

# AGENDA

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

**Budget & Finance Committee Chair: Robert Byrd**

**Tuesday, May 2, 2023  
10:00 AM**

**Meeting Location:**

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



**ASPOSE**  
Your File Format APIs

1. **ACTION**  
Call to Order
2. **ACTION**  
AB 2449 Request(s) to Participate Remotely Due to Emergency Circumstances and Notice(s) of Remote Participation for Just Cause
3. **INFORMATION** **3**  
Review of Meeting Notes from the Joint Committee Meeting of the Budget & Finance and Executive Committees – May 4, 2022
4. **INFORMATION** **5**  
Investment Portfolio Update
5. **INFORMATION** **11**  
Optimizing Our Effectiveness: Annual Audit – Entrance Interview
- Presenters: Raoul Ortega, Finance Director and Kinnaly Soukhaseum, Partner, Eide Bailly, LLP**
6. **INFORMATION** **22**  
Optimizing Our Effectiveness: Present Draft Proposed FY 2023-24 Budget, with a focus

**COMMISSIONERS**

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

**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**

on proposed operational expenditures, and Updated Long-Term Financial Plan (LTFP)

**Presenters: JR Nino, Chief Operating Officer; Raoul Ortega, Director, Finance;  
and Daisy Lopez, Manager, Financial Planning & Analysis**

7. **INFORMATION**

Public Comments (For items not on the agenda)

8. **ACTION**

Adjournment



**SUMMARY MEETING NOTES**

**FIRST 5 LA  
SUMMARY MEETING NOTES  
Joint Meeting of the Budget & Finance and Executive Committees  
May 4, 2022  
3:00 pm – 5:00 pm**

**EXECUTIVE COMMITTEE MEMBERS**

**PRESENT:**

Judy Abdo (Chair)  
Astrid Heger  
Yvette Martinez  
Frank Ramos

**BUDGET & FINANCE COMMITTEE**

**MEMBERS PRESENT:**

Romalís Taylor (Chair)

**NON-COMMITTEE MEMBERS PRESENT:**

Robert Byrd

**BUDGET & FINANCE COMMITTEE**

**MEMBERS ABSENT:**

Maricela Ramirez [Excused]  
Barbara Ferrer [Excused]  
Carol Sigala [Excused]

**STAFF PRESENT:**

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

**LEGAL COUNSEL:**

Serita Young

**OPEN SESSION**

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

The Joint Meeting of the Budget & Finance and Executive Committees was called to order by Executive Committee Chair Abdo at 3:00 pm. Roll call completed.

**2. Review of Meeting Notes from the Special Board/Budget & Finance Committee Meeting – February 7, 2022**

Meeting notes were received and filed with no changes.

There is no further discussion on this item.

**3. Optimizing Our Effectiveness: Annual Audit – Entrance Interview**

Finance and Eide Bailly LLP presented the Committees with a breakdown of the anticipated annual audit for First 5 LA.

The auditor's scope of work includes the following but not limited to:

- Audit scope – perform the audit of the annual comprehensive financial report and State Compliance issued by State Controller's Office.
- Timeline – planning and interim fieldwork starts in June and ending in September/October with delivery of the annual report to First 5 LA.
- Auditors' role and responsibilities – the audit is conducted using the U.S. Generally Accepted Auditing Standard and Government Auditing Standards. Eide Bailly will express an opinion about whether the financial statements that have been prepared by management with the oversight of the Commission are presented fairly, in all material respects in conformity with generally accepted accounting principles. The audit does not relieve management of its responsibilities.

## SUMMARY MEETING NOTES

- Approach to planning and risk assessment – auditors will test key business cycles including revenue, disbursements, payroll, investments, financial reporting, IT and budget.
- Final report and exit – prepare draft audit report and present any findings and recommendations as well as provide required communications to those charged with governance. (Audited financial report is required to be submitted to the State Controller’s Office and First 5 California by November 1<sup>st</sup>)

There is no further discussion on this item.

#### 4. **Optimizing Our Effectiveness: Presenting Draft Proposed FY 2022-23 Budget and Long-Term Financial Plan**

As part of their annual process, the Finance team presented First 5 LA’s proposed draft budget for FY 22-23 and Long-term Financial Plan. Some highlights included:

- First 5 LA’s continued focus on long-term sustainability
- Continued work through the pandemic
- Contracts sunseting consistent with contract terms
- Proposed budget informed by work priorities and fiscal realities, aligned with First 5 LA’s strategic plan.

The budget consisted of the following components:

- Strategic Plan
  - Center for Child & Family Impact
  - Offices
- Legacy Investments
- Emerging Opportunities
- Internal Operations (Operating Budget)

There is no further discussion on this item.

#### 5. **Looking Ahead: Executive Committee Touch Points in 2022**

Staff from the Executive Director’s Office provided a timeline of anticipated touchpoints for the Executive Committee, given the announcement of the ED’s anticipated departure. Since the ED Search is within the purview of the Executive Committee, they will be working closely with First 5 LA’s executive recruiter to lead the search and appointment of the new ED. As such, a number of Executive Committee meetings would be added to the calendar for the rest of the calendar year.

#### 6. **Public Comment (for items not on the agenda)**

No public comments.

#### **ADJOURNMENT of Open Session:**

Meeting adjourned @ 4:53 pm.

Meeting minutes were recorded by Linda Vo, Board Relations Manager

# Memo

To: Board of Commissioners

From: Raoul Ortega, Director of Finance

Date: May 2, 2023

Copies To: Karla Pleitéz Howell, Executive Director  
JR Nino, Chief Operating Officer

Subject: **INVESTMENT PORTFOLIO REPORT –  
QUARTER ENDED MARCH 31, 2023**

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**RECOMMENDATION:**

Receive and file the Investment Portfolio Report as of March 31, 2023.

**BACKGROUND:**

First 5 LA has the ability to invest outside the Los Angeles County’s Treasurer Surplus Investment Pool in Specifically Invested Portfolio per the adopted investment policy. A report on all investments including the Specifically Invested Portfolio must be presented to the Board quarterly.

During November 2022, First 5 LA, with approval from the Executive Committee, transferred \$134 million from the County’s Treasurer Surplus Investment Pool to a 3-year Specific Investment. This investment has a 3.80% rate of return and an annualized estimated amount of \$5.4 million in interest over a 3-year period. This investment is reflected in our balance sheet effective November 2022.

**DISCUSSION:**

The earnings rate for the Treasurer Pooled Surplus Investment Portfolio for the month of February 2023 was 3.43% with an annualized rate from March 2022 to February 2023 of 1.96%. As of March 2023, First 5 LA had \$165.5 million invested in the Treasurer Pooled Surplus Investment.

The 3-Year Specific Investment has been earning approximately \$581,000 in monthly interest (See attached First 5 LA Monthly Investment Report) and a year-to-date interest totaling \$1.7 million from January through March 2023. As of the February 2023 report from the LA County Treasurer’s office, this investment had a market value of \$132.7 million (See attached LA County Treasurer Portfolio Report).

**COMMISSIONERS**

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*Chair*

Brandon Nichols  
*Vice Chair*

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**EXECUTIVE VICE PRESIDENT**

John A. Wagner



**KEITH KNOX**  
TREASURER AND TAX COLLECTOR

# COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 462, Los Angeles, California 90012  
Telephone: (213) 974-3385 Fax: (213) 626-1701  
[ttc.lacounty.gov](http://ttc.lacounty.gov) and [propertytax.lacounty.gov](http://propertytax.lacounty.gov)

Board of Supervisors  
**HILDA L. SOLIS**  
First District  
**HOLLY J. MITCHELL**  
Second District  
**LINDSEY P. HORVATH**  
Third District  
**JANICE HAHN**  
Fourth District  
**KATHRYN BARGER**  
Fifth District

April 5, 2023

Raoul Ortega, Director of Finance  
First 5 LA  
750 N. Alameda St., Suite 300  
Los Angeles, CA 90012

Email: [ROrtega@first5la.org](mailto:ROrtega@first5la.org)

## FIRST 5 LA MONTHLY INVESTMENT REPORTS

Dear Raoul Ortega:

Enclosed are the First 5 LA Portfolio Income Report (Earnings Report), Custom Position Report and Purchase Detail Report for the month ended March 31, 2023, for your review and reference.

Should you have questions, you may contact Ms. Marivic Liwag, Assistant Operations Chief, of my staff at (213) 584-1252, or [mliwag@ttc.lacounty.gov](mailto:mliwag@ttc.lacounty.gov).

Very truly yours,

**KEITH KNOX**  
Treasurer and Tax Collector



Jennifer Koai  
Operations Chief

JK:ML:eh

Enclosures



**Income Report - FIRST5LA**  
03/01/2023 - 03/31/2023

**Specific Purpose Invest Agg (299402)**  
Dated: 04/04/2023

SPI

Original Lot ID	Detailed Description	CUSIP	Coupon Rate	PAR Value	Interest/Dividend Received	Accretion Income	Amortization Expense	Interest Income	Net Gain/Loss	Net Income
932316984	FHLBANKS 5.200 11/03/25 '23	3130ATS81	5.200	50,000,000.00	0.00	0.00	0.00	216,666.67	0.00	216,666.67
941896663	FREDDIE MAC 5.210 11/14/25 '23 MTN	3134GX6S8	5.210	50,000,000.00	0.00	0.00	0.00	217,083.33	0.00	217,083.33
932316983	FHLBANKS 5.200 11/03/25 '23	3130ATS81	5.200	34,000,000.00	0.00	0.00	0.00	147,333.33	0.00	147,333.33
—	—	—	<b>5.204</b>	<b>134,000,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>581,083.33</b>	<b>0.00</b>	<b>581,083.33</b>

\* Grouped by: Aggregate Accounts. \* Groups Sorted by: Aggregate Accounts. \* Filtered By: LA Fund Number = "FIRST5LA". \* Weighted by: Ending Market Value + Accrued. \* Holdings Displayed by: Lots without MMF Collapse.



Custom Position Report - FIRST5LA

As of 03/31/2023

Specific Purpose Invest Agg (299402)

Dated: 04/04/2023

SPI

Original Lot ID	Detailed Description	CUSIP	Coupon Rate	Final Maturity	Purchase Yield	PAR Value	Amortized Cost	Historical Cost	Net Accumulated Amortization/Accretion
932316984	FHLBANKS 5.200 11/03/25 '23	3130ATS81	5.200	11/03/2025	5.200	50,000,000.00	50,000,000.00	50,000,000.00	0.00
932316983	FHLBANKS 5.200 11/03/25 '23	3130ATS81	5.200	11/03/2025	5.200	34,000,000.00	34,000,000.00	34,000,000.00	0.00
941898663	FREDDIE MAC 5.210 11/14/25 '23 MTN	3134GX6S8	5.210	11/14/2025	5.210	50,000,000.00	50,000,000.00	50,000,000.00	0.00
--	--	--	<b>5.204</b>	<b>11/07/2025</b>	<b>5.204</b>	<b>134,000,000.00</b>	<b>134,000,000.00</b>	<b>134,000,000.00</b>	<b>0.00</b>

\* Grouped by: Aggregate Accounts. \* Groups Sorted by: Aggregate Accounts. \* Filtered By: LA Fund Number = "FIRST5LA". \* Weighted by: PAR Value. \* Holdings Displayed by: Lots without MMF Collapse.



Purchase Detail Report - FIRST5LA

Specific Purpose Invest Agg (299402)

03/01/2023 - 03/31/2023

Dated: 04/04/2023

LA Fund Number	Original Lot ID	Description	Settle Date	Final Maturity	Coupon Rate	PAR Value	Principal	Purchased Accrued Income	Settlement Amount
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\* Grouped by: Aggregate Accounts. \* Groups Sorted by: Aggregate Accounts. \* Filtered By: Settle Date ≥ 03/01/2023 and Settle Date ≤ 03/31/2023 and LA Fund Number = "FIRST5LA". \* Weighted by: Ending Market Value + Accrued. \* Holdings Displayed by: Lot.  
\* Purchased Accrued Income = -[Purchased Accrued Income], Summary Calculation: Sum. \* Settlement Amount = [Ending Original Cost]+(-[Purchased Accrued Income]), Summary Calculation: Sum.

LOS ANGELES COUNTY TREASURER  
 TREASURER PORTFOLIO COMPARED TO MARKET VALUE  
 FOR THE PERIOD: FEBRUARY 1, 2023 TO FEBRUARY 28, 2023  
 FUND: POOLED SURPLUS INVESTMENTS  
 ATTACHMENT X

Security ID	CUSIP	Description	Maturity Date	Face Rate	PAR	Amortized Cost	Historical Cost	Market Value	
<b>AVCCD-ANTELOPE VALLEY CCD</b>									
821801195	3130AJTQ2	FEDERAL HOME LOAN BANKS	07/27/2040	2.030	25,230,000.00	25,230,000.00	25,230,000.00	16,160,319.60	
942605463	3130ATWDS	FEDERAL HOME LOAN BANKS	11/15/2023	4.625	1,200,000.00	1,200,000.00	1,200,000.00	1,195,152.00	
<b>FHLB TOTAL</b>						<b>26,430,000.00</b>	<b>26,430,000.00</b>	<b>17,355,471.60</b>	
<b>AVCCD TOTAL</b>						<b>26,430,000.00</b>	<b>26,430,000.00</b>	<b>17,355,471.60</b>	
<b>EL SEGUNDO UNIFIED SCHOOL DIST.</b>									
821801197	3133EH4Z3	FEDERAL FARM CREDIT BANKS FUNDING CORP	12/27/2039	3.250	9,000,000.00	9,000,000.00	9,000,000.00	7,562,610.00	
821801199	3133EH5A7	FEDERAL FARM CREDIT BANKS FUNDING CORP	12/26/2041	3.270	7,000,000.00	7,000,000.00	7,000,000.00	5,846,820.00	
<b>FFCB TOTAL</b>						<b>16,000,000.00</b>	<b>16,000,000.00</b>	<b>13,409,430.00</b>	
<b>ESUSD TOTAL</b>						<b>16,000,000.00</b>	<b>16,000,000.00</b>	<b>13,409,430.00</b>	
<b>FIRSTSLA</b>									
941898663	3134GX6S8	FEDERAL HOME LOAN MORTGAGE CORP	11/14/2025	5.210	50,000,000.00	50,000,000.00	50,000,000.00	49,513,000.00	
<b>FHLMC TOTAL</b>						<b>50,000,000.00</b>	<b>50,000,000.00</b>	<b>49,513,000.00</b>	
932318983	3130ATS81	FEDERAL HOME LOAN BANKS	11/03/2025	5.200	34,000,000.00	34,000,000.00	34,000,000.00	33,658,300.00	
932316984	3130ATS81	FEDERAL HOME LOAN BANKS	11/03/2025	5.200	50,000,000.00	50,000,000.00	50,000,000.00	49,487,500.00	
<b>FHLB TOTAL</b>						<b>84,000,000.00</b>	<b>84,000,000.00</b>	<b>83,155,800.00</b>	
<b>FIRSTSLA TOTAL</b>						<b>134,000,000.00</b>	<b>134,000,000.00</b>	<b>132,668,800.00</b>	
<b>PHHPA-PH HABITAT PRESERVATION AU</b>									
821801198	3133EMW65	FEDERAL FARM CREDIT BANKS FUNDING CORP	07/29/2041	2.500	22,675,000.00	22,675,000.00	22,675,000.00	15,517,636.25	
<b>FFCB TOTAL</b>						<b>22,675,000.00</b>	<b>22,675,000.00</b>	<b>15,517,636.25</b>	
821801196	3134GWS09	FEDERAL HOME LOAN MORTGAGE CORP	08/27/2043	2.000	9,500,000.00	9,500,000.00	9,500,000.00	5,618,490.00	
<b>FHLMC TOTAL</b>						<b>9,500,000.00</b>	<b>9,500,000.00</b>	<b>5,618,490.00</b>	
931461387	912796V48	UNITED STATES TREASURY	04/20/2023	4.240	4,000,000.00	3,978,444.45	3,914,257.78	3,974,520.00	
<b>UST BILL TOTAL</b>						<b>4,000,000.00</b>	<b>3,978,444.45</b>	<b>3,914,257.78</b>	<b>3,974,520.00</b>
<b>PHHPA TOTAL</b>						<b>36,175,000.00</b>	<b>36,151,444.45</b>	<b>36,089,257.78</b>	<b>25,110,646.25</b>
<b>GF-GENERAL FUND</b>									
821801187	35272RPVLAC	RPV TAX ALLOCATION BOND 1997	12/02/2027	5.000	2,475,000.00	2,475,000.00	2,475,000.00	2,475,000.00	
<b>LONG TERM BDS TOTAL</b>						<b>2,475,000.00</b>	<b>2,475,000.00</b>	<b>2,475,000.00</b>	
<b>GF TOTAL</b>						<b>2,475,000.00</b>	<b>2,475,000.00</b>	<b>2,475,000.00</b>	
<b>SCP61 - SCAQMD - GENERAL FUND</b>									
951495021	3133EN3M0	FEDERAL FARM CREDIT BANKS FUNDING CORP	12/05/2024	4.625	10,000,000.00	10,016,058.82	10,018,200.00	9,931,300.00	
<b>FFCB TOTAL</b>						<b>10,000,000.00</b>	<b>10,016,058.82</b>	<b>10,018,200.00</b>	<b>9,931,300.00</b>
821682789	91282CEA5	UNITED STATES TREASURY	02/29/2024	1.500	10,000,000.00	9,977,728.38	9,956,250.00	9,649,200.00	
<b>UST NOTES TOTAL</b>						<b>10,000,000.00</b>	<b>9,977,728.38</b>	<b>9,956,250.00</b>	<b>9,649,200.00</b>
<b>SCP61 - SCAQMD TOTAL</b>						<b>20,000,000.00</b>	<b>19,993,787.20</b>	<b>19,974,450.00</b>	<b>19,580,500.00</b>
<b>SCP6G - SCAQMD - INVESTMENT</b>									
821692793	91282CEA5	UNITED STATES TREASURY	02/29/2024	1.500	10,000,000.00	9,977,728.38	9,956,250.00	9,649,200.00	
<b>UST NOTES TOTAL</b>						<b>10,000,000.00</b>	<b>9,977,728.38</b>	<b>9,956,250.00</b>	<b>9,649,200.00</b>
<b>SCP6G - SCAQMD TOTAL</b>						<b>10,000,000.00</b>	<b>9,977,728.38</b>	<b>9,956,250.00</b>	<b>9,649,200.00</b>
<b>SCP9A - SCAQMD - FD 06 SPECIAL REVENUE FUND</b>									
821692784	91282CEA5	UNITED STATES TREASURY	02/29/2024	1.500	20,000,000.00	19,955,456.76	19,912,500.00	19,298,400.00	
<b>UST NOTES TOTAL</b>						<b>20,000,000.00</b>	<b>19,955,456.76</b>	<b>19,912,500.00</b>	<b>19,298,400.00</b>
<b>SCP9A - SCAQMD TOTAL</b>						<b>20,000,000.00</b>	<b>19,955,456.76</b>	<b>19,912,500.00</b>	<b>19,298,400.00</b>
<b>SCAQMD-SOUTH COAST AIR QUALITY MG</b>									
841762248	SOFCLAIFMMF	S OF C LAIF	12/31/2023		29,197.19	29,197.19	29,197.19	29,197.19	
888240922	SOFCLAIFMMF	S OF C LAIF	12/31/2023		69,421.99	69,421.99	69,421.99	69,421.99	
821801181	SOFCLAIFMMF	S OF C LAIF	12/31/2023		37,051,054.03	37,051,054.03	37,051,054.03	37,051,054.03	
928828368	SOFCLAIFMMF	S OF C LAIF	12/31/2023		126,406.68	126,406.68	126,406.68	126,406.68	
974008792	SOFCLAIFMMF	S OF C LAIF	12/31/2023		194,729.00	194,729.00	194,729.00	194,729.00	
<b>MMFUND TOTAL</b>						<b>37,470,808.89</b>	<b>37,470,808.89</b>	<b>37,470,808.89</b>	<b>37,470,808.89</b>
<b>SCAQMD TOTAL</b>						<b>37,470,808.89</b>	<b>37,470,808.89</b>	<b>37,470,808.89</b>	<b>37,470,808.89</b>
<b>SLIM-SCHOOLS LINKED INSURANCE MG</b>									
974008832	SOFCLAIFMMF	S OF C LAIF	12/31/2023		18,037.42	18,037.42	18,037.42	18,037.42	
928828246	SOFCLAIFMMF	S OF C LAIF	12/31/2023		11,708.84	11,708.84	11,708.84	11,708.84	
888240666	SOFCLAIFMMF	S OF C LAIF	12/31/2023		6,430.44	6,430.44	6,430.44	6,430.44	
858252079	SOFCLAIFMMF	S OF C LAIF	12/31/2023		2,704.49	2,704.49	2,704.49	2,704.49	
821801178	SOFCLAIFMMF	S OF C LAIF	12/31/2023		3,431,976.40	3,431,976.40	3,431,976.40	3,431,976.40	
<b>MMFUND TOTAL</b>						<b>3,470,857.59</b>	<b>3,470,857.59</b>	<b>3,470,857.59</b>	<b>3,470,857.59</b>
<b>SLIM TOTAL</b>						<b>3,470,857.59</b>	<b>3,470,857.59</b>	<b>3,470,857.59</b>	<b>3,470,857.59</b>
<b>WASIA-WHITTIER AREA SCHOOLS INS</b>									
021801182	SOFCLAIFMMF	S OF C LAIF	12/31/2023		41,459.88	41,459.88	41,459.88	41,459.88	
888240807	SOFCLAIFMMF	S OF C LAIF	12/31/2023		77.68	77.68	77.68	77.68	
928828020	SOFCLAIFMMF	S OF C LAIF	12/31/2023		141.45	141.45	141.45	141.45	
974008805	SOFCLAIFMMF	S OF C LAIF	12/31/2023		217.90	217.90	217.90	217.90	
841763124	SOFCLAIFMMF	S OF C LAIF	12/31/2023		32.67	32.67	32.67	32.67	
<b>MMFUND TOTAL</b>						<b>41,929.58</b>	<b>41,929.58</b>	<b>41,929.58</b>	<b>41,929.58</b>
<b>WASIA TOTAL</b>						<b>41,929.58</b>	<b>41,929.58</b>	<b>41,929.58</b>	<b>41,929.58</b>
<b>GRAND TOTAL</b>						<b>306,663,596.06</b>	<b>305,967,012.85</b>	<b>305,821,053.84</b>	<b>280,531,043.91</b>

**Agenda Item: 5**  
**Date: May 2, 2023**

**FIRST 5 LA**

**SUBJECT:**

Optimizing Our Effectiveness: Annual Audit – Entrance Interview

**BACKGROUND:**

The audit entrance interview presentation is an overview of the upcoming fiscal year 2022-23 annual financial audit.

**DISCUSSION:**

The presentation, which will be conducted by Kinnaly Soukhaseum, Partner, Eide Bailly LLP, is to communicate and discuss with the Board and management the audit process including the following topics:

- Audit scope – perform the audit of the annual comprehensive financial report and State Compliance issued by State Controller’s Office.
- Timeline – planning and interim fieldwork starts in June and ends in September/October with delivery of the annual report to First 5 LA.
- Auditors’ role and responsibilities – the audit is conducted using the U.S. Generally Accepted Auditing Standard and Government Auditing Standards. Eide Bailly will express an opinion about whether the financial statements that have been prepared by management with the oversight of the Commission are presented fairly, in all material respects in conformity with generally accepted accounting principles. The audit does not relieve management of its responsibilities.
- Approach to planning and risk assessment – auditors will test key business cycles including revenue, disbursements, payroll, investments, financial reporting, IT and budget.
- Final report and exit – prepare draft audit report and present any findings and recommendations as well as provide required communications to those charged with governance. (Audited financial report is required to be submitted to the State Controller’s Office and First 5 California by November 1<sup>st</sup>)

**COMMISSIONERS**

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

**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



**CPAs & BUSINESS ADVISORS**

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# **FIRST 5 LA – REQUIRED AUDIT COMMUNICATIONS**

For the Fiscal Year Ended June 30, 2023

May 2, 2023

# AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

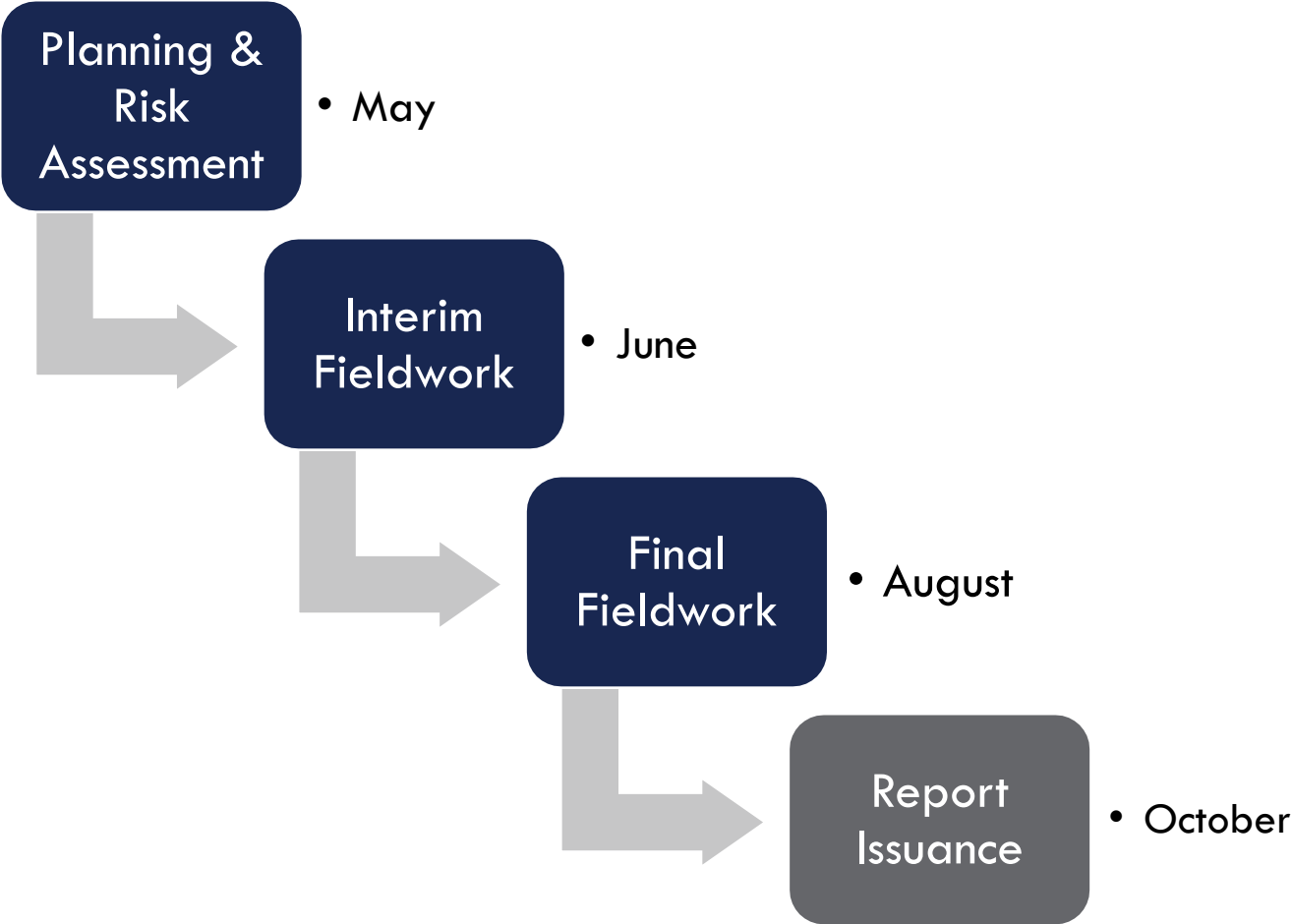
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## Scope of Work

- Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023
- State Compliance – Standards and Procedures for Audits of Local Entities Administering the California Children and Families Act issued by the State<sub>3</sub> Controller's Office

# AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

## Engagement Timing



# AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

## Our Responsibility

- U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*
- Express an opinion about whether the financial statements that have been prepared by management are presented fairly, in all material respects, in conformity with generally accepted accounting principles:
  - Reasonable, not absolute assurance
  - Audit does not relieve the management of its responsibilities
- Issue a report on state compliance with State Controller's Office guidelines

# AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

## Our Responsibility (continued)

- Our audit includes obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures:
  - Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity
  - Identify areas potentially more susceptible to misstatement, thereby requiring special audit considerations. These are designated by as “significant risks”. The following was identified as an area of significant risk:
    - Management override of internal controls
- No opinion on internal control will be expressed

# AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

## Our Responsibility (continued)

- Communicate other matters:
  - Qualitative aspects of accounting policies, accounting estimates and note disclosures
  - Difficulties encountered
  - Uncorrected misstatements
  - Material corrected misstatements
  - Disagreements with management
  - Management representations
  - Consultations with other accountants

# AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

## Planning, Risk Assessment and Interim:

- Meet with Management
- Obtain an understanding of the entity, its environment and risks
- Identify audit risk areas
- Inspect financial and other information
- Consider/inquire regarding fraud risks
- Understand the design and implementation of internal control
- Prepare risk assessment and audit plan
- Test key business cycles –
  - Revenue, Disbursements, Payroll, Investments, Capital assets, Financial reporting, Information technology, Budget<sup>18</sup>
- State Compliance – Guidelines issued by State Controller

# AUDITOR'S REQUIRED COMMUNICATION (AU-C 260)

## Final Fieldwork:

- Address key audit areas
- Perform tests, on a sample basis, on account balances and classes of transactions
- Prepare draft ACFR
- Test journal entries
- Assess accounting principles used and significant estimates
- Confirm contingencies with legal counsel
- Consider subsequent events

## Exit:

- Propose / discuss audit adjustments
- Present findings and recommendations
- Provide required communications to those charged with governance

# QUESTIONS?

This presentation is presented with the understanding that the information contained does not constitute legal, accounting or other professional advice. It is not intended to be responsive to any individual situation or concerns, as the contents of this presentation are intended for general information purposes only. Viewers are urged not to act upon the information contained in this presentation without first consulting competent legal, accounting or other professional advice regarding implications of a particular factual situation. Questions and additional information can be submitted to your Eide Bailly representative, or to the presenter of this session.

