [Region 4](#)
  - [Region 5](#)
- Best Start Region 1 Report, “[Driving Equity and Justice: A Community Bill of Human Rights](#)” (2021) (over 300<sup>230</sup> community members provided input)
- [Fresh Ideas for CalFresh](#) (March 2022) (over 400 community members provided input)
- [Follow-Up: Children in Medi-Cal. The Department of Health Care Services is Still Not Doing Enough to Ensure that Children in Medi-Cal Receive Preventive Health Services](#) (September 2022)
- [Learning and Reflection for LA County Early Care and Education COVID-19 Response Team](#) (June 2022)
- [Mary Pauper: A Historical Exploration of Early Care and Education Compensation, Policy, and Solutions](#) (September 2021)
- [Strategic Priorities for 2022: Attachment A – Regional Community Priorities](#) (January 2022 Program and Planning Committee Meeting )
  - Priorities identified through participatory budgeting and/or voting processes
- Thriving Families, Safer Children, Priorities for Change from Community Visioning Sessions (September 2022) (over 400 community members provided input) (*report available upon request*)