# THANK YOU

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CPAs & BUSINESS ADVISORS

# FY 2023-24 Budget and Long-Term Financial Plan

Combined Meeting of the Budget  
& Finance and Executive  
Committees

May 2, 2023



# Objectives

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1. Budget Process Overview
2. Budget Highlights
  - Components
  - Programmatic
  - Operating
  - Admin Cost Limit
3. Long Term Financial Plan Update
4. Next Steps

# Budget Process Overview

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- 1) Developed based on an analysis of historical spending, projected expenditures, multi-year contracted funding, and anticipated need.
- 2) Informed by the fiscal reality by applying a 5-10% estimated target budget below our established spending limits.

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# General Budget Highlights

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- 1) Continued focus on long-term sustainability
  - Restricted Board approved non-First 5 LA funding will offset expenditures (\$8.3 M)
- 2) Activities ramping down/sunseting consistent with terms
- 3) Proposed budget resources are anchored on the work priorities and fiscal realities
- 4) Some projects and activities were reorganized and consolidated to maximize efficiencies

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# Budget Components

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## Components of the FY 2023-24 Budget

1. Strategic Plan (Program)
  - a) Center for Child & Family Impact
  - b) Offices
2. Legacy Investments (Program)
3. Emerging Opportunities (Program)
4. Operating Budget (Internal Operations)

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# FY 2023-24 Budget Summary

Budget Component	FY 2022-23 Budget		Proposed FY 2023-24 Budget	Variance	
	Original	Revised			
<b>Program</b>					
<i>Center for Child &amp; Family Impact Total</i>	71,846,000	71,286,602	64,845,365	(6,441,237)	
<i>Offices Total</i>	9,552,000	9,423,000	11,347,917	1,924,917	
<b>Total 2020-2028 Strategic Plan</b>	<b>\$ 81,398,000</b>	<b>\$ 80,709,602</b>	<b>\$ 76,193,282</b>	<b>\$ (4,516,320)</b>	<sup>27</sup> -5.6%
<i>Legacy Investments</i>	2,200,000	1,800,000	2,027,000	227,000	
<i>Emerging Opportunities</i>	150,000	150,000	150,000	-	
<b>Total Program</b>	<b>\$ 83,748,000</b>	<b>\$ 82,659,602</b>	<b>\$ 78,370,282</b>	<b>(4,289,320)</b>	-5.2%
<b>Operating*</b>	22,245,086	22,207,086	20,746,542	(1,460,544)	-6.6%
<b>TOTAL BUDGET</b>	<b>\$ 105,993,086</b>	<b>\$ 104,866,688</b>	<b>\$ 99,116,824</b>	<b>\$ (5,749,864)</b>	<b>-5.5%</b>

\* Includes COE, EDO, Office of Equity, Strategy and Learning, and Program Ops

- Net decrease of \$5,749,864 or 5.5%
- Net decrease of approximately \$4.3 million (5.2%) in total programs spending
- Net decrease of approximately \$1.5 million (6.6%) in operating spending
- \$150,000 in Emerging Opportunity resources

# Diversifying our Funding (Other Revenue)

Budget Component	Proposed FY 2023-24 Budget
Program	\$ 78,370,282
Operating	20,746,542
<b>TOTAL BUDGET</b>	<b>\$ 99,116,824</b>
<b>OTHER REVENUE</b>	<b>\$ (8,288,000)</b>
<b>NET DEMAND ON F5LA RESOURCES</b>	<b>\$ 90,828,824</b>

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FUNDING SOURCE	PURPOSE	\$
F5CA Home Visiting Coordination Project	WB & SHV (Family Supports)	724,000
LACDMH	SHV Services in SPAs 1&2 (Family Supports)	4,580,000
F5CA Refugee Resettlement LA	Refugee Family Support Program in LA County (Communities)	64,000
F5CA IMPACT	IMPACT Legacy (ECE)	2,500,000
LACOE	QSLA Facilitator (ECE)	100,000
LACDPH - AAIMM	AAIMM (Health Systems)	320,000
	<b>TOTAL</b>	<b>\$ 8,288,000</b>

WB = Welcome Baby Hospitals

SHV = Select Home Visiting

AAIMM = African American Infant and Maternal Mortality initiative

# Center for Child & Family Impact

Budget Component	Revised FY 2022-23	Proposed FY 2023-24 Budget	Variance
<b>Program</b>			29
<i>Center for Child &amp; Family Impact</i>			
Family Supports	\$ 37,143,866	\$ 39,103,000	\$ 1,959,134
Communities	16,592,219	14,367,200	(2,225,019)
Early Care & Education	10,942,000	6,174,615	(4,767,385)
Health Systems	6,008,517	4,750,550	(1,257,967)
Center Support	600,000	450,000	(150,000)
<i>CCFI Total</i>	71,286,602	64,845,365	(6,441,237)

# Offices

Budget Component	Revised FY 2022-23	Proposed FY 2023-24	Variance
<b>Program</b>			30
<i>Offices</i>			
Office of Government Affairs & Public Policy	4,153,000	6,565,500	2,412,500
Office of Communications	3,597,000	3,187,417	(409,583)
Office of Data for Action	1,673,000	1,595,000	(78,000)
<i>Offices Total</i>	9,423,000	11,347,917	1,924,917

# Legacy Investment/Emerging Opportunities

---

## Legacy Investments

- One remaining investment prior to SP 2020-2028:
  - Little by Little/One Step Ahead
    - Anticipated to sunset in FY 2024-25

## Emerging Opportunities

- Proposed \$150,000 budget aligns with historical spending

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# Highlights: Operating Budget

OPERATING COST CATEGORY	FY 2022-23 Budget		Proposed FY 2023-24	Variance	
	Original	Revised			
Personnel Services	\$ 17,504,875	\$ 17,504,875	\$ 16,271,521	\$ (1,233,354)	-7.0%
Operating Services	1,655,678	1,661,678	1,618,995	(42,683)	-2.6%
Consultant Services	2,038,100	2,008,100	1,753,500	(254,600)	-12.7%
Professional Services	520,995	520,495	486,370	(34,125)	-6.6%
Travel Expenses	202,888	193,388	271,676	78,288	40.5%
Professional Development	322,550	318,550	344,480	25,930	8.1%
<b>Total Operating Costs</b>	<b>\$ 22,245,086</b>	<b>\$ 22,207,086</b>	<b>\$ 20,746,542</b>	<b>\$ (1,460,544)</b>	<b>-6.6%</b>

- 103 FTE budgeted for a full-year
- 2 FTE budgeted for one quarter, assuming Q4 hire date
- 3 vacant positions eliminated
- 12 vacant positions on a hire-freeze pending outcome of Strategic Plan Reset
- Benefits calculated at the single employee average salary/hourly rate for vacant positions
- 5% merit increase
- 3.5% rate of attrition rate

# Administrative Cost Limit (ACL)

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\$13.4 million or 13.5% of the total proposed FY 2023-24 budget

- Broad (Inclusive) Approach:
  - All costs for administrative teams, including the Executive Director's Office budget, Office of Communications operational costs, and the Center for Child and Family Impact Support costs, as well as 100% of salary/benefit costs for all Directors and Administrative Assistants
- Decrease of approximately \$656,000 compared to the FY 22-23 Mid-Year Revised ACL of \$14.03 million (13.38%). Percentage increased due to a decline in program costs in proportion to administrative costs.
- Estimates adhere to the LTFP recommendations adopted in 2020 to establish a 15% total annual cost cap on Administrative costs.

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# LONG-TERM FINANCIAL PLAN

# LTFP: Overview

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- Purpose of the LTFP: To aid in the Commission's financial stewardship role by providing a framework that shows the long-term implications of funding decisions.
- Our LTFP (plan period FY 2020-2028) is a spending plan – not a multi-year forecast. The plan includes: revenue, program commitments and operating expenditures that establish our spending ceilings. The plan also presents our fund balance through FY27-28.

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# LTFP: Overview

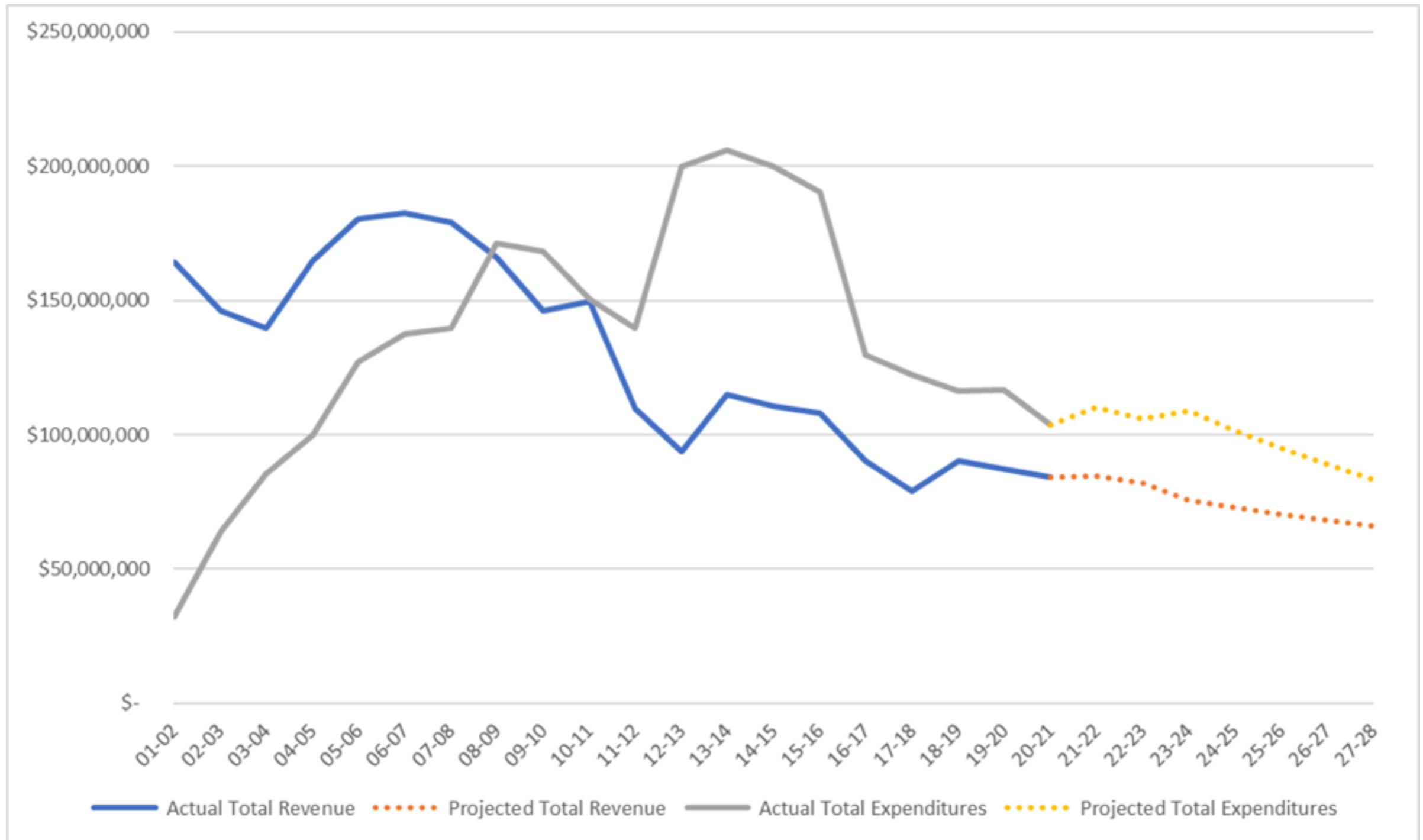
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- The FY23-24 Proposed Budget is adhering to the spending limit established by the Long-Term Financial Plan and approved by the Board in FY20-21
- The current process requires that we update the Plan estimates approved by the Board in July 2020 to capture the most recent audited fund balance, updated revenue forecasts, mid-year revised estimates, and the estimated expenditures for the proposed draft budget.

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# Revenue & Expenditure Projections (Apr 2022)

*Projections prior to Proposition 31*



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# Revenue & Expenditure Projections (Apr 2023)

## Projections after Proposition 31



# LTFP Assumptions

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1. Annual spending limits were established and approved by the Board in July 2020
  - Program costs represent 85% of total costs annually
  - Operational costs represent no more than 15% of total costs annually
  - ❖ Changes to revenue, proposed spending, and/or fund balance must be presented to the Board for review and approval
  
2. The annual spending rate of decline, beginning with FY24-25 through FY27-28, is approximately 6.47%, as approved in July 2020
  - Objective is a glide path through FY 2027-28 (end of 2020-2028 Strategic Plan)
  - Ending Fund Balance is approximately \$84.6M

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# LTFP Assumptions

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3. Proposition 10 revenue estimates align with the latest projections provided by F5CA, Department of Finance (DOF), and CA Department of Tax and Fee Administration (CDTFA), which includes a downward adjustment to projected revenues in reaction to Proposition 31 (ban on flavored tobacco).
4. Other revenue estimates are updated to align with updated confirmed and projected revenues
5. Reserve assumes 50% of the total budget beginning with FY20-21 in accordance with Resolution #2020-05 reviewed and approved by the Board in July 2020

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# Adjustments

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- Revenue estimates were updated to align with projections provided in April 2023 by the Department of Finance (DOF) and the California Department of Tax and Fee Administration (CDTFA).
  - Other revenue estimates are updated to align with updated confirmed and projected revenues
  - Other Revenue includes: First 5 CA, Los Angeles County Department of Public Health, Los Angeles County Department of Mental Health, and Los Angeles County Office of Education
- Internal Adjustment in response to the Proposition 56 revenue trend remains at a 1% downward adjustment, from FY24-25 through FY27-28, based on historic trends

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# Adjustments

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- FY21-22 Total Estimated Spending was revised to align with actual spending, per the audited financial statements
  - Revised from \$110.38M in estimated spending to \$96.80M in actual spending
- FY22-23 Total Estimated Spending was revised to align with the FY22-23 Mid-Year revised budget.
  - Revised from \$105.99M in estimated spending to \$104.87M in estimated spending
- FY23-24 Total Estimated Spending (board-approved spending limit) was revised to align with the FY23-24 Proposed Budget.
  - Revised from the \$101.67M spending limit established in the FY20-21 LTFP to \$99.1M in estimated spending for FY 23-24

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# Results

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- ✓ Accelerated decrease in projected revenue for FY22-23 through FY27-28
- ✓ Decrease in expenditures from FY22-FY24
- ✓ Decrease in Projected Available Ending FY27-28 Fund Balance from \$100.7M to \$84.6M

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# NEXT STEPS

# Next Steps

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- **May 2, 2023– Combined BFC/Exec Committee Meeting**
  - Overview of the Draft FY 2023-24 Budget and Updated Long-Term Financial Plan
- **May 4, 2023– Commission Meeting**
  - Information Item: High-level Overview of the Draft FY 2023-24 Budget, Discussion of Proposed Programmatic Expenses, and Overview of Updated Long-Term Financial Plan
- **June 8, 2023 – Commission Meeting**
  - Action Item: Final FY 2023-24 Budget and Updated Long-Term Financial Plan presented to the Board for action
- **TBD**
  - Staff will return to the Board in FY 2023-24 to present a Revised Long-Term Financial Plan with updated spending limits, in conjunction with the Strategic Plan Reset process

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THE END

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

# FY 2023-24 BUDGET



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# Memo

To: Budget and Finance Committee/Executive Committee

From: Karla Pleitéz Howell, Executive Director

Date: May 2, 2023

Subject: **FIRST 5 LA PROPOSED FISCAL YEAR 2022-23 BUDGET**

## Members of the Committees:

On behalf of the First 5 LA team, I am pleased to present the proposed budget for fiscal year (FY) 2023-2024. The proposed budget is presented to the Board at a time of transition between leadership, our ongoing efforts in the context of our Strategic Plan Reset, and the deepening impact to our fiscal reality from declining revenues prompted by the California ballot measure, Proposition 31<sup>1</sup>.

The detail of the proposed budget is captured in Attachment B. Attachment E provides a more granular overview of each Center, Team, and Office. This summary provides an overview of the work ahead across the organization and the deployment of First 5 LA's human assets.

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. The LTFP represents a framework for multi-year financial planning to manage continued reductions in tobacco revenues, including additional decreases prompted by the approval of Proposition 31.

With the passage of Proposition 31, the proposed budget for fiscal year 2023-24 is the product of the First 5 LA team leaning into our new fiscal reality. The budget reflects a reduction below the FY spending limit of \$101.6 million.

The budget for FY 2022-23 includes a total budget request of approximately \$99.1 million as presented in the table below. One note is that this amount will be offset by non-Prop 10 revenues by roughly \$8.3 million making the net demand of First 5 LA resources \$90.8 million.

<sup>1</sup> Proposition 31 was passed in November 2022 and prohibits the retail sale of certain flavored tobacco products.

<u>COMMISSIONERS</u>			<u>EX OFFICIO MEMBERS</u>	<u>EXECUTIVE DIRECTOR</u>	<u>EXECUTIVE VICE PRESIDENT</u>
Los Angeles County Supervisor	Judy Abdo	Summer McBride	Barbara Ferrer, Ph.D., M.P.H., M.Ed.	Karla Pleitéz Howell	John A. Wagner
Holly J. Mitchell	Robert Byrd, Psy.D	Maricela Ramirez	Jacquelyn McCroskey, DSW		
<i>Chair</i>	Astrid Heger, M.D.	Carol Sigala	Deanne Tilton		
Brandon Nichols	Yvette Martinez				
<i>Vice Chair</i>					

Budget Component	FY 2022-23 Budget		Proposed FY 2023-24 Budget	Variance
	Original	Revised		
<b>Program</b>				
<i>Center for Child &amp; Family Impact Total</i>	71,846,000	71,286,602	64,845,365	(6,441,237)
<i>Offices Total</i>	9,552,000	9,423,000	11,347,917	1,924,917
<b><i>Total 2020-2028 Strategic Plan</i></b>	<b>\$ 81,398,000</b>	<b>\$ 80,709,602</b>	<b>\$ 76,193,282</b>	<b>\$ (4,516,320)</b>
<i>Legacy Investments</i>	2,200,000	1,800,000	2,027,000	227,000
<i>Emerging Opportunities</i>	150,000	150,000	150,000	-
<b>Total Program</b>	<b>\$ 83,748,000</b>	<b>\$ 82,659,602</b>	<b>\$ 78,370,282</b>	<b>(4,289,320)</b>
<b>Operating*</b>	22,245,086	22,207,086	20,746,542	(1,460,544)
<b>TOTAL BUDGET</b>	<b>\$ 105,993,086</b>	<b>\$ 104,866,688</b>	<b>\$ 99,116,824</b>	<b>\$ (5,749,864)</b>

\* Includes COE, EDO, Office of Communications, and Program Ops



## ATTACHMENT A:

# FY 2023-24 BUDGET - HIGHLIGHTS

**ATTACHMENT A:  
FY 2023-24 BUDGET – HIGHLIGHTS**

The FY 2023-24 Budget represents resources that will support Year 4 implementation of the 2020-2028 Strategic Plan, which was approved by the Commission in November 2019. Each year we refine our budgets, informed by experience and learning. This budget is the culmination of internal collaboration and work planning across teams, alignment of program costs to our strategic direction and fiscal realities of a sharp decline in 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 activities and resources proposed reflect 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, even as we find ourselves responding to recent legislative changes that have resulted in a nearly 10.4% decline in tobacco tax funding from FY 2022-23 to FY 2023-24. The impact from the Proposition 31 ballot, prohibiting the sale of certain flavored tobacco in California has forced us to think more critically and creatively about how we employ our funds for greatest impact. This has led to greater clarity around how we 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. Our approach will continue to evolve as we proceed with the Strategic Plan Reset, an opportunity to revisit and update key elements of our Strategic Plan in an effort toward greater alignment of the Commission’s objectives and fiscal realities with the evolving needs of the children and families we serve.

Proposed program and operating budget resources will be drawn from the Assigned category of the fund balance. At the time of budget approval, requested program resources will shift from the Assigned resource category to the Committed category and operating resources will shift from the Assigned resource category to the Unassigned.

This FY 2023-24 Budget Highlights document provides a general high-level overview of budget requests at the Team/Office/Center level, specifically calling out investments that are new, large, high-profile, or Commission priorities. The document is organized into four sections as detailed in the outline below:

- I. Budget Overview
  - A. Budget Development Context
    - o Format and Approach to the FY 2023-24 Budget
  - B. Overall Budget Summary
  - C. Program Costs Summary
    - 1) 2020-2028 Strategic Plan
      - 1A. Center for Child & Family Impact
        - a. Family Supports Team
        - b. Communities Team
        - c. Early Care & Education Team
        - d. Health Systems Team
        - e. Center Support Team
      - 1B. Offices
        - f. Office of Government Affairs & Public Policy

- g. Office of Communications
- h. Office of Data for Action
- 2) Legacy Investments
- 3) Emerging Opportunities
- D. Operating Budget (Internal Operations)
- II. Revenue Assumptions
- III. Impact on Fund Balance
- IV. Administrative Cost Limit

It is important to note the distinction and inter-relationship between our Program Costs Summary, which represent our external work, and Operating Budget (Internal Operations), which represent our work to improve our workplace and operational effectiveness. Aligned with First 5 LA's adapted structure, the teams listed under Program Costs Summary above lead First 5 LA's external, systems change work. Teams such as those within the Center for Operational Excellence (e.g., Finance, Information Technology, and Contract Administration and Purchasing) as well as the Executive Director's Office, and Office of Equity, Strategy, and Learning, and Human Resources and Talent Management focus on First 5 LA's internal policies, processes, culture, and physical assets – all of which enable our external work. Proposed resources supporting the work of these teams are reflected in the Operating Budget.

Further detail on Program and Operating Budget requests by each team is provided in Attachments C and E. While the budget document is intended to provide broad parameters around programmatic spending, it is important to note that much of the information included is subject to change, as funding requests were generated using the latest information available at the time the budget was developed. In addition, activities or funding estimates for contracts that have yet to be negotiated may be revised as appropriate. Formal budget adjustments will be included as part of the mid-year adjustment process, as needed.

Key budget and supporting documents are organized as follows:

Attachment A: FY 2023-24 Budget – Highlights

Attachment B: Budget Summary - Programs

Attachment C: Program Budget Detail

Program Budget – Detail by Program

Attachment D: Operating

- Operating Costs Summary
- Administrative Limit Calculation
- Schedule of Authorized Positions

Attachment E: Operating Budget Detail

- Center/Office/Team Cover Page
- Operating Budget – Summaries & Detail by Center/Office/Team

For Attachment C, program detail is organized in order of the FY 2023-24 Program Summary. For Attachment E, operating detail is organized by the Center by Team/Office.

## I. BUDGET OVERVIEW

The FY 2023-24 Budget framework aligns with the current 2020-2028 Strategic Plan and strategic priorities. Each of our projects aligns with at least one 2020-2028 Strategic Priority. The four Strategic Priorities are defined below:

Strengthen Public and Community Systems: Improve, integrate and expand family-centered systems of early prevention, intervention.

Advance and Build on Community Experience: Connect, maximize and coordinate public resources, local assets and relationships.

Expand Influence and Impact with Data: Expand the availability, use and power of data.

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

As the organization is currently amid the Strategic Plan Reset process, a few of the original 2020-2028 Strategic Plan components will be revisited and reassessed, including the Strategic Plan priorities. We will continue to filter investments through the lens of the Strategic Plan, our fiscal reality, and any corresponding changes to promote greater alignment of work across functions and teams.

### A. BUDGET DEVELOPMENT CONTEXT

#### ***Format and Approach to the FY 2023-24 Budget***

As we journey into year four of the strategic plan, the budget structure has evolved to further align with the 2020-2028 Strategic Plan structure. We do anticipate that this budget structure will continue to evolve next year in response to the Strategic Plan Reset and the revised Long Term Financial Plan to better align with our fiscal reality and more adequately represent resources that will support the strategic plan direction moving forward through FY 2027-28.

The purpose of the FY 2023-24 Budget is to set the context and provide a proposal for spending on Commission priorities. To maintain fiscal control, we define Budget Authority as a spending cap, and thus have developed the budget based on spending estimates—rather than negotiated contract amounts—so staff has the flexibility to manage contracts within a budget unit without having to return to the Commission. We have generated program-level budget requests that include the program purpose, expected use of funding, and the methodology used to determine the funding level. Other notable approaches to the FY 2023-24 Budget includes:

1. A total budget that is below the FY 2023-24 \$101.67 million spending limit outlined in the long-term plan approved by the Board in July 2020, in response to Proposition 31.
2. An increase in external funds being used to support or offset the activities earmarked for FY 2023-24 (\$8.3 million).
3. The elimination of three vacant full-time equivalent (FTE) positions, reducing the total revised FTE count to 117. Of the 117 FTE, 12 FTE are on-hold for FY 23-24, pending the outcome of the Strategic Plan Reset.
4. Resources in support of work-related travel have increased as the declaration of the COVID-19 public health state of emergency is set to expire in May 2023.
5. A full year of mobile phone/internet stipends are included in the operating budget to support the needs of staff as we transition from a full-time telework/soft hybrid model, in response to the global pandemic, to a full-time hybrid model in July 2023.

As an organization, we will continue to filter our investments through a diversity, equity and inclusion lens to ensure we are engaging and operating in a manner that is reflective and responsive to the needs of our communities. Additional funding changes are noted in the pages that follow.

## B. OVERALL BUDGET SUMMARY

The total FY 2023-24 Budget is presented in a summary schedule in Attachment B. As shown in the following high-level table, the Budget totals \$99.1 million, a decrease of approximately \$5.7 million, or 5.5% compared to the FY 2022-23 revised budget of \$104.9 million. Costs are estimated to decrease by 5.2% for programs and decrease by 6.6% for operating costs.

Budget Component	FY 2022-23 Budget		Proposed FY 2023-24 Budget	Variance
	Original	Revised		
<b>Program</b>				
<i>Center for Child &amp; Family Impact Total</i>	71,846,000	71,286,602	64,845,365	(6,441,237)
<i>Offices Total</i>	9,552,000	9,423,000	11,347,917	1,924,917
<b>Total 2020-2028 Strategic Plan</b>	<b>\$ 81,398,000</b>	<b>\$ 80,709,602</b>	<b>\$ 76,193,282</b>	<b>\$ (4,516,320)</b>
<i>Legacy Investments</i>	2,200,000	1,800,000	2,027,000	227,000
<i>Emerging Opportunities</i>	150,000	150,000	150,000	-
<b>Total Program</b>	<b>\$ 83,748,000</b>	<b>\$ 82,659,602</b>	<b>\$ 78,370,282</b>	<b>(4,289,320)</b>
<b>Operating*</b>	<b>22,245,086</b>	<b>22,207,086</b>	<b>20,746,542</b>	<b>(1,460,544)</b>
<b>TOTAL BUDGET</b>	<b>\$ 105,993,086</b>	<b>\$ 104,866,688</b>	<b>\$ 99,116,824</b>	<b>\$ (5,749,864)</b>

\* Includes COE, EDO, Office of Communications, and Program Ops

The FY 2023-24 Budget reflects a net decline in spending, consistent with the decline of revenues and long-term strategic direction.

## C. PROGRAM COSTS SUMMARY

### 1) 2020-2028 STRATEGIC PLAN

This category includes estimated resources in support of the current iteration of the 2020-2028 Strategic Plan. Costs represent estimated resources to support both ongoing and new work related to the anticipated Year 4 activities of the 2020-2028 Strategic Plan, based on implementation work done to date. These costs and activities are not reflective of strategic plan changes anticipated as part of the Strategic Plan Reset process, as work and efforts in that endeavor are in the early stages of development. Additionally, our ongoing experience has identified that systems change efforts require time and effort to effectively develop the partnerships necessary to achieve the desired goals. However, a long-term emphasis on sustainability, particularly in light of recent changes to tobacco tax revenue, continues to undergird the investment decisions to advance results for children and families in our communities.

The 2020-2028 Strategic Plan programmatic costs are captured within two of the three organizational components: The Center for Child & Family Impact and the Offices.

Budget Component	Original FY 2022-23	Revised FY 2022-23	Proposed FY 2023-24	Variance
<b>Program</b>				
<i>Center for Child &amp; Family Impact</i>				
Family Supports	\$ 38,170,000	\$ 37,143,866	\$ 39,103,000	\$ 1,959,134
Communities	16,302,000	16,592,219	14,367,200	(2,225,019)
Early Care & Education Systems	10,942,000	10,942,000	6,174,615	(4,767,385)
Health Systems	5,832,000	6,008,517	4,750,550	(1,257,967)
Center Support	600,000	600,000	450,000	(150,000)
<i>CCFI Total</i>	<i>71,846,000</i>	<i>71,286,602</i>	<i>64,845,365</i>	<i>(6,441,237)</i>
<i>Offices</i>				
Office of Government Affairs & Public Policy	4,153,000	4,153,000	6,565,500	2,412,500
Office of Communications	3,597,000	3,597,000	3,187,417	(409,583)
Office of Data for Action	1,802,000	1,673,000	1,595,000	(78,000)
<i>Offices Total</i>	<i>9,552,000</i>	<i>9,423,000</i>	<i>11,347,917</i>	<i>1,924,917</i>
<b>Total 2020-2028 Strategic Plan</b>	<b>\$ 81,398,000</b>	<b>\$ 80,709,602</b>	<b>\$ 76,193,282</b>	<b>\$ (4,516,320)</b>

#### 1A. Center for Child & Family Impact

The Center for Child and Family Impact (CCFI), includes: Family Supports, Communities, Early Care & Education Systems, Health Systems and the Center Support Team. CCFI continues to leverage its talent and resources to create impact through partnerships and systems change. More information is included below and in Attachment C.

##### Family Supports (\$39,103,000)

The Family Supports FY 2023-24 budget is largely comprised First 5 LA's continued investments in Welcome Baby Hospitals (WBH) and Select Home Visiting (SHV), which combined comprise a total of \$32.5 million of 83.0% of the total Family Supports budget.

At approximately 41.4% of the overall programmatic budget, not adjusting for external funding to offset costs, home visiting is the single largest investment for First 5 LA. Informed by our fiscal reality, staff are thinking through how to evolve our home visiting strategy more intentionally towards improving systems infrastructure and facilitating sustainability. To address sustainability, the Family Supports team will build infrastructure and capacity to support home visiting sustainability strategies, including engagement with managed care plans; partner with the Los Angeles County Department of Mental Health (LACDMH) to access Mental Health Services Act (MHSA) Prevention and Early Intervention (PEI) funds for home visiting; and develop and integrate home visiting referral pathways with complementary family-services and systems. This year's Family Supports program budget is anticipated to be offset by a total of \$5,086,000 in funding from LACDMH (\$4,362,000) to support SHV services in SPAs 1 and 2, and funding from First 5 California (\$724,000) to support coordination and collaboration efforts towards a unified home visiting system. In addition, the DMH partnership and award includes \$218,000 to support First 5 LA's Family Supports indirect/operational costs, for a total of \$5,304,000 in alternative funding for FY 2023-24.

Additional project costs proposed for FY 2023-24 include resources to ensure the consistent high-quality application and adherence to program fidelity by Welcome Baby and Select Home Visitation providers. It also includes funds to support the ongoing hosting and maintenance of the Welcome Baby and Select Home Visiting client tracking database, funds to support consultation and guidance in family strengthening strategies and, impact studies of Welcome Baby within the Best Start geographies.

The above represents some examples of the costs included within the FY 2023-24 Family Supports Team budget.

For further information and detail on the FY 2023-24 Family Supports Team program budget amounts and activities please refer to Attachment C.

#### Communities (\$14,367,200)

The Communities Team focuses on partnering with others to lead and fund systems change activities which promote parent and community engagement to advance efforts that result in families having access to the resources, opportunities, and relationships necessary to optimize their child's development across the five Best Start Regions (14 Best Start Geographies). A key component of the Communities Team budget are the Regional Network grantees (RNGs). Of the proposed FY 2023-24 costs within the Communities Team budget, 90.5% or \$13.0 million is driven by the Best Start Regional Network grantees.

The five RNGs represent a network of partners that work together to achieve outcomes aligned with community priorities at regional and local levels. Intentional collaboration and partnership are at the center of this work. Examples of this work across the five RNGs include parent/resident capacity building and leadership development, community change work, regional learning, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and organizational capacity building. Due to the fiscal realities of declining revenues, and our commitment to sustainability, the RNGs are on a gradual annual rate of decline, reducing costs by 10% across each of the five RNGs for FY 2023-24.

This team budget also includes funds to create a collective space for RNGs to build relationships, learn about each other's work and identify cross-cutting issues to explore together, as well as resources to meaningfully engage key networks and key stakeholders, cross-sector learning structure and processes with partners to understand the impact of the Best Start effort within the Best Start geography and the broader LA County environment. Additional funding will also be used to support the use and analysis of data to understand and elevate community priorities and better inform the focus of policy and systems change efforts. External funding in the amount of \$64,000 from First 5 California will also be used to fund the Refugee Family Support pilot project which is set to expire in FY 2023-24.

The above represents some examples of the budgets and costs included within the FY 2023-24 Communities Team budget.

For further information and detail on the FY 2023-24 Communities Team program budget amounts and activities please refer to Attachment C.

#### Early Care and Education (ECE) Systems (\$6,174,615)

ECE activities for FY 2023-24 include, but are not limited to, Kindergarten Readiness Assessment (KRA), County ECE Infrastructure Support, and Universal Preschool, as well as Quality Support System work that support the Quality Start Los Angeles (QSLA) system infrastructure model, such as IMPACT Legacy, QSLA Database and QSLA Facilitation and Communications.

This year's ECE Systems program budget is anticipated to be offset by a total of approximately \$2,600,000 in funding from First 5 California IMPACT (\$2,500,000) and the Los Angeles County Office of Education (LACOE) (\$100,000). Both non-First 5 LA Proposition 10 funding streams will support the continued implementation of the QSLA model and the infrastructure of the system including facilitation of the governing body and data system.

Ongoing investments in Universal Preschool will primarily support LACOE and/or the County Office for the Advancement of Early Care and Education (OAECE) in planning efforts, but funds may also be used to support developing and executing a communications plan to aid families in navigating new child care options. In its final year of funding, the Kindergarten Readiness Assessment (KRA) program will fund UCLA and the Long Beach Unified School District as all other KRA partners are expected to sunset their agreements at the end of FY 2022-23. Funds for FY 2023-24 will be used for collateral creation and distribution to communities, data dissemination, analysis and distribution of the last round of Early Development Instrument (EDI) data collected in FY 2022-23, as well as support UCLA in providing technical assistance to support current and former KRA partners in navigating the final data, updating data reporting tools and maintaining a peer learning network.

For further information and detail on the FY 2023-24 Early Care & Education Team program budget amounts and activities please refer to Attachment C.

#### Health Systems (\$4,750,550)

In FY 2023-24, the Health Systems team will continue to work to improve the health care system with a focus on serving children with or at-risk of developmental and behavioral delays through the Early Identification and Intervention (EII) work, as well as investing in decreasing the disparities in birth and other health care outcomes for African American women and children in L.A. County.

The primary workstream of the Health Systems budget in FY 2023-24 will be used in support of strengthening early identification and intervention efforts in L.A. County, including the implementation of the Help Me Grow LA model's key components in LA County (HMG LA), in partnership with the Los Angeles County Department of Public Health (LACDPH). Costs include activities to co-implement, in partnership with LACDPH, the four core components of the model:

1. Child Health Provider Outreach: Efforts to strategically engage, outreach and train child healthcare providers to support early detection of developmental delays and the receipt of early intervention/care coordination.
2. Community and Family Engagement: Efforts to strategically outreach to educational providers, social service agencies and community-based agencies to promote use of HMG and to provide networking opportunities among families and service providers.
3. Data Collection and Analysis: Efforts to undertake data collection and research to understand all aspects of the HMG system including the identification of gaps and barriers; and

4. Centralized Access Point: Established access platform(s) and county infrastructure (e.g., web-based, telephone, in-person, smartphone apps, chat/text, etc.) for identifying resource and referral and facilitating linkage to appropriate services and supports.

Funding this year will also support the final month of a three-year partnership with Los Angeles County Department of Health Services (LACDHS) to support trauma informed approach data collection, tracking and evaluation at their Strong, Healthy and Resilient Kids (SHARK) clinic.

First 5 LA and LACDPH are continuing their joint efforts to lead and invest in the African-American Infant and Maternal Mortality (AAIMM) project whose objective is to improve pregnancy, birth and infant outcomes, improve family wellbeing, and decrease the high rates of Black infant and maternal deaths in L.A. County. This initiative is following a six-year action plan to reduce the gap in disparate infant mortality rates by 30% by 2024. Funding will be used to support a public awareness campaign (co-funded by the LACDPH), pooled funds that directly support community-based projects that consult, inform, and engage the community, an investment in a multi-sector hospital quality improvement initiative and funding to support LA-based systems change efforts to inform future black birthing justice work and priorities.

For further information and detail on the FY 2023-24 Health Systems Team program budget amounts and activities please refer to Attachment C.

#### Center Support (\$450,000)

In FY 2023-24 the Center Support Team will continue to invest in Strategic Cross-Cutting Funder Partnerships, County Partnerships, and Sustainability efforts through a number of projects.

County Partnerships are anticipated to address: prevention and infrastructure more broadly, as well as the cultivation of opportunities to partner with the County in a manner that aligns with our Strategic Plan goals. Proposed resources and activities will also address: infrastructure support for sustainability and health planning, and cross-sector partnerships to network and collaborate with key partners to marshal public and private resources to support County initiatives that are aligned with First 5 LA priorities.

For further information and detail on the FY 2023-24 Center Support Team program budget amounts and activities please refer to Attachment C.

#### 1B. Offices

The Offices centralize and support key functions reporting directly to the Executive Director, including: The Office of Communications, Office of Data for Action, Office of Equity, Strategy, and Learning, and the Office of Government Affairs & Public Policy. The Office of Equity, Strategy, and Learning (OESL) continues to coordinate, facilitate and support organization-wide processes included, but not limited to: Strategic Plan Reset and the design and implementation of change management strategies to help staff engage in the strategic plan reset while strengthening relationships and capacity for implementation. As OESL has not identified any programmatic resources for FY 2023-24 costs to support OESL's functions are included within the Operating Budget and within Attachment E.

### Office of Government Affairs & Public Policy (\$6,565,500)

FY 2023-24 investments in the Office of Government Affairs and Public Policy (OGAPP) will focus on core government affairs, advocacy and public policy functions including: lobbying, lobbying compliance, articulating organization-wide public policy change priorities, First 5 Association activities and developing strong relationships with elected officials. Additional investments will focus on advocacy and policy change priorities – in consultation with staff across the organization, advancing sustainability goals through influencing state and federal budgets, administrative guidance and policy development. OGAPP will also manage investments that were previously under the purview of other teams to support organization-wide advocacy efforts, manage First 5 LA's event sponsorships budget, refine a strategy for organization-wide sponsorships and partnership building efforts and lead the funding of conferences and events with the goal of advancing the field of early childhood development.

The largest investment managed by OGAPP in FY 2023-24 is the integrated Early Childhood Policy Advocacy Fund (ECPAF) which represents approximately 61% of the OGAPP's budget. This investment intends to promote more aligned and holistic advocacy through a Whole Child and Whole Family lens. It will also bring together diverse advocacy voices whose work occurs and operates at the intersection of systems; support achievement of First 5 LA strategic and sustainability priorities; and reflect commitment to diversity, equity and inclusion.

For further information and detail on the FY 2023-24 Office of Government Affairs & Public Policy program budget amounts and activities please refer to Attachment C.

### Office of Communications (\$3,187,417)

In FY 2023-24, the Office of Communications will continue to communicate the impact of the organization's work to internal and external audiences and work collaboratively across the organization to develop and implement strategic communications, marketing and internal communications efforts that build First 5 LA's reputation as an advocate, systems change agent and trusted source of information.

Communications strategies built in partnership with Centers, Teams and Offices will engage decision-makers, including parents and caregivers, communities, and elected officials on early learning, health care delivery systems and child development topics affecting children under the age of 5 in LA County and statewide. One example is the Office of Communication's ongoing work with the Office of Government Affairs and Public Policy to design communications strategies and deploy targeted tactics to reach and engage key decisionmakers on First 5 LA's policy and advocacy priorities.

This year's budget includes resources for strategy development, public relations, agency-wide translation and interpretation services, as well as pooled-fund investment in supporting the capacity of news outlets to cover early childhood issues to help elevate their importance and urgency. It also includes funds to support the development of marketing content, production materials and assets to reach and engage target audiences internally and externally. Funds will also be used to support communication needs as First 5 LA transitions to a fully hybrid work model by building alignment and engagement between employees, Centers, Teams and Offices, as well as opportunities to strengthen First 5 LA's brand, acknowledgement of our 25<sup>th</sup> Anniversary and the story of our impact in L.A. County and statewide, and strategies to communicate and amplify systems change priorities reflected in the 2020-2028 Strategic Plan Reset.

For further information and detail on the FY 2023-24 Office of Communications program budget amounts and activities please refer to Attachment C.

#### Office of Data for Action (\$1,595,000)

For FY 2023-24 resources in the Office of Data for Action will support the organization with measurement, evaluation and data-related endeavors, as well as managing the data and research investments that support the needs of the entire organization. This budget includes costs and activities that focus on advancing an organization-wide Data Strategy, as well as resources to support leading data partnerships with partners such as the Children’s Data Network, the Public Health Foundation Enterprise (PHFE) WIC, and the County of Los Angeles Chief Information Office to support First 5 LA’s systems change efforts, provide data for the Impact Framework, and align these partnerships with the Data Priorities identified in the Data Strategy.

In addition, resources in FY 2023-24 will support the continued refinement, alignment and implementation of the Impact Framework, achieving agreement on the purpose, goals and indicators, grounding the framework in the refined systems change outcomes from at least one public system, updating the measurement plan and including readily available data, as well as producing and disseminating reports and other products to engage staff, commissioners and key stakeholders in understanding the Commission’s impact. Funds will also be used to develop and submit First 5 LA’s Annual Report of investments and accomplishments to First 5 CA.

For further information and detail on the FY 2023-24 Office of Data for Action program budget amounts and activities please refer to Attachment C.

## **2) LEGACY INVESTMENTS**

These investments are existing multi-year programs representing ongoing work of the Commission that is expected to end according to the terms of the project approval. Any continued funding beyond the previously approved timeframe and amount will be subject to criteria approved by the Commission, such as alignment with the Strategic Plan through the expiring initiative assessment process, consistent with the First 5 LA Governance Guidelines. There is one legacy investment remaining—Little by Little.

#### Little by Little/One Step Ahead (\$2,027,000)

The Little by Little/One Step Ahead initiative is a continuing investment intended to improve health, developmental and safety outcomes for newborns in low-income communities for families receiving services through the Women, Infants and Children (WIC) program in LA County. The initiative seeks to provide resources that the target population may not otherwise be able to afford, including early literacy and safety awareness education or counseling, along with vouchers for age-appropriate books, toys and safety items. In FY 2023-24, the initiative expects to provide services to over 50,000 unique WIC participants across 10 WIC site locations.

This investment with an original allocation of \$30 million is anticipated to fully expend the allocation in 2025.

### 3) EMERGING OPPORTUNITIES

Funds in this cost category are intended to provide flexibility to respond to and implement new or emergent opportunities that align with and further First 5 LA’s strategic plan goals. A total of \$150,000 is included in the FY 2023-24 budget to support these opportunities.

#### D. OPERATING BUDGET (INTERNAL OPERATIONS)

Based on an analysis of the work priorities and strategic outcomes we are seeking in alignment to the Strategic Plan, historical spending, as well as anticipated needs for FY 2023-24, the budget includes approximately \$20.7 million in support of First 5 LA’s operational costs.

The \$20.7 million represents a decrease of approximately \$1.5 million or 6.6% compared to the revised FY 2022-23 Budget, influenced primarily by downward spending in Personnel Services, Operating Services, Consultant Services, and Professional Services.

OPERATING COST CATEGORY	FY 2022-23 Budget				Proposed	
	Original		Revised		FY 2023-24 Budget	
Personnel Services	\$ 17,504,875	78.7%	\$ 17,504,875	78.8%	\$ 16,271,521	78.4%
Operating Services	1,655,678	7.4%	1,661,678	7.5%	1,618,995	7.8%
Consultant Services	2,038,100	9.2%	2,008,100	9.0%	1,753,500	8.5%
Professional Services	520,995	2.3%	520,495	2.3%	486,370	2.3%
Travel Expenses	202,888	0.9%	193,388	0.9%	271,676	1.3%
Professional Development	322,550	1.4%	318,550	1.4%	344,480	1.7%
<b>Total Operating Costs</b>	<b>\$ 22,245,086</b>	<b>100%</b>	<b>\$ 22,207,086</b>	<b>100%</b>	<b>\$ 20,746,542</b>	<b>100%</b>

*Note: Percentages have been rounded to the nearest whole*

Attachments D and E provide additional detail on the operating budget, based on the existing organizational structure.

#### Highlights and Assumptions:

The approximately \$1.5 million net decrease is driven by an overall decrease in several cost categories, largely driven by the strategic elimination of three vacant full-time equivalent (FTE) positions, a temporary hiring-freeze on 12 vacant positions for the fiscal year pending the outcome of the strategic plan reset, and a decrease in consultant support as major projects and activities have been completed (e.g. Procurement Reform Project and the design phase of Diversity Equity and Inclusion work). As shown in the summary tables and team budgets in Attachment E, the budget includes many increases and decreases within individual team budgets, and the following are highlights of the major spending categories.

The following are highlights of the major spending categories:

## Personnel Services

Approximately \$16.3 million, or 78.4%, of the total \$20.7 million in operating costs is for Personnel Services. This includes salaries and employee benefits, representing a decrease of about \$1,229,356 or 7% compared to the revised FY 2022-23 personnel budget. The overall decrease in personnel costs is primarily driven by the elimination of 3 previously vacant positions and a temporary hiring freeze on 12 vacant positions. The salary and benefit costs for the 12 positions that are placed on hold are not included in the budget, but the 12 positions are included as part of the FTE count for FY 2023-24 pending the outcome of the Strategic Plan Reset. Additionally, we have also adjusted the total personnel costs to account for short and long-term vacancies throughout the year by way of a 3.5% attrition rate as well as staggered hiring for 2 positions that are only budgeted for 3 months as anticipated quarter 4 hires. For budgeting purposes, a 5% merit adjustment has also been included as part of the personnel costs, with actual merit adjustments ranging from 5% and below. The personnel costs were assessed and aligned to meet the organization's staffing needs to achieve the strategic priorities. A complete schedule of authorized positions can be found in Attachment D.

## Operating Expenses

General operating expenses comprise \$1.6 million, or 7.8% of the total operating costs. This is a net decrease of approximately \$42,683 or 2.6% when compared to the revised FY 2022-23 operating services. There were increases and decreases in budgets across the organization. The most significant reductions were made to miscellaneous contingency by \$42,800 and to hardware and software Maintenance of \$52,500. Nearly \$33,000 of the reduction to miscellaneous contingencies belonged to Workplace Management team which is now defunct. The last couple years, there was an increase to support the costs related to the ongoing COVID-19 pandemic, ensuring that proper measures were taken to keep staff safe. These costs included any potential increase in security services and equipment and janitorial services, in response to COVID-19. Many of these expenses were satisfied in FY 2022-23 and fewer resources are required for FY 2023-24. The decreases in hardware and software maintenance are a result of a nearly \$30,000 reduction in Blackbaud Grantmaking licenses, \$7,500 in Windows server and conference calling subscriptions in IT. Another notable decrease in IT is under the equipment-rents and leases line item where IT has reduced the number of leased printers from 4 to 2 which has resulted in a \$13,200 adjustment. The nearly \$50,000 increase to Utilities is to provide funding for building utilities, including gas, water, and electricity in preparation for return to office work. There are also some increases to other line items but most notably a \$25,000 increase to building repairs and maintenance to cover general repairs and maintenance of the building including janitorial services, HVAC, plumbing, carpet cleaning, and electrical systems. Many of these increases are related to staff returning to the office two days a week on a hybrid work schedule.

## Consultant Services

The budget includes approximately \$1.75 million for Consultant Services, representing about 8.5% of the total operating costs and a decrease of approximately \$255,000, or 12.7% compared to FY 2022-23. Most of these costs are centralized within the IT and HRTM teams. The services in IT will be used for temporary specialized IT staffing support, Modis of nearly \$300,000, and IT consulting services that are above and beyond those that can be covered under the Modis contract. In the HRTM team, some notable cost drivers include expenses related to the Executive recruitment search firm of \$75,000, Compensation study implementation of \$50,000, Interactive Process Coordination and

Facilitation and Disability Policy Development of \$50,000, legal costs of \$30,000, and HR Specific Consultant Support of \$50,000.

### Professional Services

The budget includes approximately \$486,000 to support Professional Services, representing 2.3% of total operating costs and a \$34,000 or approximately 6.6% decrease in funding level compared to the revised FY 2022-23 budget. Resources will fund staff recruitment, web-based services, audit fees and miscellaneous bank charges.

### Travel Expenses

Travel Expenses comprise 1.3% of the total operating costs at approximately \$272,000, representing an increase of about \$78,000 or 40.5% compared to the revised funding for FY 2022-23. For FY 2023-24, resources anticipate the return of work-related staff travel, grounded in guidance and best practices per public health officials.

### Professional Development

Professional Development represents 1.7% of the total operating budget, at \$344,000. This budget includes a nearly \$26,000 increase in spending, or 8.1%, compared to the revised resources proposed in FY 2022-23. The largest driver behind the increase in Professional development is in leadership programs, as we see a roughly \$50,000 increase from FY 2022-23. The main contributors to this line item include coaching for Leadership team staff and costs associated with external staff professional development opportunities in programs such as Riordan Leadership Institute, Leadership LA, Leadership Southern California, Emerging Leaders Peer-to-Peer, CA Connection, CORO and other leadership programs. We see a \$45,000 reduction in the in-house training budget, as First 5 University will have a priority focus on DEI and manager specific leadership development. This line item is anticipated to increase in future years to reflect full implementation of First 5 University. The budgeted professional development funds included support equal-access staff training and Leadership Development opportunities through our Human Resources and Talent Management Team, as well as Team/Office-specific Professional Development needs. Despite the gradual decline in revenue, First 5 LA continues to prioritize staff training to ensure that our staff are well equipped to perform the key job functions needed to advance the desired short and long-term outcomes.

## **II. REVENUE ASSUMPTIONS**

First 5 LA's primary source of funding, Proposition 10 Tobacco Tax, has been on a gradual decline since FY 2004-05, however, approval of a recent California ballot measure prohibiting the sale of certain flavored tobacco products, Proposition 31, has prompted an accelerated decline in our primary source of funding effective November 2022. As Proposition 10 revenue trends continue on a downward trajectory, First 5 LA will continue to not only maintain but amplify its efforts to explore other alternative revenue generating sustainability strategies for the future as well as pursue opportunities to partner and leverage funding from other organizations to support the work of the Commission and children of LA County. Examples of this progress include: IMPACT dollars from First 5 California (F5CA), funding from F5CA to implement the Home Visiting Coordination and Integration (HVCI) project, funding from F5CA to provide Refugee Family Support services, resources from the Los Angeles County Department of Public Health (LACDPH) to continue to support and advance the African American

Infant and Maternal Mortality (AAIMM) strategic communications initiative, funding from the Los Angeles County Department of Mental Health (LACDMH) to support home visiting services in SPAs 1 and 2, and a partnership with the Los Angeles County Office of Education to continue to support Early Care and Education efforts for a total of \$8,288,000 anticipated for FY 2023-24.

First 5 LA is primarily funded through the Proposition 10 Tobacco Tax, 80% of which is distributed to the County Commissions based on their proportion of statewide births. Los Angeles County receives the greatest share, representing approximately 23-24% of the total County allocations. The Department of Finance (DOF) and California Department of Tax and Fee Administration (CDTFA) distribute the Commission revenue forecasts, which incorporates assumptions related to the State Board of Equalization's (BOE) administrative costs. As reflected in the First 5 LA Long-Term Financial Plans (LTFP), Proposition 10 tobacco tax revenue has been steadily decreasing since FY 2004-05 and is projected to continue to decline in future years as laws are amended to discourage smoking, such as Proposition 31, and overall fewer people take up smoking every year, according to the data. Tobacco tax funding for FY 2023-24 is projected at approximately \$58.8 million, a decrease of about \$6.8 million or 10.4% compared to the projected revenue for FY 2022-23. State projected revenue will continue to fluctuate, as is customary with projections. Staff will continue to work with and engage other county Commissions and the State First 5 Association to closely monitor, evaluate and discuss adjustments, Proposition 31 implications, or other significant deviations from CDTFA projections that may directly impact revenue.

The Commission is presently investing in two investment pools – the County surplus pool and a specific investment portfolio. For FY 2023-24, interest earnings from these investments are expected to yield approximately \$3.9 million in revenue and are projected using an estimated 1.3% rate of return on anticipated cash balances.

First 5 LA will continue to explore and identify new public and private revenues that could support our fiscal reality and advance our strategic goals, in alignment with the long-term financial plan and most recent iteration of the 2020-2028 Strategic Plan strategic priorities, which includes optimizing our effectiveness and addressing fiscal challenges by maximizing available revenue sources. Additional funding received throughout the year, both restricted and unrestricted, will be included and shared with the Board of Commissioner's when the FY 2023-24 Mid-Year Revised Budget is presented for review and approval or in the next Long-Term Financial Plan update, as applicable.

### **III. IMPACT ON FUND BALANCE**

It is important to note how the annual budget impacts First 5 LA's fund balance. As tobacco tax revenues that have supported the work to date continue to decline, spending is anticipated to continue to exceed the incoming revenue resulting in a commensurate decline in fund balance. Nevertheless, a portion of the budget is set aside for the fund balance reserve, which is calculated at 50% of the projected annual fiscal year budget per Board approval in July 2020. Based on the approved policy limit, the FY 2023-24 Reserve is calculated at \$49.8 million, an amount that is also classified as unassigned for fund balance purposes.

Additionally, First 5 LA's continued emphasis on sustainability and alternative revenues will also have an impact on the fund balance. In FY 2023-24, the total budget of \$99.1 million is offset by

approximately \$8.3 million in external funds to support the work in the fiscal year. As such, the net demand on the First 5 LA resources is \$90.8 million.

The annual budget, also per board policy, is approved by the Commission via Resolution, which formally commits the resources for purposes of the initiatives as outlined in the budget document. However, the Commission has in many instances already taken formal action via Resolution to commit funds to discrete multi-year allocations for specific initiatives. Funds for these multi-year allocations are set aside in the First 5 LA committed fund balance as designated for specific purposes. The balances of these funding allocations remain in committed fund balance until the Commission acts via Resolution to redirect the funds for other purposes.

To the extent that any amounts approved for the FY 2023-24 Budget do not exceed the remaining balance for these funding allocations, approval of the FY 2023-24 budget amounts for these initiatives will not commit additional dollars. The *projected* remaining allocation balances as of June 30, 2023 will be brought to the Board for reaffirmation on June 8, 2023 in conjunction with the approval of the FY 2023-24 Budget.

In contrast to the multi-year allocation balances for specific initiatives, only the annual appropriation approved for a fiscal year is shown as committed for fund balance purposes for programmatic investments without an approved multi-year allocation. Any unspent funds from the previous fiscal year for these investments return to the assigned fund balance, which represents funds available for use within the parameters set by the board-approved Strategic Plan.

Balances for all fund balance categories will not be finalized until the completion of the FY 2022-23 year-end audit and Comprehensive Annual Financial Report (Annual Report). Fund balance updates will be provided in the updated Long-Term Financial Plan.

#### **IV. ADMINISTRATIVE COST LIMIT**

Based on current policy and in compliance with the California Health and Safety Code governing the operations of First 5 LA, the Commission approves an annual administrative cost limit which is a percentage of the total budget. Though it does not set or mandate a limit, Proposition 10 does require all First 5 commissions to establish an administrative cost cap. As part of the approval of the annual fiscal year budget, First 5 LA approves an annual limit on the organization's administrative spending. While this administrative cost limit represents a percentage of the overall fiscal year budget, the Commission approves the limit at the dollar amount level. This is because administrative costs are generally not as fluid as other types of costs and cannot adapt quickly to respond to changes in actual spending levels. Through the Long-Term Financial Plan, the annual administrative limit has been designated as representing no more than 15% of total annual costs, unless otherwise approved by the Board.

The definition of administrative cost accounts for 100% of the following departments' costs: Executive Director's Office, Center for Operational Excellence, Board of Commissioners, Office of Communications, Contract Administration & Purchasing Team, Facilities Management, Finance Team, Human Resources and Talent Management Team, Information Technology Team and the Center for Child and Family Impact Support (Executive Vice President and Executive Assistant to the EVP).

In addition to these costs, the existing definition includes salary and employee benefit (S&EB) costs for Directors and Administrative Assistants in the following programmatic Teams/Offices: Communities Team, Early Care & Education Team, Family Supports Team, Health Systems Team, Office of Data for Action, Office of Government Affairs and Public Policy and the Office of Equity, Strategy and Learning.

This methodology, as reflected in the current Board-approved Administrative Cost Policy, represents a broad approach to the administrative limit calculation. For example, although the organization's Executive Director and Senior Leadership do not spend 100% of their time strictly on administrative activities, the entirety of their costs (salaries and benefits) are captured in the calculation of the administrative limit for the fiscal year.

Using the methodology noted above (further detail is provided as part of Attachment D), the administrative cost to support First 5 LA functions is projected to be \$13.38 million, or 13.5% of the total budget. The decrease from the previous year's revised \$14.03 million or 13.38% is due to cost reductions proposed in both program and operating budgets for FY 2023-24, as well as the elimination of Administrative costs related to the Work Place Management Team (absorbed into COE Support), the elimination of a vacant position in Work Place Management, and the hiring freeze applied toward 12 vacant positions including administrative positions, pending the outcome of the Strategic Plan Reset.



## ATTACHMENT B:

# FY 2023-24 BUDGET SUMMARY PROGRAMS

CENTER/TEAM/OFFICE	PROJECT NAME	REVISED FY 2022-23 BUDGET	FY 2023-24		VARIANCE	
			PROPOSED BUDGET	\$	CHANGE	
<b>2020-2028 STRATEGIC PLAN</b>						
<b>Center for Child and Family Impact</b>						
FAMILY SUPPORTS	Welcome Baby Hospitals	\$ 20,595,713	\$ 21,563,000	\$ 967,287	5%	
	Select Home Visiting Programs	10,466,153	10,909,000	442,847	4%	
	Deb Daro Consultation	20,000	20,000	-	0%	
	Family Strengthening Oversight Entity	3,800,000	3,800,000	-	0%	
	F5CA Home Visiting Coordination Project	21,000	724,000	703,000	3348%	
	Stronger Families Database	600,000	625,000	25,000	4%	
	Welcome Baby Impact Study	1,641,000	1,462,000	(179,000)	-11%	
<b>Sub-total Family Supports</b>		<b>\$ 37,143,866</b>	<b>\$ 39,103,000</b>	<b>\$ 1,959,134</b>	<b>5.3%</b>	
COMMUNITIES	Region 1: Central-East Regional Network	\$ 3,835,000	\$ 3,451,500	\$ (383,500)	-10%	
	Region 2: SLA Regional Network	4,378,000	3,940,200	(437,800)	-10%	
	Region 3: SFV Regional Network	2,022,000	1,819,800	(202,200)	-10%	
	Region 4: Port Cities Regional Network	2,309,000	2,078,100	(230,900)	-10%	
	Region 5: AV Regional Network	1,904,000	1,713,600	(190,400)	-10%	
	Communities of Practice	175,000	175,000	-	0%	
	Refugee Family Supports	290,219	64,000	(226,219)	-78%	
	Best Start Learning Agenda	818,000	540,000	(278,000)	-34%	
	Capacity Strengthening Learning Consortium	361,000	-	(361,000)	-100%	
	Activating Network Partners	225,000	350,000	125,000	56%	
Expand Regional Influence and Impact with Data Learning Dialogues	250,000	200,000	(50,000)	-20%		
	Learning Dialogues	25,000	35,000	10,000	40%	
<b>Sub-total Communities</b>		<b>\$ 16,592,219</b>	<b>\$ 14,367,200</b>	<b>\$ (2,225,019)</b>	<b>-13.4%</b>	
ECE	County ECE Infrastructure Support	\$ 180,000	\$ 200,000	\$ 20,000	11%	
	COVID Response Team	100,000	-	(100,000)	-100%	
	Kindergarten Readiness Assessment	3,060,000	800,000	(2,260,000)	-74%	
	Provider Advisory Group	185,000	314,615	129,615	70%	
	Universal Preschool	150,000	150,000	-	0%	
	Dual Language Learner	150,000	-	(150,000)	-100%	
	ECE Workforce Registry	495,000	-	(495,000)	-100%	
	Home-Based Child Care Strategy	594,000	1,210,000	616,000	104%	
	IMPACT Legacy	5,028,000	2,500,000	(2,528,000)	-50%	
QSLA Database	600,000	500,000	(100,000)	-17%		
QSLA Facilitation and Communications	400,000	500,000	100,000	25%		
<b>Sub-total ECE</b>		<b>\$ 10,942,000</b>	<b>\$ 6,174,615</b>	<b>\$ (4,767,385)</b>	<b>-43.6%</b>	
HEALTH SYSTEMS	Help Me Grow	\$ 4,565,000	\$ 3,375,550	\$ (1,189,450)	-26%	
	First Connections	112,000	-	(112,000)	-100%	
	AAIMM Birth Outcomes and Disparities – Policy and Systems Change	1,331,517	1,375,000	43,483	3%	
<b>Sub-total Health Systems</b>		<b>\$ 6,008,517</b>	<b>\$ 4,750,550</b>	<b>\$ (1,257,967)</b>	<b>-20.9%</b>	
CENTER SUPPORT	Bold Vision	\$ 75,000	\$ -	\$ (75,000)	-100%	
	Center for Strategic Partnerships	50,000	50,000	-	0%	
	County Partnership Fund	200,000	200,000	-	0%	
	Infrastructure Support for Sustainability and Health Planning	220,000	200,000	(20,000)	-9%	
	Medi-Cal Administrative Activities Implementation Support	5,000	-	(5,000)	-100%	
Southern California Grantmakers (SCG)	50,000	-	(50,000)	-100%		
<b>Sub-total Center Support</b>		<b>\$ 600,000</b>	<b>\$ 450,000</b>	<b>\$ (150,000)</b>	<b>-25.0%</b>	
<b>Sub-Total: Center for Child and Family Impact</b>		<b>\$ 71,286,602</b>	<b>\$ 64,845,365</b>	<b>\$ (6,441,237)</b>	<b>-9.0%</b>	
<b>Office of Government Affairs &amp; Public Policy</b>						
OFFICE OF GOVERNMENT AFFAIRS & PUBLIC POLICY	Early Childhood Policy and Advocacy Fund	\$ 1,500,000	\$ 4,000,000	\$ 2,500,000	167%	
	Policy Advocacy Fund Technical Assistance Provider	596,000	596,000	-	0%	
	Conference Funding to Advance the Field of Early Childhood Development	50,000	-	(50,000)	-100%	
	Organization-Wide Sponsorships	200,000	300,000	100,000	50%	
	Organizational Memberships	393,000	175,000	(218,000)	-55%	
	Organization-Wide Partnerships		175,000	175,000	N/A	
	Policy & Advocacy Stakeholder Engagement		180,000	180,000	N/A	
	Federal Policy and Sustainability Advocate	75,000	-	(75,000)	-100%	
	State Policy and Sustainability Advocate	366,000	320,000	(46,000)	-13%	
Strategic Plan Advocacy Strategies	973,000	819,500	(153,500)	-16%		
<b>Sub-Total: Office of Government Affairs &amp; Public Policy</b>		<b>\$ 4,153,000</b>	<b>\$ 6,565,500</b>	<b>\$ 2,412,500</b>	<b>58.1%</b>	

CENTER/TEAM/OFFICE	PROJECT NAME	REVISED FY 2022-23 BUDGET	FY 2023-24		VARIANCE	
			PROPOSED BUDGET	\$	CHANGE	
<b>Office of Communications</b>						
OFFICE OF COMMUNICATIONS	Strategic Communications	\$ 1,897,000	\$ 1,587,417	\$ (309,583)	-16%	
	Strategic Communications Partnerships	250,000	200,000	(50,000)	-20%	
	Strategic Marketing	1,450,000	1,400,000	(50,000)	-3%	
<b>Sub-Total: Office of Communications</b>		<b>\$ 3,597,000</b>	<b>\$ 3,187,417</b>	<b>\$ (409,583)</b>	<b>-11.4%</b>	
<b>Office of Data for Action</b>						
OFFICE OF DATA FOR ACTION	Annual Reporting	\$ 87,000	\$ 63,000	\$ (24,000)	-28%	
	Data Requests	5,000	5,000	-	0%	
	Children's Data Network (CDN)	793,000	723,000	(70,000)	-9%	
	County Data Partnership	147,000	75,000	(72,000)	-49%	
	WIC Data Mining Research Partnership	314,000	407,000	93,000	30%	
	First 5 LA Data Strategy	200,000	200,000	-	0%	
	Impact Framework	127,000	122,000	(5,000)	-4%	
<b>Sub-total Office of Data for Action</b>		<b>\$ 1,673,000</b>	<b>\$ 1,595,000</b>	<b>\$ (78,000)</b>	<b>-4.7%</b>	
<b>TOTAL 2020-2028 STRATEGIC PLAN</b>		<b>\$ 80,709,602</b>	<b>\$ 76,193,282</b>	<b>\$ (4,516,320)</b>	<b>-5.6%</b>	
<b>LEGACY INVESTMENTS</b>						
Little by Little/One Step Ahead	Little by Little/One Step Ahead Program	1,800,000	2,027,000	227,000	13%	
<b>TOTAL LEGACY INVESTMENTS</b>		<b>\$ 1,800,000</b>	<b>\$ 2,027,000</b>	<b>\$ 227,000</b>	<b>12.6%</b>	
Emerging Opportunities Fund	Emerging Opportunities Fund	\$ 150,000	\$ 150,000	-	0%	
<b>TOTAL FIRST 5 LA PROGRAM BUDGET</b>		<b>\$ 82,659,602</b>	<b>\$ 78,370,282</b>	<b>\$ (4,289,320)</b>	<b>-5.2%</b>	
<b>INTERNAL OPERATIONS</b>						
	Administrative Costs	\$ 14,032,076	\$ 13,376,226	\$ (655,850)	-5%	
	Program Costs	8,175,010	7,370,316	(804,694)	-10%	
<b>TOTAL INTERNAL OPERATIONS</b>		<b>\$ 22,207,086</b>	<b>\$ 20,746,542</b>	<b>\$ (1,460,544)</b>	<b>-6.6%</b>	
<b>TOTAL FIRST 5 LA BUDGET</b>		<b>\$ 104,866,688</b>	<b>\$ 99,116,824</b>	<b>\$ (5,749,864)</b>	<b>-5.5%</b>	

<b>NON- F5LA PROPOSITION 10 REVENUES</b>						
	F5CA Home Visiting Coordination Project	\$ 21,000	\$ 724,000	703,000	3348%	
	F5CA IMPACT	5,027,077	2,500,000	(2,527,077)	-50%	
	LACDPH - AAIMM	336,517	320,000	(16,517)	-5%	
	Medi-Cal Managed Care Plan	100,000	-	(100,000)	-100%	
	LACOE	100,000	100,000	-	0%	
	F5CA Refugee Resettlement LA	290,219	64,000	(226,219)	-78%	
	SHV: DMH Application for funding	-	4,580,000	4,580,000	N/A	
<b>TOTAL NON-F5LA PROPOSITION 10 REVENUES</b>		<b>\$ 5,874,813</b>	<b>\$ 8,288,000</b>	<b>\$ 2,413,187</b>	<b>41.1%</b>	

<b>TOTAL DEMAND ON F5LA RESOURCES</b>		<b>\$ 98,991,875</b>	<b>\$ 90,828,824</b>	<b>\$ (8,163,051)</b>	<b>-8.2%</b>
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	FY23-24 LTFP Limit	FY23-24 Proposed Budget	\$ Var	% Var
Budget vs LTFP Limit	\$ 101,665,101	\$ 99,116,824	\$ (2,548,277)	-2.5%
Budget (Demand on F5LA) vs LTFP Limit	101,665,101	90,828,824	(10,836,277)	-10.7%



## ATTACHMENT C:

# FY 2023-24 BUDGET PROGRAM DETAIL

# CENTER FOR CHILD & FAMILY IMPACT

# Family Supports Team

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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Initiative	Investment Category
Home Visiting	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Welcome Baby Hospitals	\$20,595,713	\$21,563,000	4.7%

**Program Summary**

The Welcome Baby program is a voluntary, universally provided hospital and home-based intervention for pregnant and postpartum women. The primary objective of Welcome Baby is to work with families to maximize the health, safety and security of the baby and parent-child relationship and to facilitate access to support and services when needed. The program is intended to be offered universally to all families regardless of income status, potential challenges or risk. The Welcome Baby program includes prenatal and postpartum home-based visits, as well as a hospital visit at the time of the child’s birth.

**Spending Plan and Funding Methodology**

The program budget of \$21,563,000 reflects an analysis based on budget amounts from previous fiscal years relative to actual expenditures. Given First 5 LA’s declining revenue, additional analysis was conducted including a Welcome Baby Right Sizing analysis as a result of decreasing number of births in the past decade in LA County. Similarly, birthing rates in Welcome Baby hospitals have decreased by an average of 31%; as such the budget incorporates reductions in personnel to align staffing structure to actual need. The Program Budget for FY 23-24 takes historical expenditure trends into account to provide a more accurate budget. Finally, the FY 23-24 program budget is anticipated to be less than the actual total contract amount but reflects the trend of anticipated expenditures.

The majority of contract expenses will be spent on personnel costs, with expenses for supplies, mileage, and client materials. The following were considered when developing the FY 23-24 estimate:

- Historical spending patterns
- Program related costs (mileage, supplies)
- Adjustment of grantee budgets to adjust and reflect anticipated expenditures
- Analysis of expenditure trends from prior fiscal years to align the programmatic budget with anticipated expenditures rather than contract amount

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Home Visiting	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Select Home Visiting Programs	\$10,466,153	\$10,909,000	4%

**Program Summary**

SHV programs are evidence-based, voluntary, home-based intervention programs for families identified as high risk and residing within a Best Start Community. The programs include home visits delivered weekly, every two weeks, or monthly, depending on the program model and family’s needs. Clients receive client-centered, strength-based information and support during visits with a focus on positive parenting behaviors and child development; information on key developmental topics such as attachment, discipline, health, safety, sleep, transition/routines; and family well-being.

**Spending Plan and Funding Methodology**

The program budget of \$10,909,000 reflects an analysis based on budget amounts from previous fiscal years relative to actual expenditures. The Department of Mental Health (DMH) is also in collaboration with First 5 LA to approve \$4,580,000 in Prevention and Early Intervention funds to support SHV services in SPA 1 and 2, including the addition of a licensed mental health clinician to enhance support and improve client outcomes (\$520,912). DMH funding will offset SHV programmatic expenditures by \$3,841,000 and decrease the demand on F5LA resources. Indirect fees from managing the DMH funds in the amount of \$218,000 will also offset the Family Supports operational budget. The FY 23-24 program budget is anticipated to be less than the actual total contract amount but reflects the trend of anticipated expenditures.

Most contract expenses will be spent on personnel, ongoing operating expenses and on costs such as supplies and mileage associated with client enrollment. The following factors were considered when developing the FY 23-24 estimate:

- Historical spending patterns
- Program related costs (mileage, supplies)
- Inclusion of licensed mental health clinician in SHV grantees in SPA 1 and 2 as part of DMH enhancement funds
- Adjustment of grantee budgets to adjust and reflect anticipated expenditures
- Analysis of expenditure trends from prior fiscal years to align the programmatic budget with anticipated expenditures rather than contract amount

**Change from Prior Year (if >+-20%)**

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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<b>Initiative</b>	<b>Investment Category</b>
Home Visiting	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Deb Daro Consultation	\$20,000	\$20,000	0%

**Program Summary**

A Procurement Exception Request was approved for Dr. Deb Daro in June 2015 to provide consultation about First 5 LA’s home visiting activities. Dr. Daro’s involvement and knowledge of the implementation of First 5 LA’s family strengthening strategies and extensive home visiting expertise has provided a unique combination and added value that is not available elsewhere. Dr. Daro’s contributions to date have been fundamental in informing evaluation study designs and measurement tools and techniques for First 5 LA’s family strengthening investments. Staff have also benefitted from her guidance in ensuring quality assurance strategies through the Family Strengthening Oversight Entity and policy consultation.

- Spending Plan and Funding Methodology**
- Dr. Deb Daro will provide consultation and support in the following areas:
- Assistance and guidance regarding ongoing quality assurance and improvement efforts;
  - Guidance to policy development staff on strategic opportunities at the State and Federal level;
  - Assistance to Family Supports Team on available system linkages for extending Welcome Baby reach and impact;
  - Guidance to inform the development, implementation, and oversight of the Welcome Baby Virtual Study and other home visiting evaluation efforts; and
  - Maintain regular contact with F5LA leadership and conduct onsite or virtual visits with staff and partners

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Home Visiting	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Family Strengthening Oversight Entity	\$3,800,000	\$3,800,000	0

**Program Summary**

The FSOE aims to ensure coordinated, high-quality services are offered across the system of participating providers. The FSOE oversees and supports the standardization of the Welcome Baby program to ensure adherence to program fidelity by the Welcome Baby providers across the county. The FSOE also provides programmatic technical assistance and support to the Select Home Visitation providers to support implementation and model fidelity. Additional responsibilities include the provision of technical assistance to providers utilizing First 5 LA's Stronger Families Database System; participation and coordination in the development of the Stronger Families Database System; facilitation of cross-site peer learning exchanges; and coordination and support of communication and messaging efforts. The FSOE also coordinates the Los Angeles County Perinatal and Early Childhood Home Visitation Consortium and participates in county-wide efforts to coordinate, enhance, expand, and advocate for high quality home visiting programs. Additionally, the FSOE plays a critical oversight role across program models and sites receiving multiple funding sources and utilizing the Stronger Families Database.

**Spending Plan and Funding Methodology**

In FY 23-24 the Family Strengthening Oversight Entity (FSOE) will:

- Coordinate and provide input to evaluation activities and study designs with First 5 LA Office for Data in Action, evaluation contractors, and Welcome Baby sites
- Coordinate and implement 2 Family Strengthening Cohort Trainings for Welcome Baby/Select Home Visiting providers (over 150 hours of training)
- Coordinate monthly technical assistance calls with Welcome Baby and Select Home Visiting providers
- Organize and conduct 2 Peer-to-Peer learning opportunities
- Provide program materials to providers across 14 Welcome Baby sites (including home safety items, bobby nursing pillows, infant books and developmental toys)
- Provide on-going programmatic and database technical assistance to Welcome Baby and Select Home Visiting providers
- Coordinate the Los Angeles County Perinatal and Early Childhood Home Visitation Consortium and participate in county efforts to coordinate across home visiting programs in LA County.
- Coordination and development of reports to support First 5 LA's pilot efforts with Managed Care Organizations.

Requested resources are consistent with historical expenditures and anticipated need. The following were taken into account when developing the FY 23-24 estimate:

- Anticipated merit increase for personnel
- Support for the Los Angeles County Perinatal and Early Childhood Home Visitation Consortium
- Inclusion of virtual trainings and meeting costs; and
- Funding to provide training, materials and technical assistance to grantees to support high performance and enhanced service delivery

<b>Change from Prior Year (if &gt;+-20%)</b>

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Home Visiting	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
F5CA Home Visiting Coordination Project	\$21,000	\$724,000	3348%

**Program Summary**

First 5 California Regional Technical Assistance for Home Visiting Coordination and Integration

**Spending Plan and Funding Methodology**

The First 5 California Regional Technical Assistance for Home Visiting Coordination and Integration Project represents external funding from First 5 California to support coordination and collaboration efforts towards a unified home visiting system.

**Change from Prior Year (if >+-20%)**

First 5 California released a Request for Applications for two years of external funding to provide regional technical assistance to support system building efforts and coordination between key partners. Los Angeles is eligible for up to \$1,454,689 across two-years to build and strengthen the home visiting system within the broader system of supports for children and families. The grant will help address: 1) continued building and strengthening systems coordination and integration activities; 2) implementation of community-informed policies, practices, and resources that center around families lived experience in all decisions; and 3) identifying and addressing system inequities.

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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Initiative	Investment Category
Home Visiting	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Stronger Families Database	\$600,000	\$625,000	4%

**Program Summary**

Welcome Baby and Select Home Visiting are critical components of the 2020-2028 Strategic Plan, and the Stronger Families Database is the administrative structure to track the clients served by these programs. This budget item will support and continue the build-out of the Stronger Families Database. These data will include client-level information on services, screening, and assessments.

**Spending Plan and Funding Methodology**

The Project Budget for the Stronger Families Database is \$625,000. Aside from the ongoing database hosting and maintenance, in FY 23-24 the system will continue to incorporate database changes due to the ongoing partnership with managed care plans, development of new referral pathways, and coordination with the Department of Public Health and Department of Social Services home visiting efforts. Funds will continue to support Tableau reporting and additional features requested by users. Finally, ongoing efforts to support evaluation and county-wide collaboration that require database modifications will also continue.

The breakdown of costs includes the following:

- Tableau Licenses and Database Hosting
- Contracted Services to support database modifications
- Database Technical Expertise and Engineers to develop database modifications

**Change from Prior Year (if >+-20%)**

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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Initiative	Investment Category
Home Visiting	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Welcome Baby Impact Study	\$1,641,000	\$1,462,000	-11%

**Program Summary**

The Board of Commissioners approved the Welcome Baby Impact Study (WBIS) to demonstrate impact in the local Best Start geographies as “proof of concept” to inform countywide system improvement efforts and build an evidence-base for the Welcome Baby Program. The COVID pandemic required a shift in the study to virtual visits; the Welcome Baby Virtual study will provide information to stakeholders, locally and nationally, about virtual visits within the Welcome Baby Program. The information will inform the program design in the long term as well as sustainability efforts. The goal for FY 23-24 is to complete follow up of enrolled participants in the study and complete the second and third wave of primary data collection underway to capture maternal and child experiences and outcomes.

**Spending Plan and Funding Methodology**

The costs for the Welcome Baby Virtual Study were determined by reviewing the Scope of Work (SOW), study activity to date, and budget submitted by American Institutes for Research (AIR) as part of the contracting process. The following activities are anticipated for FY 23-24: follow up of enrolled participants for primary data collection, collecting and analyzing primary data, dissemination strategizing and project management. A breakdown of the tasks and anticipated dollar amounts are listed below. The majority of effort will be devoted to final recruitment and enrollment, and collection and analysis of data.

Cost estimates are based on previous years’ experience and previous studies:

- Outcomes Data Collection for Welcome Baby Sample (Time 2 & 3): \$887,786
- Outcomes Data Analysis & Reporting: \$389,078
- Implementation Study Data Collection & Reporting Wrap up: \$100,048
- Project Management: \$85,088

**Change from Prior Year (if >+-20%)**

# Communities Team

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

Initiative	Investment Category
Strengthening Regional Networks	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Region 1: Central-East Regional Network	\$ 3,834,410	\$3,451,500	-10%

**Program Summary**

Para Los Niños (PLN) serves as the Regional Network Grantee (RNG) for Best Start Region 1 (Central-East) Regional Network which includes Metro LA, Southeast LA, East LA and South El Monte/El Monte. In FY 23-24, the RNG will support the Region 1 Central-East Regional Network to continue to strengthen the Best Start Network Infrastructure of partners (RNGs, Local Network Contractors and other contractors), strengthen the ability to understand the social ecosystem, and to become more adaptive to changes in community conditions. The Regional Network will also continue to cultivate alignment and collective movements focused on our long-term results and conditions of well-being, so children and families thrive. The Regional Network will help strengthen how parents, residents, and network partners collaborate around a shared vision and advance strategies by mobilizing resources, leveraging networks, and shifting policies and systems on prenatal to age 5 issues. The Regional Network will also be deepening their collaboration and adding a prenatal to age 5 lens with existing and emerging multi-stakeholder collaboratives in the region.

**Spending Plan and Funding Methodology**

HOW FUNDS WILL BE SPENT IN FY 23-24

- Regional functions: contract administration, coordination and/or provision of organizational capacity building, regional learning, multi-level coordination, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and an external independent audit specific to the First 5 LA contract funds.
- Local level functions: capacity building and leadership development, community change work and coordination and support costs.

The Region 1 Central-East Regional Network funding level estimate of \$3,450,969 for FY 23-24 was determined based on spending patterns anticipated in FY 23-24 and negotiated contract estimates, in addition to an overall 10% reduction in funding due to First 5 LA’s fiscal reality. The total grant amount to support regional and local level roles and functions reflects 12 months of implementation supporting Metro LA, East LA, SELA, and El Monte-South El Monte. The following are the major programmatic and administrative cost categories and estimated annual amounts for FY 23-24:

- Personnel- 11 staff positions will manage the various network components including organizational capacity building, regional learning, multi-level coordination,

**Spending Plan and Funding Methodology**

collective advocacy, resource mobilization, and fiscal and contract management. Total estimated expenses for personnel: \$1,009,706.

- Contracted Services- subcontractors to support and develop Region 1 capacity building around multi-level coordination, resource mobilization, collective advocacy, data and evaluation. Total estimated expenses for subcontracts: \$303,750.
- Operating and Administrative Costs- A total of \$ 322,843 is estimated for space, postage, telephone, printing, travel, mileage, supplies, other related expenses.
- Indirect- 10% of total contract amount excluding subcontractors, equipment, and depreciation: \$130,464.
- Local Network Costs- A total of \$1,684,737 is estimated for capacity building and leadership development, community change work, coordination and support costs for the local organizations and networks of the Central-East geographies.

This proposed expenditure represents an 10% reduction, an incremental decrease that reflects First 5 LA's fiscal realities and structures contracts to incentivize sustainability efforts.

The final budget was rounded up to the nearest thousand, per internal practice.

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

Initiative	Investment Category
Strengthening Regional Networks	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Region 2: South LA Regional Network	\$4,377,610	\$ 3,940,200	-10%

**Program Summary**

Community Health Councils (CHC) serves as the Regional Network Grantee for the Region 2 (South LA) Regional Network which includes West Athens, Broadway-Manchester, Compton-East Compton, and Watts-Willowbrook. In FY 23-24, the RNG will support the Region 2 South LA Regional Network to continue to strengthen the Best Start Network Infrastructure of partners (RNG, contractors and community stakeholders), strengthen the ability to understand the social ecosystem, and to become more adaptive to changes in community conditions. The Regional Network will also continue to cultivate alignment and collective movements focused on our long-term results and conditions of well-being, so children and families thrive. The Regional Network will help strengthen how parents, residents, 2nd and network partners collaborate around a shared vision and advance strategies by mobilizing resources, leverage networks, and shift policies and systems on prenatal to age 5 issues. The Regional Network will also be deepening their collaboration and adding a prenatal to age 5 lens with existing and emerging multi-stakeholder collaboratives in the region.

**Spending Plan and Funding Methodology**

HOW FUNDS WILL BE SPENT IN FY 23-24

- Regional functions: contract administration, coordination and/or provision of organizational capacity building, regional learning, multi-level coordination, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and an external independent audit specific to the First 5 LA contract funds.
- Local level functions: capacity building and leadership development, community change work, and coordination and support costs.

MAJOR COST AREAS :The Region 2 South LA Network funding level of \$3,940,200 for FY 23-24 was determined based on a 10% reduction from FY 22-23 funding level of \$4,377,610. The total grant amount to support regional and local level roles and functions reflects 12 months of implementation supporting West Athens, Broadway-Manchester, Compton-East Compton, and Watts-Willowbrook. The following are the major programmatic and administrative cost categories and estimated annual amounts for FY 23-24:

1. Personnel – 17 staff positions at 100% that will manage the various network components including capacity building, regional learning, multi-level coordination, project management, strategic direction, research and evaluation, collective advocacy and resource mobilization. Total estimated expenses for personnel: \$1,306,934.

**Spending Plan and Funding Methodology**

2. Operating and Administrative Costs – A total of \$137,844 is estimated for equipment, space, printing & copying, telephone, postage, project supplies, travel, mileage, training expenses supplies, other related expenses.
3. Evaluation – A budget of \$28,800 is needed to continue evaluation efforts, including fees and data collection and analysis activities.
4. Indirect Costs: 10% of total contract amount excluding subcontractors (contractor services), equipment and depreciation: \$318,254.
5. Local Network Costs – A total of \$1,645,250 is estimated for capacity building and leadership development, community change work, coordination and support costs for the organizations and networks of the South Los Angeles geographies.
6. Contracted Services – various subcontractors to support and develop Region 2 capacity building, communications multi-level coordination, resource mobilization, collective advocacy, and financial auditing. Total estimated expenses for subcontracts: \$503,118.

The final budget was rounded up to the nearest thousand, per internal practice.

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

Initiative	Investment Category
Strengthening Regional Networks	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Region 3: San Fernando Valley Regional Network	\$ 2,022,000	\$1,819,800	-10%

**Program Summary**

El Nido Family Centers (El Nido) serves as the Regional Network Grantee (RNG) for the Best Start Region 3 (San Fernando Valley) Regional Network which includes Northeast Valley and Panorama City & Neighbors. In FY 23-24, the RNG will support the Region 3 San Fernando Valley Regional Network to continue to strengthen the Best Start Network Infrastructure of partners (RNGs, Local Network Contractors and other contractors), strengthen the ability to understand the social ecosystem, and to become more adaptive to changes in community conditions. The Regional Network will also continue to cultivate alignment and collective movements focused on our long-term results and conditions of well-being, so children and families thrive. The Regional Network will help strengthen how parents, residents, and network partners collaborate around a shared vision and advance strategies by mobilizing resources, leverage networks, and shift policies and systems on prenatal to age 5 issues. The Regional Network will also deepen their collaboration and add a prenatal to age 5 lens with existing and emerging multi-stakeholder collaboratives in the region.

**Spending Plan and Funding Methodology**

HOW FUNDS WILL BE SPENT IN FY 23-24

- Regional functions: contract administration, coordination and/or provision of organizational capacity building, regional learning, multi-level coordination, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and an external independent audit specific to the First 5 LA contract funds.
- Local level functions: capacity building and leadership development, community change work, and coordination and support costs.

The Region 3 Northeast San Fernando Valley Regional Network funding level estimate of \$1,819,800 was determined based on spending patterns anticipated in FY 23-24 and negotiated contract estimates. The total grant amount to support regional and local level roles and functions reflects 12 months of implementation supporting Northeast Valley and Panorama City & Neighbors. The following are the major programmatic and administrative cost categories and estimated annual amounts for FY 23-24:

1. Personnel- 6 staff positions will manage the various network components including capacity building, regional learning, multi-level coordination, project management,

**Spending Plan and Funding Methodology**

strategic direction, research & evaluation, collective advocacy and resource mobilization. Total estimated expenses for personnel: \$196,254.60.

2. Operating and Administrative Costs- Operating and administrative costs include printing/copying, space, telephone, postage, supplies, and mileage and travel for employees. Total estimated expenses for operating and administrative costs: \$25,510.38.
3. Contracted Costs- Includes the cost for the financial audit. The total for this cost category is \$1,964.75.
4. Regional Network Expenses- These include General Liability Insurance, Office Equipment, Payroll Services, additional audit costs, translation, childcare, venue rentals, and food for meetings, and regional community change work. Total costs for this category: \$324,907.70.
5. Training Expenses- Training expenses include capacity building and training for Regional Network Grantee to help build skills and capabilities of the team supporting the work. Total training expenses: \$17,550.
6. Evaluation – Evaluation expenses are: \$11,788.53.
7. Indirect Costs- 10% of total contract amount excluding subcontractors (contractor services), equipment and depreciation: \$28,292.
8. Local Network Costs- A total of \$1,213,532 is estimated for capacity building and leadership development, community change work, coordination and support costs for organizations and networks of the Panorama City & Neighbors and Northeast Valley geographies.

The final budget was rounded up to the nearest thousand, per internal practice.

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

Initiative	Investment Category
Strengthening Regional Networks	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Region 4: Port Cities Regional Network	\$ 2,309,000	\$2,078,100	-10%

**Program Summary**

The Nonprofit Partnership (TNP) serves as the Regional Network Grantee (RNG) for the Best Start Region 4. (Port Cities) Regional Network which includes Central Long Beach and Wilmington. In FY 23-24, the RNG will support the Region 4 Port Cities Regional Network to continue to strengthen Best Start Network Infrastructure of partners (RNGs, LNCs and other contractors), strengthen the ability to understand the social ecosystem, and to become more adaptive to changes in community conditions. The Regional Network will also continue to cultivate alignment and collective movements focused on our long-term results and conditions of well-being, so children and families thrive. The Regional Network will help strengthen how parents, residents, and network partners collaborate around a shared vision and advance strategies by mobilizing resources, leverage networks, and shift policies and systems on prenatal to age 5 issues. The Regional Network will also be deepening their collaboration and adding a prenatal to age 5 lens with existing and emerging multi-stakeholder collaboratives in the region.

**Spending Plan and Funding Methodology**

HOW FUNDS WILL BE SPENT IN FY 23-24

- Regional functions: contract administration, coordination and/or provision of organizational capacity building, regional learning, multi-level coordination, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and an external independent audit specific to the First 5 LA contract funds.
- Local level functions: capacity building and leadership development, community change work, and coordination and support costs.
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The Region 4 Port Cities Network funding level estimate of \$2,078,100 for FY 23-24 was determined based on spending patterns anticipated in FY 23-24 and negotiated contract estimates. The total grant amount to support regional and local level roles and functions reflects 12 months of implementation supporting Wilmington and Central Long Beach. The following are the major programmatic and administrative cost categories and estimated annual amounts for FY 23-24.

1. Personnel – 7 staff positions will manage the various network components including capacity building, regional learning, multi-level coordination, project management, strategic direction, research & evaluation, collective advocacy and resource mobilization. Total estimated expenses for personnel: \$344,344.86.
2. Contracted Services – an estimated 4 subcontractors to support and develop Region 2 capacity building, communications multi-level coordination, resource mobilization,

**Spending Plan and Funding Methodology**

collective advocacy, and financial auditing. Total estimated expenses for subcontracts: \$20,250.

3. Operating and Administrative Costs – A total of \$88,935.57 is estimated for equipment, space, printing & copying, telephone, postage, project supplies, travel, mileage, training expenses supplies, other related expenses.
4. Evaluation – A budget of \$30,780 is needed to expand the role of evaluation efforts at the local and regional level, including fees and data collection and analysis activities.
5. Indirect Costs: 10% of total contract amount excluding subcontractors (contractor services), equipment and depreciation: \$24,138.
6. Local Network Costs- A total of \$1,220,580 is estimated for capacity building and leadership development, community change work, coordination and support costs for organizations and networks of the Central Long Beach and Wilmington.
7. Regional Network Expenses- A budget of \$349,071.57 is needed for regional level network building, systems change activities as well as organizational capacity building support.

The final budget was rounded up to the nearest thousand, per internal practice.

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

Initiative	Investment Category
Strengthening Regional Networks	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Region 5: Antelope Valley Regional Network	\$1,904,000	\$1,713,600	-10%

**Program Summary**

Children’s Bureau of Southern California (Children’s Bureau) serves as the Regional Network Grantee (RNG) for the Best Start Region 5 (Antelope Valley) Regional Network which includes the communities of Lancaster and Palmdale. In FY 23-24, the RNG will support the Region 5 Antelope Valley Regional Network to continue to strengthen the Best Start Network Infrastructure of partners (RNGs, LNCs and other contractors), strengthen the ability to understand the social ecosystem, and to become more adaptive to changes in community conditions. The Regional Network will also continue to cultivate alignment and collective movements focused on our long-term results and conditions of well-being, so children and families thrive. The Regional Network will help strengthen how parents, residents, and network partners collaborate around a shared vision and advance strategies by mobilizing resources, leverage networks, and shift policies and systems on prenatal to age 5 issues. The Regional Network will also be deepening their collaboration and adding a prenatal to age 5 lens with existing and emerging multi-stakeholder collaboratives in the region.

**Spending Plan and Funding Methodology**

HOW FUNDS WILL BE SPENT IN FY 23-24

Regional functions: contract administration, coordination and/or provision of organizational capacity building, regional learning, multi-level coordination, collective advocacy, resource mobilization, communications outreach, resident/stakeholder engagement and advocacy, and an external independent audit specific to the First 5 LA contract funds.

Local level functions: capacity building and leadership development, community change work, and coordination and support costs.

MAJOR COST AREAS

Region 5 Regional Network funding level estimate of \$1,713,000 for FY 23-24 was determined based on the community needs and system change opportunities anticipated in FY 23-24 and negotiated contract estimates. The total grant amount to support regional and local level roles and functions reflects 12 months of implementation supporting Best Start Lancaster and Best Start Palmdale. The following are the major programmatic and administrative cost categories and estimated annual amounts for FY 23-24:

1. Personnel – 6 staff positions at 100% that will manage the various network components including capacity building, regional learning, multi-level coordination, project management,

**Spending Plan and Funding Methodology**

strategic direction, research and evaluation, collective advocacy and resource mobilization. Total estimated expenses for personnel: \$596,944.

2. Operating and Administrative Costs – A total of \$85,868 is estimated for equipment, space, printing & copying, telephone, postage, project supplies, travel, mileage, training expenses supplies, other related expenses.
3. Indirect Costs: 10% of total contract amount excluding subcontractors (contractor services), equipment and depreciation: \$111,651.
4. Regional Network Expenses: Expenses include logistical support, training and technical assistance, and regional community change work. Total costs for this category: \$658,132
5. Local Network Costs – A total of \$175,200 is estimated for capacity building and leadership development, community change work, coordination and support costs for organizations and networks of the Lancaster and Palmdale geographies.
6. Contracted Services – an estimated 5 subcontractors to support and develop Region 5 capacity building, communications multi-level coordination, resource mobilization, collective advocacy, and financial auditing. Total estimated expenses for subcontracts: \$85,805.

The final budget was rounded up to the nearest thousand, per internal practice.

**Change from Prior Year (if >+-20%)**

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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Initiative	Investment Category
Strengthening Regional Networks	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Communities of Practice (CoP)	\$ 175,000	\$175,000	

**Program Summary**

Engage R+D is contracted to create a collective space for Regional Network Grantees (RNGs) to share practices, deepen partnerships, develop strategies and create a sense of community that inspires ongoing reflection, adaptation, and practice improvements in order to strengthen the Best Start Network infrastructure. The CoP has provided opportunities for RNGs to build relationships, learn about each other’s work and identify cross-cutting issues to explore together.

This space is emergent, meaning that while there are overarching goals (deepening relationships, sharing strategies and identifying collective action opportunities), the focus evolves from one session to the next based on what issues are most pressing (e.g., racial equity and solidarity work).

**Spending Plan and Funding Methodology**

Estimated expenditures represent 12 months of implementation to plan, facilitate, and continuously improve Communities of Practice (CoP) between the Best Start Regional Network Grantees (RNGs) and First 5 LA (approximately 45 participants). Projected expenditures support planning for and facilitating up to 10 meetings (approximately 4 hours each), two 2-day retreats, and up to 6 web-based sessions per year.

Engage R+D will be developing a learning brief that summarizes the conversations of this session as well as potential areas to explore in future CoP meetings. This brief will also include more action-oriented learning points that can be helpful for the RNGs as well as the Communities Team.

Expenditures also cover logistics for all CoP sessions, participant interviews, learning documentation and development of reports. Total estimated expenditures for Communities of Practice: \$175,000.

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Strengthening Regional Networks	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Refugee Family Supports	\$290,219	\$64,000	-78%

**Program Summary**

The Refugee Family Support Program is a pilot project administered by First 5 CA. First 5 LA will receive \$354,711.13 from First 5 CA to implement the Refugee Family Support program in Los Angeles County. International Institute for Los Angeles (IILA) will be the lead implementer and service provider in Los Angeles County. These funds will be passed-through to IILA.

Refugee Family Support Program will provide case management services, and child care and housing vouchers to refugees, Special Immigrant Visa holders, or humanitarian parolees from any country who are eligible for federal funding. Funding is restricted to families with children 0-5 or families with a pregnant family member.

**Spending Plan and Funding Methodology**

First 5 CA reimburses First 5 LA for services provided through the Refugee Family Support program. Funds will be passed through to IILA as the lead implementer and service provider for the Refugee Family Support program in Los Angeles County.

**Change from Prior Year (if >+-20%)**

There is a 78% reduction from \$290,219 in FY 22-23 to \$64,000 in FY 23-24 based on the programmatic needs and timeline of this pilot Refugee Family Support program.

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Best Start Learning	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Best Start Learning Agenda	\$818,000	\$540,000	-34%

**Program Summary**

Through the Best Start Learning Agenda (BSLA), First 5 LA sees an opportunity to further our learning and understanding of our Best Start effort by learning together with our grantees, contractors, and communities, and establish proof of concept to inform county-wide systems improvement strategies. The BSLA learning efforts will deepen First 5 LA’s and its partners’ understanding of how community-led systems change emerges through stronger networks, and how community-led efforts support movement building that shifts mental models, policies, and practices that create better “places”—structures, systems, and environments—for young children and families.

To support the refinement and implementation of the BSLA, First 5 LA hired a contractor to serve as a strategic thought partner, primary architect and implementor of the Best Start Learning Agenda to leverage existing research and learning efforts and strengthen First LA’s learning alongside our partners, grantees, contractors, and community members.

Resources support data gathering and analysis of multiple primary and secondary data sources including interviews and grantee reports across investments in order to inform learning for ongoing improvement, communicate progress and increase accountability. Resources also support data dissemination and reports on emergent learnings to strengthen the evidence base and support for community-driven investments and strategies that improve results for children and families.

**Spending Plan and Funding Methodology**

HOW FUNDS WILL BE SPENT IN FY 23-24:

- 1) Planning, Design and Project Management (\$125K): This includes ongoing planning, coordination, and design activities. This amount assumes approximately 1,100 hours at a rate of \$150 per hour to perform activities related to managing the BSLA design and implementation.
- 2) BSLA Research Activities (\$330K): This includes the creation of engagement structures, creating a research plan, including the development of instrument and summary documents, and extensive engagement for data collection to answer the learning questions. This also includes resources for some beginning dissemination. This amount is based on F5LA’s prior experience with similar activities.

As a reference, the amount budgeted reflects roughly 65% of annual costs associated with the Best Start Developmental Evaluation (DE) conducted from December 2013 through June

**Spending Plan and Funding Methodology**

2015. The 65% represents activities in the DE project that are similar to those projected for the BSLA. Activities include but are not limited to network analysis, primary data collection (e.g., focus groups, surveys, interviews), sensemaking and learning briefs, technical assistance to grantees as needed; region and/or community-specific case studies, publications and presentations.

- 3) BSLA Convenings (\$85K): The amount budgeted is for costs associated with executing convenings associated with the BSLA. We anticipate hosting convenings for multiple audiences including (a) CD grantees and contractors, (b) members of the Best Start Networks and Regions and (c) others in the field doing place- based, systems change work.

**Change from Prior Year (if >+-20%)**

The budget decrease reflects implementation realities which have required a slower pace. While the total amount of the project remains the same, the distribution across fiscal years is different to support a thoughtful, equitable implementation of the Best Start Learning Agenda.

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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<b>Initiative</b>	<b>Investment Category</b>
Building P-5 Movement	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Activating Network Partners	\$225,000	\$350,000	+56%

**Program Summary**

This project supports Communities Team staff to align and collaborate with influential partners in the Best Start geographies to advance prenatal to age 5 movements. This program will support Communities Team staff as convener and connector to support stakeholders in the Best Start geographies to better understand, incorporate and support Best Start’s network strengthening approach into their work focused on prenatal to age 5 issues. Given the unique needs in each community, Communities Team staff will identify and engage key stakeholders not currently or meaningfully engaged in the Best Start Network. Some examples that guide this project include the SELA Collaborative, Antelope Valley Resource Infusion, and Long Beach Mayors Fund as potential examples of network leaders to partner with in Best Start geographies.

This project supports Communities Team to complement the Regional Network Grantee investment by activating partners in the region who are aligned in values and mission around achieving population level results for young children. This fund will allow the Communities Team staff to play a role as catalyst and connector, to better integrate efforts and align actors within the Best Start geography for the benefit of young children and their families. Given the unique and complex ecosystem in each community, Regional Network Grantees are not situated or able to engage all stakeholder networks and groups, whereas First 5 LA is better positioned to engage public systems, funders, and policy makers to bring them to Best Start networks focused on achieving results for young children. Some examples of this work has been the Communities Team staff engaging with and providing strategic funding to SELA Collaborative to continue its efforts to build non-profit coalitions in Southeast LA, staff time in the AV Resource Infusion, and a strategic partnership the Long Beach Mayors Fund to connect Long Beach City efforts to mobilize and connect the business community to young children’s issues. These partners have participated in Best Start networks, however, additional funding has allowed them to strengthen their work with the Best Start networks. For example, our strategic partnership of \$75k with Long Beach Mayors Fund allows their staff to continue advancing young children’s issues in their broader work of cradle to career pipeline efforts in the City of Long Beach, as well as within the business community. The role of the Region 4 Team has been to “connect the dots” on the various efforts of the Regional Network Grantee (TNP), as well as maintain an ecosystem perspective of the region, working to align key players and stakeholders to support the Regional Network Grantee’s work and generating more resources, support and partnerships.

**Spending Plan and Funding Methodology**

**HOW FUNDS WILL BE SPENT IN FY23-24**

The total estimated cost for FY 23-24 for the Network Alignment and Strengthening project is \$350,000 with an estimated allocation of up to \$70,000 for each Best Start Region (\$70,000 X 5 Regions = \$350,000) to accomplish the following:

- Identify key networks and stakeholders in the region not currently or meaningfully engaged in the Best Start network.
- Develop plan for engagement of networks and stakeholders
- Cultivate relationships with networks and stakeholders.
- Convene and support networks and stakeholders to understand, connect to and help to strengthen the Best Start Network approach.
- Continue to refine and develop network alignment and strengthening efforts.
- Strengthen the Best Start Regional Network and make progress toward the Region’s movement building strategy by aligning partners and efforts around community priorities elevated by the Best Start community.
- Utilizing the learnings from existing network such as SELA Collaborative, Antelope Valley Resource Infusion, and Long Beach Mayors Fund.

**Change from Prior Year (if >+-20%)**

The increase in budget will allow the regional teams to expand engagement with key networks not currently engaged in the Best Start Regions. In addition, the budget increase will augment and further strengthen the efforts of the SELA Collaborative, AVRI and Long Beach Mayors Fund as network leaders in the Best Start Regions.

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Building P-5 Movement	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Expand Regional Influence and Impact with Data	\$ 250,000	\$ 200,000	-20%

**Program Summary**

This project will guide First 5 LA through data analysis, community reflection and discussion about the state of Best Start geographies and the focus of our collective policy and systems change efforts. This information, in addition to Catalyst California’s unique expertise and knowledge, will also be an important input for First 5 LA’s Strategic Plan implementation efforts through at least 2023. The information will help to clarify regional community priorities for staff and communities to support building regionally based prenatal to age 5 priorities. Implementation efforts include Strategic Plan implementation progress, the Impact Framework, operationalizing First 5 LA’s DEI values and Equity Investment Guidelines, regional learning dialogues, and Best Start Learning Agenda.

**Spending Plan and Funding Methodology**

Catalyst California: \$200,000 covers current Strategic Partnership with Catalyst California including codesigning all aspects of the work (e.g., data narrative language/format, community priority to data indicator identification, monthly workgroup agenda setting) with First 5 LA staff, providing data and analysis of indicators and the data infrastructure, collecting and analyzing data pertinent to updated Essential Best Start Data Narrative.

**Change from Prior Year (if >+-20%)**

The reduction reflects less costs for translation of the data narrative, which will be incurred during the 2022-23 fiscal year. For the 2023-24 fiscal year, the programmatic costs will remain the same to continue the partnership with Catalyst California to provide ongoing data support.

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Building P-5 Movement	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Learning Dialogues	\$25,000	\$35,000	40%

**Program Summary**

The Learning Dialogues seek to build regionally based prenatal to age 5 movements by clarifying regional community priorities by staff, in partnership with the RNGs, convening and organizing stakeholders within the Best Start Network for a collective understanding and action around:

- 1) The stories behind population level data from First 5 LA’s Impact Framework, Early Development Index (EDI), Catalyst California’s Best Start data, and other public systems’ data relevant to First 5 LA and community priorities;
- 2) The experiences of families, communities, public agencies and others where baseline data does not exist. Examples include:
  - a. Region 4 Communities Team holding quarterly Learning Dialogues in partnership with The California Endowment, bringing together 12 philanthropic partners who are investing in the Port Cities region. To date, the group has shared learnings about how each institution has pivoted their policies, practices and investments to respond to the COVID-19 pandemic and reckonings around systemic racism. Additionally, the Funders group has discussed the use of data to inform problem statements, goals and investment strategies and been in dialogue about the shared purpose and vision for the space.
  - b. Region 3 Team worked in collaboration with El Nido and Vision y Compromiso to put on a 2-part Learning Dialogue in May 2022 and September 2022. These Learning Dialogue explored the movement building that is occurring through the Promotor Model and the critical role that promotores play in building a more equitable, inclusive community while inviting new partners, funders and other stakeholders to the table to further explore how to scale the model and pathways for sustainability.

**Spending Plan and Funding Methodology**

Based on historical expenditures, and experience with similar activities, costs include resources to support local and regional level convenings with decision-makers, other funders, and cross-sector leaders = \$35,000. (Approximately 1 to 2 per region and up to 5 cross-regionally). The Learning Dialogues may be conducted virtually based on public health guidance.

**Change from Prior Year (if >+-20%)**

The increase of \$10,000 for the Learning Dialogues reflects an uptick in upcoming dialogues across the regions.

# ECE Team

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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Initiative	Investment Category
County Systems Building	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
County ECE Infrastructure Support	\$180,000	\$200,000	11%

**Program Summary**

This program supports building and aligning County infrastructure to better and more equitably deliver early care and education services for families and providers. Projects under this program include implementation of the cost models from the Comprehensive Fiscal Analysis of the Early Care and Education System, data development, and coordination of early care and education resources and strategies. Partners in these projects include the Office for the Advancement of Early Care and Education (OAECE), the Los Angeles County Office of Education Early Learning Division (LACOE), the Partnership for Early Childhood Investment, and the Child Care Alliance of Los Angeles and the Resource and Referral Agencies.

**Spending Plan and Funding Methodology**

The funds will be expended in the following categories:

Comprehensive Fiscal Analysis System Visioning: \$100,000. These funds will be used to support County-wide visioning for a more integrated family-serving ECE system as well as cost modelling for that system. This amount is based on 33% of the estimated project cost from P-5 Fiscal Strategies and will build on the financial model that was completed in 2019. Other partners such as the Partnership for Early Childhood Investment and OAECE will secure additional funding for the project.

California ECE Workforce Study, Los Angeles County Detail: \$51,000. These funds will provide a Los Angeles County detail report from the Center for the Study of Child Care Employment (CSCCE) at UC Berkeley in conjunction with their statewide report. The funding amount is based on the scope provided by CSCCE and includes custom tables based on local needs, report editing and design, and translation of materials. OAECE and LACOE will contribute funding towards the \$51,000, but the amount is undetermined at this time.

County Coordination Support: \$29,000. These funds will provide a consultant to support in coordination of ECE Team projects and other County efforts by providing strategic guidance, facilitating workgroups, and drafting reports. This amount is based on 15 hours a month at a rate of \$150/hour with additional funds for direct costs such as meeting materials.

Additional Costs: \$20,000. These funds are calculated at approximately 10% of the program cost for potential overages or unforeseen expenses.

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
County Systems Building	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Kindergarten Readiness Assessment	\$3,060,000	\$800,000	-74%

**Program Summary**

The original objectives of Kindergarten Readiness Assessment (KRA) projects were to explore the use of a population-level measurement of school readiness to inform systems-level change and to support, inform, and advance community action, with an intentional focus on the fourteen Best Start geographies.

In FY21-22 there was a focus on engaging internal and external partners around strategy refinement and evaluation. Informed by our experience to date with the original sites and informed by First 5 LA's fiscal reality and refined strategic priorities, it was determined that we cannot continue funding this work at the level required for the project to reach its intended outcomes. As a result, a sunseting plan was set into place that funds the resources to complete the data collection and analysis in the sites previously chosen, but not beyond the original commitment.

For FY23-24, KRA partners will include Long Beach Unified School District and UCLA. All other KRA partners will sunset their agreements at the end of FY22-23.

**Spending Plan and Funding Methodology**

In its final year of funding, the FY23-24 Kindergarten Readiness Assessment budget includes funding for UCLA to analyze and share the last round of data collected in FY22-23 for Long Beach Unified School District, Los Angeles Unified, and Garvey Unified. While LAUSD's contract will sunset, the district will still receive the analysis from their last round of data collection. This funding also includes additional technical assistance from UCLA and funding to support sustainability efforts to set partners up to continue the work. Activities will include: coaching sessions to support previous KRA partners in final data analysis or utilization activities, updating data reporting tools so that they may be more cost effective in the future, and maintaining a peer learning network.

For Long Beach Unified School District, funding is based on previous years' standard rates on the following costs: costs for creating collateral to distribute to communities, other costs for supplies, postage, and materials needed for school and community level engagement opportunities, and personnel time for district/agency staff supporting data dissemination. Funding for technical assistance for UCLA is also generated using previous years' data to develop per-activity costs.

Anticipated costs are as follows:

UCLA: \$760,000

LBUSD: \$40,000

**Change from Prior Year (if >+-20%)**

-84% variance reflects the 4 sunseting KRA partner contracts: LAUSD, Mountain View School District, El Monte City School District, and Rosemead School District. It was determined that these agreements would be sunset at the end of FY23 during the KRA strategy refinement process in FY21-22.

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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<b>Initiative</b>	<b>Investment Category</b>
County Systems Building	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Provider Advisory Group	\$185,000	\$314,615	70%

**Program Summary**

The Provider Advisory Group (PAG) is a body of 10 home-based childcare providers who serve as regular thought partners for the ECE Team in making sense of the landscape analysis data and in general programmatic strategy development for the home-based child care strategy. This project also involves the use of a consultant that primarily serves to design, support, and facilitate the regular convening of this provider group, as well as provide guidance for the ECE team in effectively incorporating provider feedback into its strategies to support capacity-building in the home-based child care system. Given the language diversity in the Provider Advisory Group, translation and interpretation services are also required in English, Spanish, and Chinese to support our members’ participation.

All current members of the Provider Advisory Group are family child care owners (FCCs). In FY24, the ECE Team will begin to develop an expansion of the Provider Advisory Group that includes Family, Friend, and Neighbor care (FFNs) in order to continue to capture the lived-experience of all those who are providing care in the home based child care system.

**Spending Plan and Funding Methodology**

Spending plan includes funds for the Provider Advisory Group consultant, live and written translation services based on the needs of members, and monthly honorariums for each of our current Provider Advisory Group members.

Funds for the potential FFN PAG expansion is listed separately below:

**Current Provider Advisory Group**  
 \$84,000 – Consultant Contract  
 \$47,200 – Translation and Interpretation services for 3 languages (written translation for pre-work, live translation during meetings)  
 \$90,000 – Honorariums \$750/month for 10 members/12 months  
 \$15,000 – Unforeseen circumstances/opportunities

**Provider Advisory Group Expansion (FFN) assuming ~6 months of work**  
 \$26,839 - Consultant  
 \$18,576 - Translation and Interpretation Services (~2 languages)  
 \$18,000 - Honorariums (4 members)  
 \$15,000 - Unforeseen circumstances/opportunities

**Change from Prior Year (if >+-20%)**

70% variance reflects the funds needed for the anticipated launch of the FFN expansion to the Provider Advisory Group. This FFN expansion has been planned for PAG since the launch of the ECE team’s home based child care strategy in 2021.

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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<b>Initiative</b>	<b>Investment Category</b>
County Systems Building	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Universal Preschool	\$150,000	\$150,000	0%

**Program Summary**

California’s Universal Prekindergarten program began a phased roll out in FY23. The next few years present a time-sensitive opportunity for First 5 LA and partners to support planning and implementation of UPK and ensure the implementation of UPK in LA County is responsive to family needs. Funds will primarily be used to support the LA County Office of Education (LACOE) and/or the County Office for the Advancement of Early Care and Education (OAECE) in planning efforts. Funds may also be used to support developing and executing a communications plan to support families in navigating new child care options.

**Spending Plan and Funding Methodology**

The spending plan was developed considering the two needs that have been identified by county partners: communications support and county-wide alignment and planning activities. Budget for a potential communications campaign was developed using previous communications campaigns conducted in ECE projects. Additional budget is added for potential activities like meeting facilitation support and/or fees for consultants or experts to support partners in planning efforts. These potential budget amounts were also generated based on previous ECE strategies with similar activities.

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Quality Improvement System	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Home Based Child Care Strategy	\$594,000	\$1,210,000	102%

**Program Summary**

In order to develop responsive programming to meet the needs of home-based child care (HBCC) providers not previously reached through LA County quality support efforts, First 5 LA has identified the following primary activities for FY 23-24 based on the 2023 findings of the landscape analysis report of Family, Friend, and Neighbor (FFN) and Family Child Care (FCC) providers. Activities include a robust approach to disseminating the landscape analysis findings, including presentations to a wide range of ECE stakeholders, advocates and HBCC early educators. Additionally in this next stage of work, key partners will be identified, and a workgroup will be established to engage in the planning phase of the HBCC Strategy. The workgroup will require technical assistance such as facilitation, strategic planning, and language interpretation support. The planning phase will then move into strategy implementation, including piloting workgroup recommendations for FFN and FCC providers. While this work moves forward, there is an opportunity for First 5 LA to participate in a collaborative of funders and community-based organizations to pilot a two-year direct cash transfer program for child care providers; this opportunity is aligned to recommendations emerging in the HBCC strategy. In addition, First 5 LA staff will continue to work with Duane Dennis, an expert on home-based care in Los Angeles County and continue to strengthen the team’s understanding of the home-based care sector and serve as a thought partner as staff and partners work to develop responsive programming to meet the needs of this diverse and underserved population that has historically been excluded from broader quality improvement efforts.

**Spending Plan and Funding Methodology**

The total budget amount of **\$1,210,000.00** for the overall Home-Based Child Care Strategy Includes:

**Landscape Analysis Dissemination & Communications** – The amount of **\$100,000.00** includes communications for the overall HBCC strategy. This entails the dissemination & communications of the landscape analysis findings as well as the planning and implementation phase of the strategy. Various components will be funded such as a communications consultant, the development of collateral materials, translation of materials, and facilitation and interpretation of webinars. Costs were informed by past projects and contracts such as the QSLA Dual Language Learner Initiative and the QSLA Viva contract.

**Partner Identification** – This line-item budget is **\$35,000.00** for the partner identification process which includes working with a contracted entity to lead this process. This would include recruiting and vetting partners to include in the HBCC workgroup, developing the scope of work, agreements, providing orientation and training, stipends and interpretation and translation costs. This amount was reached by considering similar past work by consultants and estimating the number of hours this process would take.

**HBCC Workgroup Meetings and Facilitation** - For the HBCC Workgroup **\$175,000.00** is allocated to design the approach to pilot strategies based on the learnings from the HBCC landscape analysis. This includes hiring a consultant to provide technical assistance such as facilitation and strategic planning. Budget also includes stipends for participants, materials cost, and interpretation and translation costs. This amount was arrived at by

assessing the current budget and expenditures of our ECE Provider Advisory Group (PAG). The HBCC workgroup will have a similar structure and approach.

**Strategy Implementation** - The line-item budget for strategy implementation is **\$400,000.00**. While strategies for implementation will be considered and implemented by a workgroup, emergent strategies that may be launched in FY24 include: connecting families and providers to supportive services such as CalFresh and Medi-Cal; problem solving contract barriers with alternative payment agencies; testing new approaches for supporting HBCC providers through a redesign of Quality Start Los Angeles programs; exploring models (like Home Visiting) to support the State in coming into compliance for requirements for supporting Family, Friend, and Neighbor Care; piloting staffed networks to support providers; and developing a single system of support by connecting them with available resources (for example Quality Start Los Angeles or Workforce Pathways).

**Thriving Providers Project: \$400,000.** While other strategies will be developed and implemented as described above, an urgent recommendation across multiple sources, including the HBCC Landscape Analysis, is to increase pay and benefits for child care providers to at least a living wage. Because of this urgent need and a unique opportunity to pursue this work with local partners, this will be the first strategy funded. These funds will be used to support a guaranteed income pilot for home-based care providers in Los Angeles. The amount includes \$70,000 for an implementation partner to conduct stakeholder engagement in the design of the pilot and to interface directly with providers that are part of the project. The remaining funds will go towards monthly payments to providers and indirect costs of 7.5%. This project will have additional funding and support provided by Home Grown as the backbone agency as well as other funders contributing to direct payments.

**Consultant Support** - The line-item budget for this is **\$100,000** for FY 2023-24. The ECE Team will be working with experts and soliciting thought partnership in developing the Home-Based Child Care Strategy. This amount covers the standard compensation for experts in their field and includes travel costs.

**Change from Prior Year (if >+-20%)**

There is a 102% increase from the previous year due to activities resulting from what is learned from the landscape analysis. A phased approach to the work was approved by the Board in November 2021. The first stage of the work was the landscape analysis. The next stage of the work includes sharing the results of the landscape analysis and developing and implementing strategies with partners that respond to the findings and recommendations of the landscape analysis. The increase in funding was anticipated in the phased approach and is required to grow the work beyond the learning phase.

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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<b>Initiative</b>	<b>Investment Category</b>
Quality Improvement System	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
IMPACT Legacy	\$5,028,000	\$2,500,000	-50%

**Program Summary**

Improve and Maximize Programs so All Children Thrive (IMPACT) Legacy is the third round of funding from FIRST 5 CA (previously IMPACT and IMPACT 2020) to support quality improvement services in local counties. First 5 agencies have right of first refusal for these funds, and First 5 LA draws down the funding. This funding supports expansion and stabilization of Quality Start Los Angeles (QSLA) allowing us to serve a greater diversity of childcare providers. This funding is administered by LACOE and funds QSLA’s coaching partner, Child Care Alliance of Los Angeles (CCALA). It is blended with funding from the California Department of Education and the California Department of Social Services to fund the broad array of QSLA services, including coaching, technical assistance, professional development, quality improvement stipends for providers, and more.

**Spending Plan and Funding Methodology**

This project will be funded through a drawdown from First 5 CA’s IMPACT Legacy, which is expected to be funded through June 2027. This funding will be used to continue supporting Quality Start Los Angeles (QSLA) as part of a single application submitted to Quality Counts California. In particular, it will support plans for QSLA to be a more inclusive quality improvement structure for all provider settings by providing quality improvement services to family, friend, and neighbor care and more home-based licensed childcare providers. QSLA will also continue It will also support continued efforts around the Dual Language Learner initiative. The ability to weave the DLL work into QSLA will help us support quality early learning experiences, particularly in home-based care settings.

In FY 23-24, the vast majority of these funds will be spent on Los Angeles County Office of Education (LACOE) staff to administer Quality Start Los Angeles, and contracted services to Child Care Alliance of Los Angeles (CCALA) to conduct quality improvement activities (i.e., coaching, technical assistance, stipends for Quality Start Los Angeles participating sites, etc.) per the application submitted to Quality Counts California (a joint effort of the California Department of Education and First 5 CA). This supports virtually all aspects of program delivery for IMPACT Legacy, including compliance with all state-defined requirements of program administration.

<b>Change from Prior Year (if &gt;+-20%)</b>
-50%

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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<b>Initiative</b>	<b>Investment Category</b>
Quality Improvement System	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
QSLA Database	\$600,000	\$500,000	-17%

**Program Summary**

The Quality Start Los Angeles (QSLA) Data System supports First 5 LA’s broad approach to quality by providing a central data system for housing all data related to our local quality ECE efforts. By combining resources, LACOE and First 5 LA ensure long-term continuity and administrative efficiency of a data system used for helping participating Los Angeles County early learning programs raise their level of quality.

The QSLA data system is also a repository of data used to comply with reporting requirements to Quality Counts California (QCC) through the Common Data Elements file submission process, which is the annual report of site-level common data to the state.

**Spending Plan and Funding Methodology**

Funds will be spent on personnel to manage and oversee day-to-day operations of the data system, and contracted services. This was determined based on historical overall spending trends of the project, as well as the anticipation that First 5 LA will again approve LACOE’s exception request to include all direct costs when calculating indirect (including sub-contractors, depreciation and equipment).

**Change from Prior Year (if >+-20%)**

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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Initiative	Investment Category
Quality Improvement System	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
QSLA Facilitation & Communications	\$400,000	\$500,00	25%

**Program Summary**

All QSLA work funded by First 5 LA is closely coordinated, in particular with the Los Angeles County Office of Education (LACOE). A facilitator will continue to provide project management and facilitation support of the QSLA collaborative, which includes partners such as First 5 LA, LACOE, the Child Care Alliance of Los Angeles (CCALA), Child360, Partnerships for Education, Articulation, and Coordination through Higher Education (PEACH), and the Office for the Advancement of Early Education, and the Child Care Planning Committee (CCPC). The next phase of QSLA’s work includes identifying and building opportunities for system integration, on which the QSLA facilitator will provide thought partnership and support.

In addition to QSLA system integration, project management and meeting facilitation support, this program includes funding for the implementation of the ECE Team’s survey panel work, using mobile-first technology to gather input from relevant communities to shape and enhance the ECE team’s work.

**Spending Plan and Funding Methodology**

The FY 2023-2024 budget covers both the facilitation of the governing body of QSLA in addition to providing the external communications strategy and infrastructure for QSLA. The slight budget increase was derived based on our shifting needs across QSLA, including supporting and strengthening system integration.

Funds will be used for meeting preparation/facilitation, data visualization, parent/provider survey panel work, and other priorities as identified by F5LA and LACOE to advance QSLA's work. LACOE contributes \$100K of this total cost, so First 5 LA and LACOE are partners in supporting the facilitation of QSLA.

**Change from Prior Year (if >+-20%)**

+25% Reflects additional funds to support shifting needs across QSLA, including support for identifying and building ECE system alignment and integration.

# Health Systems Team

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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Initiative	Investment Category
Early Identification and Intervention	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Help Me Grow	\$4,428,892	\$3,375,550	-24%

**Program Summary**

First 5 LA’s primary workstream in support of strengthening early identification and intervention efforts in LA County includes the implementation of Help Me Grow LA (HMG LA). HMG LA coordinates existing systems (e.g., health, ECE, mental health, developmental disabilities, child welfare, school districts and community-based organizations) that serve children with or at risk for delays and their families to ensure they receive appropriate intervention services and supports. In partnership, LACDPH and First 5 LA are co-implementing HMG LA’s 4 core components (centralized access point, child health provider outreach, community and family engagement, and data collection and analysis) to meet LA county’s needs and address fragmented early identification and intervention services and supports. Other key system partners in this work include Regional Centers working in community-based collaboratives to improve referral pathways and L.A. Care Health Plan focused on improving clinic-based practice improvements, parent/member and provider education and training to bolster support of children’s full development through early screening and connection to appropriate supports.

**Spending Plan and Funding Methodology**

FY 23-24 expenditures were calculated based on analysis of expended and projected total annual costs. Budget categories align with key areas of work that emerged from the 2020-2028 First 5 LA Strategic Plan implementation planning process as well as ongoing planning with the Los Angeles County Department of Public Health (LACDPH), co-lead with First 5 LA for HMG LA. The categories include: 1) Help Me Grow LA (HMG LA) Implementation and 2) Trauma Informed Approaches

The HMG LA Implementation category includes costs associated with activities within the four core components of the model: Centralized Access Point; Data Collection and Analysis; Child Health Provider Outreach; and Community and Family Engagement.

**1. HMG LA IMPLEMENTATION (\$3,375,550)**

A. **Centralized Access Point (LACDPH Lead) and Data Collection and Analysis (LACDPH and F5LA) Components \$1,180,000** –First 5 LA anticipates seeking approval to extend a 5-year strategic partnership with LAC DPH for a 6<sup>th</sup> year at a reduced amount to continue to serve as the HMG Organizing Entity with a focus on sustainability efforts. Board approval of the 5-year Strategic Partnership with LAC DPH, as organizing entity and lead in planning and carrying out the implementation of the HMG Centralized Access Point component, occurred in May 2018, total amount \$10.1M (2018-19 through 2022-23). First 5 LA funds will support the Centralized Access Point through December 2023 and continued joint EII efforts including the advisory council, equity strategies, and engagement of partners. Major costs include personnel, consultant support, space, program supplies and equipment.

Additionally, First 5 LA plans to engage in data collection and analysis activities in order to better understand the current EII landscape in L.A. County and inform future strategy development. Given disparities within EII systems, there will be a particular focus on diversity, equity and inclusion and prioritize hearing directly from people with lived expertise.

## Spending Plan and Funding Methodology

- B. **Child Health Provider Outreach Component (First 5 LA lead) \$588,359** - Costs include funding for Year 3 of a 4-year investment with L.A. Care Health Plan to support integration of developmental screening and linkage to services at up to 10 pediatric clinic sites and support activities that increase awareness and education on the importance of developmental screening and monitoring across health providers, families and the community. Costs also support Year 2 of a 3-year evaluation on the impacts of the L.A. Care HMG LA partnership.
- C. **Community and Family Engagement Component (First 5 LA lead) \$1,595,191** —Costs include year 2 of a 3-year investment for Wave 2 HMG LA Pathways Collaboratives (2 grantees) and the final six months of the Wave 1 HMG LA Pathways Collaboratives (5 grantees) across LA County and technical assistance support. The HMG LA Pathways community collaboratives seek to strengthen referral pathways among cross-sector agencies that are a part of the early identification and intervention continuum. Costs also include activities that center families and people with lived expertise, including the transformation of existing advisory groups with EII systems leaders and the HMG LA Community and Family Engagement Council (advisory group) and equity listening sessions to inform strategies that address disparities within EII systems. Lastly, Communications includes consultant support, content development and graphic support, translation and interpretation, copy editing and proofing, and printing for public-facing HMG LA materials.

### 2. TRAUMA INFORMED APPROACHES (\$12,000)

- A. Costs represent the last month of funding of a partnership with LA County Department of Health Services to support their Strong, Healthy and Resilient Kids (SHARK) clinic. First 5 LA covers the costs of a data analyst position to support collection, tracking and evaluation. The three-year partnership ends in July 2023.

Final budget was rounded up to the nearest thousand.

### Change from Prior Year (if >+-20%)

24% decrease in the budget from \$4,428,892 for FY22-23 to \$3,375,550 for FY23-24 is largely resulting from a one-year extension at a decreased amount for LAC DPH to continue work as the HMG LA Organizing Entity and focus on sustainability planning. The decrease is also attributed to project end dates occurring mid-year, such as Wave 1 of HMG LA Pathways.

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
AAIMM Birth Outcomes and Disparities	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
AAIMM: African American Infant and Maternal Mortality	\$1,331,517	\$1,375,000	3%

**Program Summary**

First 5 LA (F5LA) and the Los Angeles County Department of Public Health's (LACDPH) have joined efforts to lead the African-American Infant and Maternal Mortality (AAIMM) Initiative. The Initiative designs, supports and implements novel and evidence-based strategies and activities to improve pregnancy, birth and infant outcomes, improve family wellbeing, and decrease health disparities among Black women of reproductive age countywide. In addition to F5LA and LACDPH, the AAIMM Initiative is supported by a coalition that includes LA County Department of Mental Health, Community Organizations, mental and health care providers, funders and community members.

AAIMM strategies are centered around the LACDPH Center for Health Equity's 6-year action plan (2018-2024) to reduce disparities by 30%. AAIMM acknowledges the root cause of disparities as racism related to toxic stress and the impact that stress has on a Black woman's body, compounded by structures in society that perpetuate racism of culturally competent care, and the presence of implicit and overt bias in the systems of support that impact Black families. To address this, AAIMM efforts have been focused on four strategies: 1) Reduce women's exposure to stressors in the social environment; 2) Block the pathway from social stress to physiological stress; 3) Intervene early if and when stress has taken a toll on health; and 4) Create infrastructure required to achieve strategies 1 through 3.

AAIMM's primary, community-designed, evidence-informed direct service interventions are implemented and funded by LACDPH and other partners. As LACDPH's co-lead on the AAIMM Initiative, First 5 LA's unique contribution and investment strategy promotes Black leadership and is grounded in policy and systems change primarily focused on strategy 4: infrastructure noted above. F5LA's support of AAIMM interventions has been organized in the following categories: 1) system innovation and quality; 2) community-health system connections; and 3) public and provider awareness.

**Spending Plan and Funding Methodology**

FY 23-24 expenditures were calculated based on analysis of expended and projected total annual FY22-23 costs.

Communications/Strategic Planning (\$700,000; includes funds from First 5 LA \$340,000 and LACDPH \$360,000) to support AAIMM public awareness campaign as well as strategic planning. For Communications, direct costs include consultant(s), website, event sponsorship, public education ads/media buys, and collateral materials. For strategic planning, direct costs include a consultant to facilitate implementation of strategic and structural planning recommendations for AAIMM Steering Committee and AAIMM Community Action Teams. This effort will inform the county-wide Center for Health Equity Strategic Plan beyond 2024.

Philanthropic Partnerships/Pooled Funds (\$450,000) includes funds that directly support community-based projects (AAIMM Community Grantmaking) and backbone support for AAIMM Community Action Teams (CATs), regionally based collaborative partnerships that consult, inform, and engage the community on all AAIMM strategies locally.

**Spending Plan and Funding Methodology**

Cherished Futures for Black Moms & Babies (\$125,000): includes funds for final 6 months of Year 3 (July- Dec 2022) of collaborative multi-sector hospital quality improvement initiative which aims to reduce mortality of Black infants and improve patient experience and safety for Black mothers and birthing people.

CA Coalition for Black Birth Justice (\$100,000): includes funds for 6 months to support LA-based systems change efforts to inform future black birthing justice work and priorities. Potential activities include conducting a landscape analysis of Black birth equity efforts and gaps in California and more specifically in LA County, research best practice models to build readiness of health care agencies to scale birth equity efforts, and power building partnerships between health care and community organizations. This last example will build upon the learning from Cherished Futures for Black Moms & Babies. And finally, assess sustainability needs of existing hospitals that are implementing birth equity improvement efforts.

**Change from Prior Year (if >+-20%)**

N/A

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Little by Little	Legacy Investments

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Little by Little	\$1,800,000	\$2,027,000	13%

**Program Summary**

In January 2011, the Commission approved an allocation of \$30 million for the Little by Little (LBL) program. Subsequently a partnership was established with Public Health Foundation Enterprises/WIC (now Heluna Health) as the lead agency overseeing this effort. In 2018, the Commission approved an extension of the strategic partnership with Heluna Health through June 2023. Recent sustainability opportunities via State funding allowed LBL to braid First 5 LA funds and State funds to maximize program services, support expansion and sustainability. Due to this funding LBL was able reduce immediate use of First 5 LA resources. As such, First 5 LA will execute a contract amendment to extend this Strategic Partnership through June 2025.

LBL’s core program components include:

1. Providing individual counseling and handouts regarding child development, early literacy, and child safety at each WIC client visit.
2. Distributing developmentally appropriate books and other educational materials during WIC clients’ visits.

**Spending Plan and Funding Methodology**

HOW FUNDS WILL BE SPENT IN FY 23-24:

- Partnering with the six LA County WIC agencies and overseeing the implementation of the LBL program at the selected 10 WIC site locations;
- Providing LBL program services to a total of 50,000 unique WIC participants across 10 WIC site locations;
- Providing technical assistance to help WIC sites improve services and strengthen program quality;
- Ensuring client data is being collected and entered in the LBL client database system;
- Implementing fund development and sustainability plan activities including braiding State Books for Kids funding in order to support the effectiveness and sustainability of the program; and
- Analyzing data related to the retention effects of the LBL program on WIC participation and other related evaluation data, such as screening for developmental delays as part of the LBL interaction.

**MAJOR COST AREAS**

The funding level for FY 23-24 was determined based on contractor spending patterns and projected expenses. In FY 23-24, the LBL program will provide services to an estimated total of 60,446 unique WIC participants for a total budget estimate of about \$2,027,000. The following are the major programmatic and administrative cost categories:

1. Personnel- 14 staff positions, at varying % effort (4.20 FTE’s total) will manage the various initiative components including training and technical assistance, fiscal and contract management and direct services at two WIC sites. Total estimated expenses for personnel: \$364,192
2. Contracted Services- an estimated 7 subcontractors including 6 subcontractors delivering direct services at ten WIC sites and an implementation consultant are needed to complete the various

**Spending Plan and Funding Methodology**

components of the LBL direct service, marketing and intervention implementation. Total estimated expenses for subcontracts: \$893,016

3. Program Supplies- Program expenses are related to program materials and books are covered in FY23-24 through the State Book for Kids funding.
4. Operating and Administrative Costs- A total of \$663,335 is estimated for printing/copying, space, telephone, postage, travel, mileage, and other related expenses.
5. Evaluation: A budget of \$3,500 is needed to continue evaluation efforts, including fees and data collection and analysis activities.
6. Indirect Costs: 10% of total contract amount excluding subcontractors (contractor services), equipment and depreciation: \$103,103

Budget was rounded down to the nearest thousand, per internal practice (\$2,027,146)

**Change from Prior Year (if >+-20%)**

# CCFI Support/ Center Support Team

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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<b>Initiative</b>	<b>Investment Category</b>
Cross Cutting Funder Partnerships	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Center for Strategic Partnerships – Core Operating Support	\$ 50,000	\$ 50,000	-0%

**Program Summary**

An initiative of Southern California Grantmakers (SCG), the Center for Strategic Partnerships (CSP or Center) is a collaboration between government and philanthropy that is located within the Los Angeles County Chief Executive Office. SCG is the fiscal agent for CSP, although it is a permanent office under CEO within Los Angeles County government. CSP unites government, nonprofits, business, and philanthropy around common systems change goals.

The Center has been an enormously valuable partner to First 5 LA for the last five years and their work and impact continues to expand. Their unique fiscal relationships with Southern California Grantmakers allows the Center to quickly marshal public and private resources to support County initiatives that are aligned with First 5 LA priorities.

**Spending Plan and Funding Methodology**

\$50,000 will be paid once per year in a lump sum to support core operations of the Center. Philanthropic contributions to the Center typically cover staffing and administrative support from Southern California Grantmakers to continue the unique fiscal relationship with LA County. Core operating support may also include Center evaluations, program administration, meeting facilitation and other expenses.

**Change from Prior Year (if >+-20%)**

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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Initiative	Investment Category
County Partnerships	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
County Partnership Fund	\$ 200,000	\$ 200,000	-0%

**Program Summary**

The County Partnership Fund will help support emerging opportunities with County Government that are aligned with First 5 LA's 2020-2028 Strategic Plan (specifically the priorities of the CCFI functional teams). These County partnership efforts are often supported by philanthropic partners and provide First 5 LA access to positively influence County systems and leverage public and private resources to advance outcomes for children and families. These resources will fund opportunities aligned to the First 5 LA Strategic Plan.

This year's budget identifies two broad initiative categories (prevention and infrastructure) and aims to maintain flexibility and respond to the changing environments. Given recent conversations, we expect these projects to materialize with significant alignment to First 5 LA's 2020-2028 Strategic Plan. The costs identified for these activities are subject to change based on actual need as more information is made available.

**Spending Plan and Funding Methodology**

Prevention \$125K – This includes our planning and implementation support of emerging county priorities focused on prevention, like pathway referral development, implementation of state and federal Family First, the LA County Prevention Services Task Force and other countywide task forces, and continued collaboration with the county Office of Child Protection, and the Center for Strategic Partnerships.

Infrastructure \$75k – This includes investing in partnerships or efforts to test out or develop strategies that can lead to improvements in county systems’ infrastructure that can lead to enhanced service-delivery or systems integration or enhance other funding opportunities.

**Change from Prior Year (if >+-20%)**

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**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Sustainability	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Infrastructure Support for Sustainability and Health Planning	\$ 220,000	\$ 200,000	-9%

**Program Summary**

This funding is intended to support First 5 LA's efforts to create sustainable financing mechanisms for its investment and priority areas. This budget line includes funding to continue engaging expert consultation in the healthcare field to inform our strategies and efforts as well as funding to develop an infrastructure to support sustainable financing mechanisms.

**Spending Plan and Funding Methodology**

1. Continuing our agreement with The Messina Group for the consultation support of Jennifer Kent, an expert healthcare and Medicaid consultant, at the current level of \$35,000.
2. Continuing our agreement with Health Management Associates at the current level of \$120,000.
3. Activities related to building the infrastructure for sustainability of home visiting in the amount of \$45,000. This may include, for example, funding to secure an outside vendor to file claims for home visits in order to secure reimbursement from health insurance plans. It may also include the exploration of a centralized billing system for home visiting, and/ or other funding mechanisms for home visiting.

**Change from Prior Year (if >+-20%)**

There is a proposed decrease of 9% for this budget line in FY23-24.

# OFFICES

# Office of Government Affairs & Public Policy

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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Initiative	Investment Category
Integrated Policy and Advocacy Fund	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Early Childhood Policy and Advocacy Fund	\$1,500,000	\$4,000,000	167%

Program Summary
<p>The next iteration of PAF, known as the Early Childhood Policy and Advocacy Fund (ECPAF) brings the three PAF funds into alignment through a Whole Child/ Whole Family framework. Specifically, ECPAF intends to promote more aligned and holistic advocacy through a Whole Child and Whole Family lens and will feature differing strategies but shared outcomes across those strategies, especially around prioritizing children ages prenatal to 5-years old as a special population. It will also bring together diverse advocacy voices whose work occurs and operates at the intersection of systems; support achievement of First 5 LA strategic and sustainability priorities; and reflect commitment to diversity, equity and inclusion.</p> <p>By providing grants to a diverse set of grantees across the advocacy spectrum, ECPAF will seek to achieve the following primary objectives: 1) Strengthen the capacity of organizations to both incorporate and advocate for a Whole Child Whole Family framework, as well as First 5 LA Policy Agenda and Strategic Plan priorities; 2) Catalyze policies that impact intersecting systems to the benefit of children and families, and also that advance greater integration of child- and family-serving systems; 3) Close disparities, and guide resources to communities that would most benefit; 4) Ensure participation of a diversity of organizations, including those that represent community priorities; 5) Advance advocacy across multiple domains of policymaking, including administrative, legislative and budget platforms.</p> <p>Given achievement of primary objectives, ECPAF will work to activate policy and practice changes at the local, state and federal levels that prioritize children ages prenatal to 5-years old as a special population, build and strengthen the intersections of public systems that impact child health and development, promote effective family engagement with systems and create self-sustaining policy changes.</p> <p>First 5 LA advocacy strategies deeply connect with partnership and field building, with EC PAF serving as key example of this approach. EC PAF will feature two interconnected grant pools, focused on promoting equity, changing systems and building partnership across the early childhood advocacy field:</p> <ul style="list-style-type: none"> <li>• The Reimagining Systems Fund, centers around organizations aiming to change public systems most critical to children’s development prenatal-to-5 and their families. These grants will be awarded to 501(c)(3)s and fiscally sponsored nonprofit organizations, with an emphasis on those led by community members with lived experience of inequity.</li> <li>• The Community Opportunities Flexible Fund will provide opportunities for emerging groups, volunteer efforts, and/or smaller organization to receive funding to build community connections and voice of the people most impacted by changes to systems affecting children prenatal to 5 and their families. This pool aims to provide increased flexibility around funding, and will entail grants, stipends, contracts, honoraria, and related expenditures, awarded on a rolling basis with no deadline for applying.</li> </ul>

Overall, EC PAF hopes to foster progress towards the long-term systems outcomes, enhancing equity in public systems, power sharing in the policy development and implementation processes, financing mechanisms that incentivize a whole child, whole family approach, and rendering systems to be more accessible and aligned.

**Spending Plan and Funding Methodology**

Costs for FY23-24 include \$4 million for grant distribution. Solicitation launched with only 3 months of grantmaking in FY22-23.

**Change from Prior Year (if >+-20%)**

This new Integrated Early Childhood Policy and Advocacy Fund is budgeted to be a slight reduction from the 22-23 allocation based on the 3 months of grantmaking, but an overall budget increase for the full FY 23-24.

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Integrated Policy and Advocacy Fund	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Policy Advocacy Fund Technical Assistance Provider	\$596,000	\$596,000	0%

**Program Summary**

First 5 LA will support consultants and an intermediary funder to provide technical assistance, advice, support and guidance to develop integrated funding guidelines to support policy grantees in a number of key areas including: evaluation support, strategic planning, navigating complex policy systems and decisions, and reviewing data to develop recommendations. In addition, the consultant will provide new First 5 LA staff with technical assistance, coaching, and support as the initiative closes, and will produce status reports, presentations, and articles to capture learning from the initiative which can be disseminated internally and externally.

First 5 LA previously invested in three separate Policy Advocacy Funds across three different teams – Built Environment in Communities, Early Learning in ECE, and Child Health in the Office of Government Affairs and Public Policy. These projects all concluded at the end of FY 21-22.

Moving forward, to support more integrated policy development and advocacy work aligned with the more holistic child and family public policy goals outlined in the Strategic Plan, First 5 LA will develop a plan to establish an integrated Policy Advocacy Fund housed within the Office of Government Affairs and Public Policy. The integrated fund is co-developed and implemented in partnership with teams across First 5 LA, and support policy change activities aligned with First 5 LA’s Board-approved Policy Agenda and rules governing public agency advocacy activities.

The intermediary will specifically be responsible for supporting co-design and implementation of the PAF; ensuring compliance with First 5 LA lobbying restrictions; administering and monitoring grants; coordinating with grantees and planning grantee convenings; and providing technical assistance, guidance and access to other necessary resources.

Following design and launch of the fund, the intermediary will be responsible for reviewing proposals, disbursing grants, providing oversight and conduction evaluations. The intermediary plays a key role in ensuring achievement of key objectives and priorities related to EC PAF.

**Spending Plan and Funding Methodology**

Cost for intermediary support (\$596,000) to develop the integrated Policy and Advocacy Fund to support 6 months of design and planning to lead to grantmaking starting FY 22-23.

**Change from Prior Year (if >+-20%)**

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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Initiative	Investment Category
Organization-wide Sponsorships & Engagements	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Organization-Wide Sponsorships	\$200,000	\$300,000	50%

**Program Summary**

The Office of Government Affairs and Public Policy (OGAPP), in partnership with the Executive Directors Office (EDO), is continuing to revise the organization-wide sponsorships strategy to build First 5 LA’s reputation as an advocate and trusted source, engage and influence decision makers and stakeholders; and elevate awareness and create urgency on issues affecting young children and their families to help create lasting, equitable change.

These efforts are intended to help advance the 2020-28 Strategic Plan’s results areas and support First 5 LA’s policy and systems change efforts. The proposed budget request includes funds for First 5 LA’s organization-wide sponsorships and events in alignment with First 5 LA’s mission, vision, and work.

**Spending Plan and Funding Methodology**

The FY 23-24 budget reflects the role of sponsorships as an organizational strategy critical to First 5 LA’s brand, building new relationships, and increasing the number of organizations, businesses and philanthropic partners engaged in early childhood advocacy and policies affecting children 0 to 5 and their families. The methodology used to develop this budget is based upon an analysis of the last three years of successful sponsorship engagement work associated with First 5 LA. First 5 LA has historically supported events and activities hosted by key partners to advance its policy and system change goals. These events are opportunities to engage partners and other stakeholder audiences.

Based on event sponsorships from FY 22 -23 and increased sponsorship opportunities post-Covid, requests range from \$5,000 to \$25,000 for table or gala sponsorships this request of \$300,000 would allow First 5 LA to support up to 30 events in FY 23-24. This assumes an average contribution of \$10,000 per event. Additionally, the requested \$300,000 reflects a restructuring of budget items from other previous program areas for greater alignment (i.e., LA Chamber annual dinner reclassified as a sponsorship rather than with membership fees, as in the FY 22-23 budget). OGAPP and EDO are further refining an updated sponsorship strategy to align advocacy and sector engagement with sponsorships as a critical outreach and relationship cultivation strategy to advance our Policy Agenda.

**Change from Prior Year (if >+-20%)**

Recognizing that First 5 LA has continued to fund virtual sponsorship events in FY 22-23, this portion of the budget reflects a 25% increase in funding anticipating an increase for in-person events.

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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Initiative	Investment Category
Organization-wide Sponsorships & Engagements	2020-2028 Strategic Plan

Program Name	2022 – 2023 Revised Budget	2023 – 2024 Budget	% Variance
Organizational Memberships	\$393,000	\$175,000	

**Program Summary**

The 2020-2028 Strategic Plan and refined policy agenda will employ a variety of stakeholder engagement strategies and activities to support First 5 LA's advocacy priorities: policy education and advocacy events, engagement efforts with sector groups (e.g., business and grantmaking), key stakeholder meetings and coalitions, caucus policy retreats, and policy speaker series which elevate First 5 LA priorities.

In addition, grantmaking projects and organizational membership offer a place for to learn and engage with potential partners in an effort to build partnerships that support First 5 LA's strategic plan as well as our programmatic and policy goals. As a result, the following grantmaking and organization membership have been identified as critical to support First 5 LA's 2020-2028 Strategic Plan and policy refinement work across the organization.

**Spending Plan and Funding Methodology**

In FY 23-24, First 5 LA will continue to build relationships with stakeholder, sector groups and advocacy partners to elevate the importance of early childhood development. In addition, OGAPP will work to engage untapped sectors that have agendas and/or impact families and children but do not prioritize the special populations of children Prenatal to 5 (e.g., immigration, justice, and business groups).

First 5 LA has historically engagement in a number of grantmaking and organizational memberships and supported a number of events and activities which highlight important early childhood policy issues, educate decision-makers on early childhood priorities, and influence policy and systems change. Grantmaking Memberships and annual organizational membership rates are determined by the membership organization rate structure, depending on an organizations asset and/or total budget. Grantmaking and organizational memberships included as part of the total budget are as follows:

- Affinity Group Memberships – First 5 LA holds membership in a range of affinity and employee resource groups with a total combined budget of \$11,000.
- American Public Health Association (APHA)— The annual membership rate is \$2,000.
- California Chamber of Commerce — The annual membership rate is \$800; previously under the Human Resources & Talent Management (Professional Dues).
- Central City Association — The annual membership rate is \$350.00.
- First 5 California Association— The annual membership rate is \$75,000.
- Grantmakers for Education (GFE) — GFE is a network of education grantmakers dedicated to improving educational outcomes and increasing opportunities for all learners. The annual membership fee is \$8,000.
- Grantmakers for Effective Organizations (GEO) — GEO is a diverse community of grantmakers working to reshape the way philanthropy operates, promoting strategies and practices that contribute to grantee success. The annual membership fee for a government grantmaker is \$1,000.

**Spending Plan and Funding Methodology**

- Grantmakers in Health (GIH) — GIH is an educational organization dedicated to helping foundations and corporate giving programs improve the health of all people. The annual membership fee is \$11,500.
- LA Funders Collaborative - First 5 LA will continue to support and participate in the LA Funders Collaborative, as goals of the Collaborative are aligned with First 5 LA’s 2020-2028 Strategic Plan Communities Outcome Area and Built Environment Investment Strategies. The LA Funders Collaborative is a multi-sector collaborative which aims to leverage opportunities being catalyzed by recent landmark transportation and environmental policies to create equitable, healthy, and sustainable communities in LA County. The Collaborative is committed to ensuring that these public investments benefit all Angelenos, particularly historically underserved people and communities through collaboration, investments, grantmaking, and convening. In FY 23-24, the First 5 LA budget includes \$11,000 for annual membership and board dues for the First 5 LA Executive Director, \$2,000 annual organizational membership dues. Funds are included in FY 23-24 to ensure First 5 LA will have the ability to take advantage of immediate strategic partnership opportunities, such as the LA Funders Collaborative.
- Los Angeles Area Chamber of Commerce – First 5 LA will maintain its level of financial support in LA Area Chamber of Commerce and Chamber activities that are aligned with the goals of the 2020- 2028 Strategic Plan. A partnership with the Chamber provides First 5 LA staff opportunities to engage with business, higher education, and civic leaders, and to collaborate on policy and systems change efforts, annual membership is \$11,000.
- Los Angeles Area Chamber of Commerce – board dues (Executive Director has held this position in the past), \$2000.
- Los Angeles Business Federation (BizFed) — The annual membership rate is \$635.
- PEAK Grantmaking (formerly Grant Managers Network) – PEAK is an association of philanthropy professionals working to advance the knowledge, skills, and abilities of grants management professionals and lead grantmakers to adopt and incorporate effective practices that benefit the philanthropic community. The annual membership fee is \$7,000.
- Southern California Grantmakers - First 5 LA’s annual membership fee to Southern California Grantmakers is calculated based on a formula established by SCG that takes into account First 5 LA’s prior year total competitive Grantmaking and the location of the organization. First 5 LA member rate has increased to \$16,500 (previously \$15,000).
- Valley Industry & Commerce Association — The annual membership rate is \$1,760.

**Change from Prior Year (if >+-20%)**

Membership centralized in org-wide budget from CCFI and EDO maintaining FY 22-23 budget for OGAPP evaluation and review in FY 23-24.

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Organization-wide Sponsorships & Engagements	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Organization-Wide Partnerships		\$175,000	

**Program Summary**

The 2020-2028 Strategic Plan and refined policy agenda will employ a variety of stakeholder engagement strategies and activities to support First 5 LA's advocacy priorities: policy education and advocacy events, engagement efforts with sector groups (e.g., business and grantmaking), key stakeholder meetings and coalitions, caucus policy retreats, and policy speaker series which elevate First 5 LA priorities.

**Spending Plan and Funding Methodology**

In FY 23-24, First 5 LA will continue to build relationships with stakeholder, sector groups and advocacy partners to elevate the importance of early childhood development. In addition, OGAPP will work to engaged untapped sectors that have agendas and/or impact families and children but do not prioritize the special populations of children prenatal to 5 (e.g., immigration, justice, and business groups). These key partners allow First 5 LA to continue to influence policy and systems change through joint advocacy and pooled funding.

The following priority partnerships are examples of opportunities to advance First 5 LA's priorities for the FY 23 – 24:

- Atlas Fellows (\$50,000):  
Contribution to support creation the early childhood fellowship program.
- Southern California Grantmakers (\$50,000):  
First 5 LA contributes to the philanthropy sector and the opportunity to advance our key priorities through the contribution to SCG's general operating fund.
- LA Partnership for Early Childhood Investment/LA PEI (\$30,000):  
First 5 LA will continue to support and be an active leader and participant in the LA Partnership for Early Childhood Investment funder collaborative, as goals of the Partnership are closely aligned with First 5 LA's 2020-2028 Strategic Plan. This year, the Partnership is supporting Family Supports efforts, the African American Infant and Maternal Mortality initiative, and increasing Earned Income Tax Credit benefits for families with young children, although collaborative efforts cut across the First 5 LA Strategic Plan. The Partnership, representing public, private, and individual funders, as well as businesses, works to maximize members' resources by investing in the promotion of innovations that advance policy and systems change to benefit LA County children prenatal-5 and their families.
- LA-N-Sync (\$25,000):  
First 5 LA will continue to support and participate in the LA-N-Sync collaborative, as goals of LA-N-Sync are broadly aligned with First 5 LA's 2020-2028 Strategic Plan Priority Outcome Areas and Investment Strategies. Specifically, LA-N-Sync will support efforts under the Communities food security objective area to increase access to CalFresh benefits in partnership with DPSS. LA-N-Sync is a cross-sector initiative to strengthen the Los Angeles region as a compelling destination for investment. LA-N-Sync works with public and private agencies to identify funding priorities and opportunities, and to position

**Spending Plan and Funding Methodology**

applicants to be as competitive as possible. Funds were also included in FY 22-23 to ensure staff have the ability to take advantage of immediate strategic partnership opportunities, such as participation in LA-N-Sync. The \$25,000 level of funding for FY 23-24 will remain the rate of membership and is equal to the support provided by other members such as the California Community Foundation, The California Endowment, and the Weingart Foundation.

- **LA Funders Collaborative (\$12,000)**  
First 5 LA will continue to support and participate in the LA Funders Collaborative, as goals of the Collaborative are aligned with First 5 LA's 2020-2028 Strategic Plan Communities Outcome Area and Built Environment Investment Strategies. The LA Funders Collaborative is a multi-sector collaborative which aims to leverage opportunities being catalyzed by recent landmark transportation and environmental policies to create equitable, healthy, and sustainable communities in LA County. The Collaborative is committed to ensuring that these public investments benefit all Angelenos, particularly historically underserved people and communities through collaboration, investments, grantmaking, and convening. (This amount is in addition to the FY 23-24 request of \$13,000 in the Organization Membership budget for \$11,000 annual membership and board dues for the First 5 LA Executive Director, \$2,000 annual organizational membership dues.) FY 23-24 funding level of \$25,000 (total) is consistent with the other 11 grant making members of the collaborative: the California Community Foundation, The California Endowment, Enterprise Foundation, Resources Legacy Fund, and the Liberty Hill Foundation.

**Change from Prior Year (if >+-20%)**

Membership and partnerships centralized in org-wide budget from CCFI and EDO maintaining FY 22-23 budget for OGAPP evaluation and review in FY 23-24.

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Organization-wide Sponsorships & Engagements	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Policy & Advocacy Stakeholder Engagement	\$393,000	\$180,000	

**Program Summary**

The 2020-2028 Strategic Plan and refined policy agenda will employ a variety of stakeholder engagement strategies and activities to support First 5 LA's advocacy priorities: policy education and advocacy events, engagement efforts with sector groups (e.g., business and grantmaking), key stakeholder meetings and coalitions, caucus policy retreats, and policy speaker series which elevate First 5 LA priorities.

In addition, grantmaking projects and organizational membership offer a place to learn and engage with potential partners in an effort to build partnerships that support First 5 LA's strategic plan as well as our programmatic and policy goals. As a result, the following key strategic engagement projects, sector groups and grantmaking and organization membership have been identified as critical to support First 5 LA's 2020-2028 Strategic Plan and policy refinement work across the organization.

**Spending Plan and Funding Methodology**

In FY 23-24, First 5 LA will continue to build relationships with stakeholder, sector groups and advocacy partners to elevate the importance of early childhood development. In addition, OGAPP will work to engage untapped sectors that have agendas and/or impact families and children but do not prioritize the special populations of children 0 to 5 (e.g., immigration, justice, and business groups).

First 5 LA has historically supported a number of events and activities which highlight important early childhood policy issues, educate decision-makers on early childhood priorities, and influence policy and systems change. These include Advocacy Day, California State Legislative caucus, policy retreats, and policy conferences and speaker series which elevate First 5 LA priorities.

Funding will support virtual engagements with advocacy partners to elevate the importance of early childhood development and family friendly policies. This will include Q1, Q2 and Q3 of FY21-22 Advocacy Day, California State Legislative caucus policy retreats, and policy conferences and speaker series which elevate First 5 LA priorities. Additionally, this requests a restructuring of program budget categories and includes funding to maintain its level of financial support for the following LA Area Chamber of Commerce and Chamber activities which present opportunities for First 5 LA to elevate and advance our Strategic Plan goals, including ACCESS DC (\$15,000), ACCESS Sacramento (\$10,000), and ACCESS LA (\$5,000).

In FY23-24, the total budget for this will also include activities to engage caucus and sectors groups (philanthropy, business, and justice groups). Due to COVID-19 and recent conversations regarding state and LA County guidelines for events, we expect these stakeholder engagement activities to materialize in FY23-24 as events taking place in person. The costs identified for these activities are subject to change based on actual need as more information is made available.

**Change from Prior Year (if >+-20%)**

Policy advocacy opportunities from FY 22-23 membership and partnerships centralized in org-wide budget from CCFI and EDO maintaining FY 22-23 budget for OGAPP evaluation and review in FY 23-24.

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Policy Agenda/Advocacy	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
State Policy and Sustainability Advocate	\$366,000	\$320,000	-13%

**Program Summary**

The State Policy and Sustainability Advocate develops and executes advocacy strategies to help advance First 5 LA state policy priorities. The consultant supports First 5 LA’s early childhood policy and advocacy strategies in the state policy arena. They also 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; Government Affairs; Technical Assistance and Project Management; Lobbying; Strategic Communications; and Special Projects.

**Spending Plan and Funding Methodology**

Since 2013, First 5 LA has contracted with California Strategies (CalStrat), a Sacramento based firm, to serve as the State Policy and Sustainability Advocate. They were reprocured in 2017 and were recently reselected in November 2022 after a public procurement process. The main cost component is personnel and pre-approved task order activities. Travel is also a cost for contractors that have to travel to meetings and hearings in Sacramento and to LA to attend and present at First 5 LA Commission meetings and other key meetings. Staff negotiates the contractor's monthly rate based on the amount of time the consultant team has spent working on average per month. The contractors continue to track hours spent, in case First 5 LA needs to renegotiate the rate or add funds for additional work requested beyond the reasonably expected fluctuation in hours between months.

California Strategies leads mission-critical initiatives related to the strategic plan: developing and implementing First 5 LA's legislative agenda; monitoring the state's policy and political landscape; representing First 5 LA at key meetings including legislative hearings, meetings with key government officials, and priority coalitions; planning advocacy events like the First 5 Association Advocacy Day and ACCESS Sacramento events; monitoring tobacco tax revenues and exploring alternative revenues for First 5 LA and its priorities strategies; and providing strategy advice and technical assistance to policy and program staff.

In addition, through the contract with CalStrat, First 5 LA supports the engagement of a Title 19 (Medi-Cal) expert for work on sustainability issues for several major health investments, including developmental screening and home visiting; this subcontract is currently with Health Management Associates (HMA). In addition, through the contract, strategic communications consultation is provided by subcontractor, Spitfire Strategies. Policy and program staff work with this team to identify potential funding opportunities with the state and federal government to leverage potential grant and funding related to the issue areas aligned with the organization-wide policy agenda. Staff recommends reducing the overall contract amount to \$320,000 for FY 23-24, for a reduction of \$46,000. Funding for this item was included in the FY 22-23 budget and is envisioned to continue to support the implementation of the new strategic plan, as needed, to inform and advise strategies to leverage early learning funding, Medi-Cal funding for health and family strengthening investments.

**Spending Plan and Funding Methodology**

CalStrat's contract was reprocured via a competitive procurement in November 2022 and is renewable through 2027. The Office of Government Affairs and Public Policy worked with CAP to solicit a competitive procurement in Fall of 2022 with a revised scope of work and reduced budget of \$74,000 to reflect the expanded capacity and strategic advantage First 5 LA has developed. The new procurement began December 1, 2022.

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Policy Agenda/Advocacy	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Strategic Plan Advocacy Strategies	\$973,000	\$819,500	-16%

**Program Summary**

First 5 LA invests in key activities to support its policy goals related to family support, health systems, early care and education, and community engagement. Among other activities, work in this area includes policy technical assistance, advocacy initiatives, coalition support, statewide First 5 Association activities, research and briefings, and advocacy partnership development.

**Spending Plan and Funding Methodology**

The proposed FY 23-24 budget includes costs related to the following activities:

- 1) California Strategies (\$150,000) to coordinate and strengthen the State Early Care and Education Coalition. In FY 23-24, California Strategies will continue to grow and build up capacity of the coalition and further expand the state and federal investment in our ECE system. First 5 CA also provides funding support to the ECE Coalition, focused primarily on communications strategies and Coalition coordination. Forty-four percent of the total FY 23-24 funding for the ECE Coalition will come from First 5 LA. The total First 5 LA cost for facilitating and supporting the ECE Coalition is reduced by 22% from FY 22-23.
- 2) Masters Policy Consulting (\$93,500) to continue supporting staff training and technical assistance related to policy and systems change. The contract with Masters Policy Consulting, an advisory firm working to build staff knowledge and capacity of systems and policy change strategies, is focused on training staff and partners in systems and policy change best practices, and providing technical assistance for specific systems and policy change projects aligned with the strategic plan. Reduced from \$150,000 in FY 23-24.
- 3) First 5 Association (\$576,000) to ensure the development and execution of a coordinated, proactive statewide policy and legislative agenda informed by the network of First 5 organizations throughout California. First 5 LA forecasted a 10% annual reduction in support as the Association continues to build capacity and leverage new funding sources. FY 22-23 funding was \$630,000, FY 23-24 is \$576,000 and in FY 24-25 will be budgeted for \$518,400. Activities supported from contributions to the Association include funding for dedicated Association policy staff, development of First 5 advocacy materials, execution of reports and polls related to First 5 policy priorities, support of consultants to advance critical policy initiatives, and support for the development of the First 5 network in California and partnerships with consultants and advisors to enhance the Association's policy work.

Association-led policy work is expected to continue to increase in FY 23-24 with a particular focus on a few critical initiatives: 1) the coordination of a statewide First 5 approach to addressing new tobacco-related product policies, regulations, and taxes which impact Proposition 10 revenues; 2) coordination with First 5 California and support for the further development and engagement with the network of 58 county First 5 commissions; 3) support for First 5 network engagement with Governor Newsom and his early childhood development leadership team; and 4) the integration and development of an early childhood development policy agenda inclusive of family strengthening, early intervention, and early learning priorities.

**Change from Prior Year (if >+-20%)**

# Office of Communications

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Communications & Marketing	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Strategic Communications	\$ 1,897,000	\$ 1,587,417	

**Program Summary**

Communications is recognized as critical for driving change in family-serving systems and is essential to further advance and execute First 5 LA’s strategic priorities. As part of First 5 LA’s 2020-28 Strategic Plan, communications and marketing will continue to be used to amplify our advocacy efforts and build public will to catalyze policy and systems change to achieve equitable futures for all L.A. County children and their families.

Strategic communications is used to strengthen First 5 LA’s advocacy efforts across diverse audiences to inform and influence decisions that drive action to prioritize young children. We work in partnership across Center Teams and Offices to plan and design strategies that achieve targeted goals. We recognize budget as a statement of priorities: 1) embedding diversity, equity and inclusion throughout the work outlined in this FY23-24 budget; 2) the impact of the COVID-19 pandemic on First 5 LA’s operations and program investments; 3) the next phase of hybrid work to a fully hybrid structure that includes working in the First 5 LA office; and 4) the next phase of our Strategic Plan Review. This budget will support continued development and implementation of strategic communications, marketing and internal communications efforts that build First 5 LA’s reputation internally and externally as an advocate, systems change agent and trusted source.

This Strategic Communications budget category includes line items for four contracts, including one agency partner to support strategy and content development for First 5 LA’s social media channels and digital properties. This line item also includes a contracted vendor to provide content writing, copyediting and proofreading services, as well as two proposed procurements for specialty communications consultant support and agency-wide translation and interpretation services. These contracted resources complement and work in alignment with the efforts outlined under the Strategic Marketing budget category.

**Spending Plan and Funding Methodology**

- 1) BARÚ Advertising, Inc. (BARÚ) is the Social Media and Digital Marketing agency contracted to lead the development of strategic, data-driven creative concepts to maximize reach and engagement of target audiences utilizing First 5 LA’s social media channels (Facebook, Twitter, Instagram, YouTube, LinkedIn), digital platforms and distribution channels (website, e-newsletters).

FY23-24, begins year four of a four-year agreement with BARÚ to continue leading the development of digital based concepts and placement, including creative asset production (graphics, animation used across social media platforms and websites) and paid media strategy (see Strategic Marketing budget for further details on advertising budget). BARÚ also identifies current events and trending topics that align with First 5 LA’s mission and content/storytelling strategy. The team is responsible for monitoring online community management and development of monthly content calendars in alignment with OOC’s integrated communications priorities. In addition, BARÚ delivers monthly analytics and measurement reporting on the impact of executed strategies and tactics. In consultation with First 5 LA’s IT team, BARÚ will serve on the Internal Communications digital community production team to provide expertise in web-based user experience and content structure in development of a SharePoint content dissemination and repository hub for all employees.

## Spending Plan and Funding Methodology

This blended retainer and task order contract with BARÚ is not to exceed \$862,000 in FY23-24. This line item remains the same amount from FY22-23 budget. Note, a restructure of the budget for FY23-24 will include a reduction in retainer budget to allow for more focused project work under task orders.

- 2) Hypertexted, LLC is the writing/editing/proofing firm contracted to provide content writing, copyediting, proofreading services and editorial considerations for articles, blogs, broadcast emails, electronic newsletters and research-based content aligned to intended audiences. Hypertexted provides expertise in content development to support OOC's goal of demonstrating First 5 LA's knowledge and expertise on issues that affect early childhood development and to ensure the organization's storytelling efforts are effective in reaching target audiences across multiple channels, including First 5 LA employees and external audiences.

The task order contract with Hypertexted is not to exceed \$70,417 in FY23-24. Based on historic expenditures with two separate contracts for close to \$150,000, in FY21-22 OOC developed the procurement for Hypertexted services to improve efficiencies through procurement of a single contract for writer/editor services. This budget is reduced by \$84,000 from FY21-22.

- 3) Translation and Interpretation Services (Procurement)

In FY22-23, OOC is planning to issue an agency-wide solicitation to identify a pooled vendor list to provide multi-language translation, interpretation, and American Sign Language (ASL) services for First 5 LA. In FY21-22, OOC conducted a business need assessment, engaging CCFI teams and Offices to determine how current vendors are being utilized and to obtain line of sight into emerging work planned for the year ahead. From the assessment, OOC learned that multiple teams have a need for these services and that Communities, ECE and Health Systems hold separate contracts with various vendors to support their investments. Based on these findings, the recommendation was made to procure these services under one contract for First 5 LA. This contract is intended to serve the needs of Teams and Offices across the agency.

The purpose of this line item in the amount of \$150,000 for FY23-24 reflects the OOC contribution to the pooled fund for translation vendor services to be used for First 5 LA produced content, including but not limited to potential use of interpretation and ASL services for First 5 LA commission meetings, and translation of website copy, printed materials, signage, etc., in the effort to reach a diversity of audiences in L.A. County.

The total FY23-24 budget for the first year of the qualified vendor list will be \$185,000 with three teams contributing a portion based on their forecasted needs. Should additional teams determine translation needs in the first half of the fiscal year, additional budget will be sought during mid-year adjustments.

- 4) Communications Consultants (Procurement)

In FY23-24, OOC is planning to issue (an) agency-wide solicitation(s) to identify communications consultants to provide strategic support in the development of key messaging frameworks to reach and engage target audiences, design communications strategies to support our policy and advocacy efforts, provide trainings on best practices and technical support to continue to strengthen the capacity of the internal OOC team and how to best incorporate the values of diversity, equity and inclusion in all communications efforts. Consultants will also support a potential brand refresh that will reflect the direction of our 2020-2028 Strategic Plan Review.

OOO is exploring procurement of more than one consultant contract, with the intention of contracting specialty support by project for an amount not to exceed \$500,000 for FY23-24. For example, consultants

**Spending Plan and Funding Methodology**

specializing in diversity, equity and inclusion communications and other consultant expertise on brand strategy for development of a brand refresh to reflect our 2020-2028 Strategic Plan Review. This approach reflects a strategy shift for OOC with historic expenditures of close to \$1.2 million on full-service agency contracts that did not produce expected results to instead focus on contracting area expertise and strengthening the capacity of the internal OOC team through technical support and trainings.

5) Critical Mention Service for Media Monitoring and Outreach Efforts

In FY23-24, OOC is planning to review its subscription to Critical Mention, a digital online tool that offers technology driven media monitoring service to support the production of First 5 LA's twice-weekly news skim newsletter, the *Morning Media* and OOC's earned media outreach efforts. The monitoring service is customizable to track keyword mentions across millions of online news sources, television, and radio. Additionally, Critical Mention offers an up-to-date database of media contacts, which OOC uses to create lists of key reporters and their contact information to conduct outreach to local, state and national media outlets.

The 1-year subscription total for Critical Mention Services for FY23-24 will not exceed \$5,000.

**Change from Prior Year (if >+-20%)**

Reduction in strategic communications includes significant cost savings for consultant support, ending one of OOC's primary communications consultant contract with Rescue Agency in FY21-22 and a reduction of budget for FY23-24.

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Communications & Marketing	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Strategic Communications Partnerships	\$250,000	\$200,000	

**Program Summary**

The Office of Communications (OOC) values the goal of building the capacity of news organizations to deliver in-depth reporting on critical health, early learning and child development topics affecting young children under the age of 5 and their families in L.A. County and statewide. To advance the priorities of First 5 LA’s 2020-28 Strategic Plan, OOC has identified expanded reporting and coverage of early childhood development as essential to help build public awareness and public will and create urgency to drive systems and policy change to better address the needs of L.A. County families. The context of the impact and lasting effects of the COVID-19 pandemic on young children, families and communities adds an increased urgency to the credible coverage of these issues.

In FY21-22, multi-year contract agreements to fund The Center for Health Reporting at the USC Schaeffer Center for Health Policy and Economics and The Pacific Oaks College Early Childhood Journalism Fellowship ended and were not renewed, resulting in a budget reduction of \$300,000 in FY22-23. Key learnings from these previous investments included the management of multiple grantees inhibits OOC from fulfilling its core competencies, and that co-investing in projects with other funders increased the scale and impact of First 5 LA dollars.

In FY 22-23, the Board approved \$250,000 to support potential contributions to pooled funds increasing coverage of early childhood development issues. Potential investments were put on hold, however, as the organization assessed partnership priorities. First 5 LA remains committed to strategically investing in communications partnerships, however, and proposes maintaining budget authority for potential partnerships in FY 23-24 at the reduced level of \$200,000.

In FY23-24, OOC is exploring pooled funder investments possibly with Southern California Public Radio (KPCC), LA Partnership for Early Childhood Investment (LAPECI), and others to advance the goal of expanding reporting and coverage of early child development topics.

**Spending Plan and Funding Methodology**

- 1) \$200,000 Strategic Partnership to build the capacity of news organizations to expand the reporting and coverage of health, early learning and child development topics affecting young children throughout the critical years of prenatal to age 5 and their families in L.A. County and statewide.

This funding will be utilized to create a strategic partnership for First 5 LA to be part of a pooled fund with other early childhood systems change grantmakers. First 5 LA has previously invested in a partnership with Southern California Public Radio (KPCC) to support the media outlet’s engaged journalism project at \$300,000. Our experience in partnership at this level has shown that a minimum of \$50,000 and up to \$300,000 is required to meaningfully contribute, shape and influence partnership priorities and intended outcomes.

**Spending Plan and Funding Methodology**

Potential partners include funders with common missions to invest, promote innovations and amplify the voices of families to advance the lifelong health and well-being for L.A. County’s children, prenatal to age 5, including but are not limited to: The LA Partnership of Early Childhood Investment (LAPECI), a public-private collaboration of the country’s largest private foundations, family foundations, including the Atlas Family Foundation the Los Angeles Area Chamber of Commerce, and key government agencies, Southern California Public Radio (KPCC) Engaged Journalism, which aims to narrow the gap between newsrooms and the communities they serve by working in concert with community members to ensure that the news being delivered is relevant and useful. The practice is proven to build trust with community members, while helping to expand and diversify audiences.

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Communications & Marketing	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Strategic Marketing	\$1,450,000	\$1,400,000	

**Program Summary**

First 5 LA’s 2020-28 Strategic Plan includes a commitment to using communications strategies to amplify our advocacy efforts and build public will to catalyze policy and systems change efforts which result in more equitable futures for children in L.A. County.

Marketing strategies are used to influence perception, build trust and awareness with diverse audiences, amplify First 5 LA’s advocacy efforts and strengthen the knowledge and reputation of the organization as a funder and systems change leader. Informed by Strategic Communications as the driver, Strategic Marketing develops and executes creative solutions that drive measurable outcomes.

The Strategic Marketing budget category includes line items for two contracts, and dedicated funds for paid advertising to be used to advance First 5 LA’s systems change goals and to support the development of content and production of materials and assets to reach and engage target audiences externally and internally. This budget reflects anticipated needs of moving from our hybrid transition phase to a fully hybrid structure that includes working in the First 5 LA office building during FY23-24. Additionally, this budget reflects the opportunities to strengthen First 5 LA’s brand and amplify systems change priorities reflected in the 2020-2028 Strategic Plan Review.

**Spending Plan and Funding Methodology**

1) Bumpercar, Inc. is the Multimedia Creative Services agency contracted to provide a full range of production services (video, collateral, webpage design, graphic design for print collateral, advertising creative, etc.) to complement and enhance integrated communications and marketing, and social media and digital marketing projects.

- FY23-24 begins year four of a five-year agreement with Bumpercar to continue project-based work including but not limited to, brand refresh, graphic design for print, digital, social media and presentations, infographics, photography, photo cataloging, video production and related services, and coordination with other entities and agency partners as projects require. Such projects include a video series reflecting Strategic Plan refinement, our role as policy and systems change agents and our North Star. Bumpercar will potentially serve on the Internal Communications digital community production team and provide expertise in First 5 LA brand and design in development of a SharePoint content dissemination and repository hub for all employees.

This task order contract with Bumpercar, Inc. is not to exceed \$350,000 in FY23-24. This line item remains the same amount from FY22-23 budget.

2) Advantage ColorGraphics is the contracted vendor to provide printed materials for First 5 LA, including but not limited to:

- Posters and other print materials used at external events and meetings

## Spending Plan and Funding Methodology

- Building and in-office signage and other printed materials to support Internal Communications needs
- Stationary, business cards, and other printed business material needs
- Press kits, premium items (branded pens, shirts, mugs, notepads, etc.)

The task order contract with Advantage ColorGraphics is not to exceed \$150,000 in FY23-24. This is a continued reduction from \$200,000 in FY22-23 and from \$345,000 in FY21-22, primarily due to ending the printing and distribution of the quarterly parenting guide and to an overall decrease in need to produce branded items. However, this budget will focus on anticipated org-wide printing needs, supporting the next phase of hybrid work and other needs.

- 3) Advertising: The Office of Communications will use paid media advertising to target and reach diverse audiences. This budget line item includes the cost to procure the services of a media buyer to develop a media plan and to place advertising, as well as for the hard-costs of the advertising placements (broadcast TV, radio, out-of-home, billboard, etc.) that are paid directly by First 5 LA and in compliance with procurement exceptions.

Los Angeles County is one of the largest, most desirable, and 2nd most expensive media markets in the nation because of its diverse population where brands can effectively reach a variety of ethnic groups.

Because the population of LA makes it a key market for local and national advertisers, we must compete for placement availability. Our goal is to achieve reach and frequency levels that make an impact; which means determining an adequate budget and utilizing the right mix of traditional and non-traditional media.

- Cost estimates are based on historical spending prior to FY20-21. Los Angeles County is a premium ad-buy market, and this budget would cover the cost of at least one targeted campaign with county-wide reach. For reference, one of our last countywide campaigns was in the context of the census. Ad buys related to this campaign, which resulted in more than 50 million impressions with hard-to-reach families with young children, cost approximately \$325,000.
- Building upon past digital advertising efforts, OOC has an opportunity to scale up efforts throughout L.A. County and develop localized strategies to reach targeted audiences. Potential campaigns include targeting public policy influencers and lawmakers to advance our policy and advocacy priorities, working in partnership with the Office of Government Affairs & Public Policy (OGAPP). In addition is the opportunity to develop a campaign to re-introduce First 5 LA, connected to our 25<sup>th</sup> anniversary in the fall of 2023, highlighting our newly adopted North Star and focused priorities from our 2020-2028 Strategic Plan Review.

The budget for advertising costs is not to exceed \$750,000 in FY23-24. This is a reduction from \$1.15 million in FY21-22 due to the shift away from the marketing strategy of directly targeting parents and caregivers, coupled with a hold on executing advertising campaigns due to the impact of COVID-19.

- 4) General Support Services: This budget line item, not to exceed \$150,000 in FY23-24, includes unplanned expenses not otherwise covered by existing contractors and scopes of work including but not limited to:
- Costs associated with First 5 LA hosted events, such as venue/location fee, audio/video rentals, fee for event coordinator, staffing, photographers, catering, décor/centerpiece, etc.
  - Requests from other Offices/Teams for printing and creative services that are beyond allocated contract amounts
  - Majority of unforeseen expenses that may be related to internal needs associated with the transition from mandatory remote to fully hybrid structure in FY23-24.

These funds provide the ability to solicit bids to purchase goods and services directly, outside of existing contracts and in compliance with our procurement threshold amounts.

**Change from Prior Year (if >+-20%)**

Contract budget reduction of \$50,000 with Advantage Color Graphics reflects continued decrease primarily due to ending the printing and distribution of the quarterly parenting guide and to an overall decrease in need to produce branded items. However, this budget will focus on anticipated org-wide printing needs, supporting the next phase of conversion to fully hybrid structure work and other needs.

# Office of Data for Action

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Data Development	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Annual Reporting	\$ 87,000	\$ 63,000	-28%

**Program Summary**

The purpose of Annual Reporting is to enable First 5 LA to: 1) provide a summary of First 5 LA’s fiscal and programmatic information to be used in a statewide summary, as required by Prop 10 and; 2) better understand who our partners are.

Through the Annual Reporting project, we will achieve the following overarching goals: 1) First 5 LA provides transparency on our investments through compliance with Prop 10 funding requirements; and 2) First 5 LA has access to and uses data on our partners and investments to help both assess our current partnerships and inform future investments.

Through the work planned for FY 22-23 we aim to achieve the following: (a) First 5 LA complies with Prop 10 requirements through the submission of an accurate and comprehensive FY 22-23 Annual Reporting data and filing of First 5 CA Annual Report with First 5 LA’s Board of Commissioners, (b) Key internal stakeholders have a better understanding of First 5 LA’s partners and investments in FY 22-23, and (c) First 5 LA is positioned to effectively and efficiently collect accurate FY23-24 Annual Reporting data in the next fiscal year.

**Spending Plan and Funding Methodology**

**(1) HOW WILL THE FUNDS BE SPENT**

The funds requested for the Annual Reporting project will be spent achieving the three goals outlined below. Following each goal statement are the objectives that will completed in the process of achieving the goal.

Goal 1: First 5 LA complies with Prop 10 requirements through the submission of an accurate and comprehensive FY 22-23 Annual Reporting data and filing of First 5 CA Annual Report with First 5 LA’s Board of Commissioners. To achieve this goal we will: (a) finalize AR data collection tools and guiding materials to collect reliable and valid FY 22-23 AR data; (b) fulfill our roles and responsibilities to collect AR data; (c) collect accurate AR data on 100% of contracts subject to AR; (d) ensure timely and complete submission of FY 22-23 First 5 LA Annual Report data to First 5 CA; and (e) file FY 22-23 First 5 CA report with First 5 LA Board of Commissioners.

Goal 2: Key internal stakeholders have a better understanding of First 5 LA’s partners and investments in FY 22-23. To achieve this goal we will: (a) understand of the organizational characteristics of FY 22-23 grantees and contractors subject to AR.

Goal 3: First 5 LA is positioned to effectively and efficiently collect accurate FY23-24 Annual Reporting data in the next fiscal year. To achieve this goal we will: (a) agree on the improvements to the AR process and tools; (b) have a refined FY 23-24 Annual Reporting process and data collection tool based on First 5 CA guidance and local data needs; and (c) have identified the resources needed to support the AR project for FY 23-24.

**(2) HOW THE FUNDING LEVEL WAS DETERMINED**

**Spending Plan and Funding Methodology**

Cost estimates are based on 420 hours of work at \$150 per hour which totals approximately = \$63,000. The hourly rate is consistent with the rate used for comparable services. The hours were estimated based on the time and resources needed to accomplish the FY 23-24 goals and objectives.

**Change from Prior Year (if >+-20%)**

The cost for the Annual Reporting (AR) Project in FY 23-24 is expected to decrease 28% from the FY 22-23 budget amount because: 1) the roles and responsibilities related to engaging and communicating with First 5 LA staff and board (such as staff trainings and board presentations) will shift from the contractor to the project manager (PM); 2) PM will take over most of the roles and responsibilities of Goal 3 in ensuring quality AR data for the following fiscal year; 3) much of the groundwork for preparing for Annual Reporting data collection for FY 23-24 will already be completed in the third and fourth quarter of FY 22-23.

<b>Budget Fiscal Year: 2023 - 2024</b>	<b>Status: Proposed</b>
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<b>Initiative</b>	<b>Investment Category</b>
Data Development	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Data Requests	\$5,000	\$5,000	0

**Program Summary**

The purpose of this budget item is provide funds to First 5 LA to acquire various data sets on an as needed basis to support First 5 LA's information needs including purchasing data from state agencies such as the California Department of Education or Geographic Information System shape files in support of Impact Framework indicator tracking or other efforts.

**Spending Plan and Funding Methodology**

In FY 23-24 funds will be spent on data sets, as they are identified. Geographic Information System boundary files typically cost \$1,000+, while public records like birth files are \$500+. Anticipated costs are based on previous experience purchasing these types of data sets.

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Data Partnership	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Children’s Data Network (CDN)	\$793,000	\$723,000	-9%

**Program Summary**

The purpose of the Children's Data Network Data Partnership is to (1) improve the data infrastructure in family-serving systems to produce high-quality, actionable data and (2) link administrative data within and across public systems to produce actionable research to inform, advance, and/or measure systems change outcomes.

This work will ensure (1) First 5 LA has access to and uses high-quality data from administrative records collected by and linked across state agencies to inform, advance, and/or measure systems change outcomes, and (2) public systems have access to and use high-quality data from administrative records collected by and linked across local and state agencies to inform, advance, and/or measure systems change efforts that are aligned with First 5 LA’s systems change outcomes.

The work of this project in FY23-24 will involve (1) key internal stakeholders understanding the extent to which CDN can provide access to data aligned with First 5 LA’s data needs, (2) First 5 LA staff having access to existing linked administrative data on public systems and the children and families that utilize these systems, and (3) key public systems, including home visiting and child welfare, piloting data infrastructure that supports the use of administrative data to inform, advance, and/or measure the impact of system improvement efforts.

**Spending Plan and Funding Methodology**

(1) HOW THE FUNDS WILL BE SPENT

Goal 1: Key internal stakeholders understand the extent to which CDN can provide access to data aligned with First 5 LA’s data needs. To achieve this goal we will: (a) understand the extent to which CDN current capacity to provide access to data aligned with F5LA’s Data Priorities and urgent data needs, (b) understands the opportunities for CDN to expand future access to data aligned with F5LA’s Data Priorities and urgent data needs, and (c) understand which County agencies could be promising partners to address F5LA’s data needs based on CDN’s knowledge and experience.

Goal 2: First 5 LA staff have access to existing linked administrative data on public systems and the children and families that utilize these systems. To achieve this goal we will: (a) establish shared commitment among F5LA leadership and staff to use data on public systems and the children and families that utilize these systems, (b) have CDN link the most recently available administrative data from state agencies, (c) have key internal stakeholders receive and understand the data and key findings aligned with First 5 LA’s data needs related to public systems and the children and families that utilize these systems, and (d) have materials to facilitate use of administrative data on public systems and the children and families that utilize these systems.

**Spending Plan and Funding Methodology**

Goal 3: Key public systems, including home visiting and child welfare, pilot data infrastructure that supports the use of administrative data to inform, advance, and/or measure the impact of system improvement efforts. To achieve this goal we will: (a) support First 5 LA and our key partners in using administrative data to plan and pilot home visiting referrals and services funded through FFPSA, (b) support DCFS in using administrative data such as documentation from past investigations and family records to facilitate early identification of complex cases to inform staffing and guide referrals at regional offices throughout the County, (c) understand the extent to which CDN has the expertise and capacity to support public systems' use of data to inform, advance, and/or measure systems changes that are of priority to First 5 LA, and (d) understand how the Cradle to Career Data System is beginning to link early childhood data.

**(2) HOW THE FUNDING LEVEL WAS DETERMINED**

The funding level was determined based on costs from previous years. These include:

- STAFF = \$424,000
- DIRECT COSTS (USC School of Social Work Facility & Administration costs, Statistical Program license renewals, Server & Secure Rack Lease, etc.): = \$234,000
- OTHER COSTS (Subcontractors) = \$65,000

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Data Partnership	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
County Data Partnership	\$147,000	\$75,000	-49%

**Program Summary**

The purpose of the County Data Partnership is to (1) facilitate use of common metrics across LA County agencies, and (2) facilitate First 5 LA’s access to data from LA County agencies to help advance First 5 LA’s systems change work and support our data efforts.

As a result of this partnership, (1) County stakeholders including First 5 LA have access to and use data to measure the progress and impact of Countywide efforts to connect children and families to upstream services and supports; and (2) First 5 LA has access to and uses data from LA County agencies to inform, advance, and/or measure systems change outcomes.

Through the work planned for FY 23-24 we aim to achieve the following: (1) County stakeholders including First 5 LA have access to common metrics updated with the most recently available data to understand the progress and impact of Countywide efforts to connect children and families to upstream services and supports.

**Spending Plan and Funding Methodology**

(1) How funds will be spent:

The funds requested for the County Data Partnership will be spent achieving the goal outlined below. Following the goal statement are the objectives that will be completed in the process of achieving this goal.

Goal 1: County stakeholders including First 5 LA have access to common metrics updated with the most recently available data to understand the progress and impact of Countywide efforts to connect children and families to upstream services and supports. To achieve this goal we will accomplish the following objectives: (a) County stakeholders including First 5 LA have access to CPM dashboards and data stories updated with the most recently available data, (b) County stakeholders including First 5 LA understand and are positioned to use CPM findings, (c) First 5 LA and OCIO have strategies to overcome barriers to acquire data from County agencies for the remaining CPM indicators, and (d) County stakeholders including First 5 LA understand the opportunities to align and integrate CPM with other data efforts in the County.

(2) HOW THE FUNDING LEVEL WAS DETERMINED

Cost estimates are based on 500 hours of work at a rate of \$150/hour which totals \$75,000. The hourly rate is consistent with the rate used for comparable services. The hours were estimated based on the time needed to accomplish the FY 23-24 goals and objectives.

**Change from Prior Year (if >+-20%)**

The cost for the County Data Partnership in FY 23-24 is expected to decrease 49% from the FY 22-23 budget amount because (1) we are delaying work related to First 5 LA acquiring County agency data to a future year and (2) we are delaying work related to integrating County data systems to a future year.

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Data Partnership	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
WIC Data Mining Research Partnership	\$314,000	\$407,000	+30%

**Program Summary**

The purpose of the PHFE WIC Data Mining Project is to collect and utilize data, including, demographics, characteristics and lived experiences of WIC families during pregnancy and their children’s first five years of life, to advance, inform, and/or measure our system change outcomes; this is done by leveraging PHFE WIC’s access to participating WIC families in the County, who make up almost half of First 5 LA’s target population.

As a result of this project, (1) First 5 LA staff will understand the perspective of WIC families on their lived experiences during pregnancy and their children’s first five years of life, and use this data to inform, advance and/or measure systems change outcomes, and; (2) First 5 LA staff will have access to and use data on the characteristics and demographics of WIC families to inform, advance, and/or measure systems change outcomes.

Through the work planned for FY 23-24 we aim to achieve the following: (1) First 5 LA will collect data to understand the lived experiences of WIC families with public systems; (2) 5 LA staff will understand and use data about the lived experiences of WIC families with public systems; and (3) Key internal stakeholders will have access to data about the characteristics and demographics of WIC families and understand how to leverage it to support their systems change efforts.

**Spending Plan and Funding Methodology**

(1) HOW THE FUNDS WILL BE SPENT

Goal 1: First 5 LA collects data to understand the lived experiences of WIC families with public systems To achieve this goal we will: (1) have key internal stakeholders identify topics where data is needed that can be addressed by capturing WIC families’ lived experiences in the 2024 WIC Survey; (2) Finalize the 2024 WIC Survey methodology; (3) Finalize the survey tool for the 2024 WIC Survey that captures data needs for the identified research topics; (4) Finalize the sample for the 2024 WIC Survey, and; (5) Launch the WIC Survey is and begin capturing data.

Goal 2: First 5 LA staff understand and use data about the lived experiences of WIC families with public systems. To achieve this goal we will: (1) have an understanding of WIC families’ experiences around accessing services, and; (2) key internal stakeholders use their understanding of WIC families’ experiences around accessing services to inform strategy refinement and/or identify topics that can be included in the 2024 WIC Survey.

Goal 3: Key internal stakeholders have access to data about the characteristics and demographics of WIC families and understand how to leverage it to support their systems change efforts. To achieve this goal we will: (1) have key internal stakeholders understand the characteristics and demographics of WIC families; (2) help key internal stakeholders be aware of the data on WIC families available through PHFE WIC and identify ways to leverage said data to support at least one system change effort, and; (3) understand the lived experiences of WIC families during the first 18 months of their children’s lives.

**Spending Plan and Funding Methodology**

(2) HOW THE FUNDING LEVEL WAS DETERMINED

The funding level was determined based on costs from previous years. These include:

- STAFF = \$205,000
- DIRECT COSTS (Survey subcontractor, survey incentives, focus group transcripts, travel, software.): = \$202,000

**Change from Prior Year (if >+-20%)**

The cost for the PHFE WIC Data Mining Project in FY 23-24 is expected to increase from the FY 22-23 budget amount because of costs associated with preparing and conducting the WIC Survey. The original budget in FY22-23 accounted for drafting the survey but did not account for launching. All cost estimates related to drafting the survey were informed using the FY22-23 original budget. All cost estimates related to administering the survey, including subcontractor costs and incentives, were informed using the FY19-20 and FY20-21 payment schedules.

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Learning and Integration	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
First 5 LA Data Strategy	\$200,000	\$200,000	0

**Program Summary**

The purpose of the Data Strategy is to ensure First 5 LA has the data needed to (a) drive systems change, (b) measure impact and (c) optimize our organizational effectiveness to further advance our system change efforts. Through the First 5 LA Data Strategy project First 5 LA staff, commissioners and key partners will have shared commitment to Data Priorities and the Data Investments that address those priorities and be positioned to use data to inform resource allocation, strategy, and decision-making.

The work of this project in FY 23-24 will involve (a) F5LA Staff, commissioners and key partners understand and agree with the purpose and goals of the Data Strategy and the criteria and considerations that will be used to identify Data Priorities and Data Investments; (b) establishing Data Priorities for advancing systems change and measuring impact for at least one public system; (c) identifying Data Investments for at least one public system and developing an implementation plan for Data Investments focused on at least one public system..

**Spending Plan and Funding Methodology**

(1) How funds will be spent:

The funds requested for the Data Strategy will be spent achieving the four goals outlined below. Following each goal statement are the objectives that will completed in the process of achieving the goal.

GOAL 1: F5LA Staff, commissioners and key stakeholders understand and agree with the Data Strategy purpose, goals, and prioritization criteria and considerations. To achieve this goal we will accomplish the following objectives: (a) F5LA has a plan and resources to socialize the Data Strategy purpose, goals, and prioritization criteria and considerations; (b) First 5 LA staff, commissioners and key stakeholders are familiar with the purpose and goals of the Data Strategy and how the criteria and considerations will be used for decision-making, (c) The Data Strategy purpose, goals, criteria, and considerations reflects feedback from staff, commissioners, and key stakeholders and (d) F5LA shares updates about the Data Strategy as needed

GOAL 2: F5LA has identified Data Priorities for advancing systems change and measuring impact for at least one public system. To achieve this goal we will accomplish the following objectives: (a) F5LA has a process and supporting resources to identify and document Data Priorities in the context of strategy refinement (b) F5LA and key stakeholders have identified how data can contribute to systems change outcomes in one public system; (c) F5LA and key stakeholders have identified data needs for advancing and measuring systems change in one public system and (d) F5LA has established Data Priorities for advancing and measuring systems change in one public system

GOAL 3: F5LA has identified Data Investments for at least one public system. To achieve this goal we will accomplish the following objectives: (a) F5LA has a process and supporting resources to identify and document Data Investment options; (b) F5LA and key stakeholders have compiled Data Investment options for Data Priorities in one public system; (c) F5LA and key stakeholders have selected Data Investments for advancing and

**Spending Plan and Funding Methodology**

measuring systems change in one public system; and (d) F5LA has socialized Data Priorities and Data Investments for advancing and measuring systems change in one public system

GOAL 4: F5LA has a Data Strategy implementation plan for Data Investments focused on at least one public system. To achieve this goal we will accomplish the following objectives: (a) F5LA has clear roles and responsibilities for Data Strategy implementation; (b) F5LA has a template and support resources to develop and document the Data Strategy Implementation Plan; and (c) F5LA has documentation on details for implementing Data Investments and how the products of those investments will be used and/or shared to advance or measure systems change

(2) how the funding level was determined

The funding level was determined based on 1300 of work at \$150 per hour which rounds to \$200,000. The hourly rate is consistent with the rate used for comparable services. The hours were estimated based on the time to accomplish the FY 23-24 goals and objectives.

**Change from Prior Year (if >+-20%)**

**Budget Fiscal Year: 2023 - 2024**

**Status: Proposed**

<b>Initiative</b>	<b>Investment Category</b>
Learning and Integration	2020-2028 Strategic Plan

<b>Program Name</b>	<b>2022 – 2023 Revised Budget</b>	<b>2023 – 2024 Budget</b>	<b>% Variance</b>
Impact Framework	\$127,000	\$122,000	-4%

**Program Summary**

The purpose of the Impact Framework is to monitor progress on systems change outcomes.

This work will ensure that (1) First 5 LA and our partners use Impact Framework data to assess progress on systems change outcomes and guide strategy refinement and (2) First 5 LA staff incorporate Impact Framework data to tell First 5 LA’s story.

The work of this project in FY 23-24 will involve (1) First 5 LA staff, Commissioners, and key partners understanding and agreeing with the purpose and goals of the Impact Framework and the criteria and considerations that will be used to identify Impact Framework indicators, (2) First 5 LA having a refined Impact Framework that is grounded in the refined systems change outcomes in at least one public system and that has been informed by key partners, (3) First 5 LA having a Measurement Plan for Impact Framework indicators with readily available data, and (4) Office of Data for Action obtaining readily available indicator data for at least one systems change outcome.

**Spending Plan and Funding Methodology**

(1) HOW THE FUNDS WILL BE SPENT

The funds requested for the Impact Framework will be spent achieving the four goals outlined below. Following each goal statement are the objectives that will be completed in the process of achieving the goal.

Goal 1: First 5 LA staff, Commissioners, and key partners agree with the Impact Framework purpose and goals, and with criteria and considerations for selecting Impact Framework indicators. To achieve this goal we will (a) have materials to socialize Impact Framework purpose, goals, and draft criteria, (b) obtain shared commitment among First 5 LA staff and our key partners to using indicator data to track progress on systems change outcomes, (c) understand the perspectives of First 5 LA staff, Commissioners, and key partners on needed refinements to the Impact Framework criteria and considerations, and (d) have finalized criteria and considerations that have been vetted by First 5 LA staff, Commissioners, and key partners.

Goal 2: First 5 LA has a refined Impact Framework that is grounded in the refined systems change outcomes in at least one public system and that has been informed by key partners. To achieve this goal we will (a) understand the available data sources for potential indicators for tracking progress on systems change outcomes in at least one public system, (b) have indicators and data sources that meet the Impact Framework criteria and considerations for tracking systems change outcomes in at least one public system, (c) have a refined Impact Framework structure, and (d) have endorsement of refined Impact Framework from First 5 LA leadership, Commissioners, and key partners.

Goal 3: First 5 LA has a Measurement Plan for Impact Framework indicators with readily available data. To achieve this goal we will (a) have an analysis plan for indicators with readily available data and (b) have

**Spending Plan and Funding Methodology**

documentation of the data sources, frequency, metrics, and limitations for indicators with readily available data.

Goal 4: Office of Data for Action obtains readily available indicator data for at least one systems change outcome. To achieve this goal we will (a) understand the requirements to obtain readily available data from the data sources for at least one system outcome, (b) address the requirements to obtain readily available data for at least one systems change outcome, (c) establish processes to transfer readily available data from the data sources for at least one system outcome, and (d) have a storage system for Impact Framework indicator data.

**(2) HOW THE FUNDING LEVEL WAS DETERMINED**

The funding level was determined based on 813 hours of work at \$150 per hour which rounds to \$122,000. The hourly rate is consistent with the rate used for comparable services. The hours were estimated based on the time needed to accomplish the FY 23-24 goals and objectives.

**Change from Prior Year (if >+-20%)**

N/A



## ATTACHMENT D:

### FY 2023-24 BUDGET SUMMARY

- Operating Costs Summary
- Administrative Limit Calculation
- Schedule of Authorized Positions

OPERATING COSTS SUMMARY First 5 LA

Description	FY2023 MID-YEAR	Estimated Expenditures	Variance	FY2024 Center for Operational Excellence	FY2024 Center for Child & Family Impact	FY2024 Executive Director's Office	FY2024 BUDGET	Variance from Prior Year
<b>Operating Expenses</b>								
<b>Salaries &amp; Benefits</b>								
Total Salaries & Wages	13,351,910	8,925,041	4,426,869	2,940,572	4,487,678	4,846,556	12,274,806	(1,077,104)
Total Benefits	4,148,967	3,452,501	696,466	1,059,797	1,527,197	1,409,722	3,996,716	(152,251)
<b>Salaries &amp; Benefits</b>	<b>17,500,877</b>	<b>12,377,543</b>	<b>5,123,334</b>	<b>4,000,369</b>	<b>6,014,874</b>	<b>6,256,278</b>	<b>16,271,521</b>	<b>(1,229,356)</b>
<b>Operating Services</b>								
ADP-Payroll	42,000	32,565	9,435	42,000	0	0	42,000	0
Workers' Compensation Insurance	52,500	73,373	(20,873)	45,000	0	0	45,000	(7,500)
Utilities	120,000	149,661	(29,661)	170,000	0	0	170,000	50,000
Corporate Insurance	110,000	187,910	(77,910)	113,300	0	0	113,300	3,300
Mileage, Parking and Other Transportation	25,915	2,158	23,757	1,015	10,390	17,420	28,825	2,910
Telephones	70,600	54,335	16,265	71,600	0	0	71,600	1,000
Cell Phone & Mobile Devices	128,888	99,000	29,888	21,600	55,200	45,200	122,000	(6,888)
Outside Printing & Publications	2,250	840	1,410	200	0	1,250	1,450	(800)
Other Supplies	5,000	0	5,000	6,000	0	250	6,250	1,250
Postage & Delivery	9,500	2,021	7,479	6,000	0	0	6,000	(3,500)
Educational Supplies	3,000	0	3,000	1,350	1,000	1,500	3,850	850
Office Supplies	62,705	18,814	43,891	30,750	12,305	20,600	63,655	950
Subscriptions & Publications	34,385	16,684	17,701	0	5,790	22,535	28,325	(6,060)
Capital Outlay	130,000	185,058	(55,058)	130,000	0	0	130,000	0
Equipment-Rents & Leases	26,190	22,919	3,271	13,000	0	0	13,000	(13,190)
Building Repair & Maintenance	150,000	119,103	30,897	185,000	0	0	185,000	35,000
Equipment Repairs & Maintenance	11,100	0	11,100	6,500	1,000	0	7,500	(3,600)
Offsite Storage	22,500	17,572	4,928	5,500	0	0	5,500	(17,000)
Hardware & Software Maintenance	446,500	181,255	265,245	390,000	0	4,000	394,000	(52,500)
Miscellaneous/Contingency	102,800	30,534	72,266	10,000	0	50,000	60,000	(42,800)
Stipend/Honorarium	5,000	29,271	(24,271)	2,500	0	0	2,500	(2,500)
Internal Meetings	91,505	18,745	72,760	7,700	31,290	60,250	99,240	7,735
Divisional Capacity Building	15,000	0	15,000	0	20,000	0	20,000	5,000
<b>Operating Services</b>	<b>1,667,338</b>	<b>1,241,818</b>	<b>425,520</b>	<b>1,259,015</b>	<b>136,975</b>	<b>223,005</b>	<b>1,618,995</b>	<b>(48,343)</b>
<b>Consultant Services</b>								
Consultant Fees	1,630,100	1,026,662	603,438	485,000	221,500	756,000	1,462,500	(167,600)
Other Professional Fees	378,000	209,774	168,226	291,000	0	0	291,000	(87,000)
<b>Consultant Services</b>	<b>2,008,100</b>	<b>1,236,436</b>	<b>771,664</b>	<b>776,000</b>	<b>221,500</b>	<b>756,000</b>	<b>1,753,500</b>	<b>(254,600)</b>
<b>Professional Services</b>								
Audit	90,000	65,349	24,651	72,000	0	0	72,000	(18,000)
Legal Fees	225,000	160,925	64,075	0	0	225,000	225,000	0
Professional Dues	58,495	(34,917)	93,412	43,150	4,500	7,720	55,370	(3,125)
Staff Recruitment	20,000	4,767	15,233	0	0	15,000	15,000	(5,000)
Commissioners Stipends	20,000	15,686	4,314	0	0	20,000	20,000	0
Web-Based Services	88,000	21,151	66,849	0	0	88,000	88,000	0
Bank & Other Service Charges	20,000	17,584	2,416	11,000	0	0	11,000	(9,000)
<b>Professional Services</b>	<b>521,495</b>	<b>250,544</b>	<b>270,951</b>	<b>126,150</b>	<b>4,500</b>	<b>355,720</b>	<b>486,370</b>	<b>(35,125)</b>
<b>Travel Expenses</b>								
Airfare	76,149	11,549	64,600	7,100	25,462	75,000	107,562	31,413
Lodging	73,514	8,052	65,462	10,444	34,510	59,400	104,354	30,840
Per Diem	38,247	8,247	30,000	4,400	16,952	26,250	47,602	9,355
Other Travel Expense	10,978	2,403	8,575	1,400	4,208	6,550	12,158	1,180
<b>Travel Expenses</b>	<b>198,888</b>	<b>30,250</b>	<b>168,638</b>	<b>23,344</b>	<b>81,132</b>	<b>167,200</b>	<b>271,676</b>	<b>72,788</b>
<b>Professional Development</b>								
Training Materials & Supplies	10,700	172	10,528	0	0	15,780	15,780	5,080
In-house Training	122,400	0	122,400	0	800	76,400	77,200	(45,200)
Leadership Programs	31,000	21,514	9,486	5,500	0	76,000	81,500	50,500
Conference/Training Registrations	101,700	12,930	88,770	14,500	38,700	59,100	112,300	10,600
Outside Education	57,250	6,823	50,427	8,550	18,500	30,650	57,700	450
<b>Professional Development</b>	<b>323,050</b>	<b>41,440</b>	<b>281,610</b>	<b>28,550</b>	<b>58,000</b>	<b>257,930</b>	<b>344,480</b>	<b>21,430</b>
<b>Marketing</b>								
Advertising –Digital (Web-based, social media, mob	0	17,143	(17,143)	0	0	0	0	0
Sponsorship	0	335,829	(335,829)	0	0	0	0	0
<b>Marketing</b>	<b>0</b>	<b>352,971</b>	<b>(352,971)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Operating Expenses</b>	<b>22,219,748</b>	<b>15,531,003</b>	<b>6,688,745</b>	<b>6,213,428</b>	<b>6,516,981</b>	<b>8,016,133</b>	<b>20,746,542</b>	<b>(1,473,206)</b>

**First 5 LA  
FY 2023-24 Budget  
Administrative Limit Calculation**

**Teams/Centers/Offices Budgets:**

Board of Commissioners	60,750
Office of Communications	901,261
Contract Administration & Purchasing Team	1,491,045
Executive Director's Office	1,587,793
Facilities Management Team	735,500
Finance Team	1,537,248
Human Resources & Talent Mgmt. Team	1,591,678
Information Technology Team	1,859,482
Center for Child and Family Impact <sup>2</sup>	712,498
Center for Operational Excellence	590,153

**Salary & Benefits<sup>1</sup>:**

Communities Team	310,805
Early Care & Education Team	340,920
Family Supports Team	243,727
Health Systems Team	386,535
Office of Data for Action	277,142
Office of Government Affairs and Public Policy	367,299
Office of Equity, Strategy and Learning	382,390

<b>Total FY 2023-24 Administrative Budget</b>	<b>\$ 13,376,226</b>
Total FY 2023-24 Operating Budget	20,746,542
Total FY 2023-24 Program Budget	78,370,282
<b>Total FY 2023-24 Budget</b>	<b>\$ 99,116,824</b>

<b>Administrative Cost Percentage</b>	<b>13.50%</b>
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1. Directors and Administrative Assistants outside of COE only  
2. Resources in support of the Center Support Team (Programmatic) not included

**FIRST 5 LA  
SCHEDULE OF AUTHORIZED POSITIONS**

Teams/Offices/Centers	FY 2022-23		FY 2023-24			Positions On-Hold (not budgeted) <sup>4</sup>
	Authorized Positions <sup>1</sup>	Filled Positions as of March 2023	Baseline	Addition/Deletion	Total <sup>2</sup>	
<b>Center for Operational Excellent</b>	3	2	3	0	3	0
Workplace Management <sup>3</sup>	1	0	1	-1	0	0
Contract Administration & Purchasing Team	10	9	10	0	10	0
Finance Team	9	9	9	0	9	0
Human Resources & Talent Management Team	4	4	4	0	4	0
Information Technology Team	7	5	7	0	7	1
<b>Executive Director's Office</b>	6	6	6	0	6	0
Office of Data for Action	7	6	7	0	7	1
Office of Equity, Strategy & Learning	6	4	6	0	6	1
Office of Communications	8	5	8	0	8	3
Office of Government Affairs and Public Policy <sup>3</sup>	11	9	11	-2	9	0
<b>Center for Child and Family Impact</b>	4	3	4	0	4	1
Communities	19	15	19	0	19	3
Early Care & Education	8	7	8	0	8	1
Family Supports	9	9	9	0	9	0
Health Systems	8	7	8	0	8	1
	<b>120</b>	<b>100</b>	<b>120</b>	<b>-3</b>	<b>117</b>	<b>12</b>

1) Temporary employees are not included in the FTE count; two OGAPP positions were on-hold in FY22-23.

2) The FTE count is based on our best thinking to meet the needs of the organization at this time.

3) Three positions have been eliminated from the FTE count (2 from OGAPP and 1 from Workplace Management).

4) Twelve of the 117 FTEs are on-hold for FY23-24, pending outcome of the Strategic Plan Reset. A total of 105 FTE are included in the FY23-24 budget.



## ATTACHMENT E:

### FY 2023-24 BUDGET

- Team/Office/Center Cover Pages
- Operating Detail

# CENTER FOR CHILD & FAMILY IMPACT

**OPERATING COSTS SUMMARY Center for Child & Family Impact**

Description	FY2023 Revised Budget	FY2024 Center Support	FY2024 Communities	FY2024 ECE	FY2024 Family Supports	FY2024 Health Systems	FY2024 Approved Budget	Variance from Prior Year
<b>Operating Expenses</b>								
<b>Salaries &amp; Benefits</b>								
Total Salaries & Wages	5,176,319	560,192	1,581,688	455,744	1,133,392	756,661	4,487,678	(688,641)
Total Benefits	1,676,981	129,157	514,889	162,883	429,319	290,949	1,527,197	(149,784)
<b>Salaries &amp; Benefits</b>	<b>6,853,300</b>	<b>689,349</b>	<b>2,096,577</b>	<b>618,627</b>	<b>1,562,712</b>	<b>1,047,610</b>	<b>6,014,874</b>	<b>(838,426)</b>
<b>Operating Services</b>								
Mileage, Parking and Other Transportation	10,410	500	4,000	3,360	1,500	1,030	10,390	(20)
Cell Phone & Mobile Devices	56,600	3,600	22,800	8,400	10,800	9,600	55,200	(1,400)
Educational Supplies	1,000	0	1,000	0	0	0	1,000	0
Office Supplies	12,485	1,500	6,000	1,260	2,000	1,545	12,305	(180)
Subscriptions & Publications	6,115	250	2,500	2,275	250	515	5,790	(325)
Equipment Repairs & Maintenance	1,000	0	1,000	0	0	0	1,000	0
Internal Meetings	33,290	5,000	15,000	7,200	1,000	3,090	31,290	(2,000)
Divisional Capacity Building	15,000	20,000	0	0	0	0	20,000	5,000
<b>Operating Services</b>	<b>135,900</b>	<b>30,850</b>	<b>52,300</b>	<b>22,495</b>	<b>15,550</b>	<b>15,780</b>	<b>136,975</b>	<b>1,075</b>
<b>Consultant Services</b>								
Consultant Fees	251,500	130,000	23,500	50,000	3,000	15,000	221,500	(30,000)
<b>Consultant Services</b>	<b>251,500</b>	<b>130,000</b>	<b>23,500</b>	<b>50,000</b>	<b>3,000</b>	<b>15,000</b>	<b>221,500</b>	<b>(30,000)</b>
<b>Professional Services</b>								
Professional Dues	4,600	500	1,000	2,000	0	1,000	4,500	(100)
<b>Professional Services</b>	<b>4,600</b>	<b>500</b>	<b>1,000</b>	<b>2,000</b>	<b>0</b>	<b>1,000</b>	<b>4,500</b>	<b>(100)</b>
<b>Travel Expenses</b>								
Airfare	20,212	1,500	3,000	8,750	8,000	4,212	25,462	5,250
Lodging	26,910	1,500	4,000	9,100	11,000	8,910	34,510	7,600
Per Diem	11,602	750	2,500	2,800	7,500	3,402	16,952	5,350
Other Travel Expense	5,018	750	1,000	0	1,000	1,458	4,208	(810)
<b>Travel Expenses</b>	<b>63,742</b>	<b>4,500</b>	<b>10,500</b>	<b>20,650</b>	<b>27,500</b>	<b>17,982</b>	<b>81,132</b>	<b>17,390</b>
<b>Professional Development</b>								
In-house Training	1,000	0	0	0	800	0	800	(200)
Conference/Training Registrations	34,700	2,500	10,200	7,000	11,000	8,000	38,700	4,000
Outside Education	24,000	0	15,000	0	3,500	0	18,500	(5,500)
<b>Professional Development</b>	<b>59,700</b>	<b>2,500</b>	<b>25,200</b>	<b>7,000</b>	<b>15,300</b>	<b>8,000</b>	<b>58,000</b>	<b>(1,700)</b>
<b>Total Operating Expenses</b>	<b>7,368,742</b>	<b>857,699</b>	<b>2,209,077</b>	<b>720,772</b>	<b>1,624,062</b>	<b>1,105,372</b>	<b>6,516,981</b>	<b>(851,761)</b>

**Office/Center/Team Name: Family Supports Team**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Director	1
Senior Program Officers	2
Program Officers	5
Program Associate	1
<b>Total:</b>	<b>9</b>

**Overview:**

The Family Supports team works with others to lead and fund systems change activities related to family strengthening services, primarily home visiting. In the FY23-24 period we will continue to focus on enhancing and strengthening countywide infrastructure for home visiting services; integration of those services with family-serving systems; and supporting opportunities to leverage and sustain these efforts in light of F5LA’s declining revenues, given this is the single largest investment for our organization. In order to advance these priorities, the Family Supports team is responsible for the following:

- Serving as subject matter experts for family support services and informing the prioritization of organization-wide efforts related to home visiting including communications, research and data, learning, and public policy.
- Providing a leadership role in coordination efforts to support a highly integrated, comprehensive, family-centered, system of home visiting services across Los Angeles County in partnership with the Department of Public Health and other external partners.
- Building infrastructure and capacity to support home visiting sustainability strategies, including engagement with managed care plans; partnership with the Department of Mental Health to incorporate Prevention and Early Intervention funds for home visiting; and development and integration of home visiting referral pathways with complementary family-serving services and systems.

**Center for Child and Family Impact Priorities for FY23-24:**

Following is a brief summary of the critical work the Family Supports team will lead in FY 23-24 in support of the Strategic Plan Implementation:

- Home Visiting System Building - Strengthen Countywide Infrastructure: In partnership with the Department of Public Health, the Family Supports team helps lead home visiting system building coordination efforts to strengthen a system-wide approach and catalyze ongoing coordination in support of significant systems change and strengthened cross-sector collaboration. Examples include leading coordination efforts with key home visiting stakeholders and funders for strengthening an established leadership structure (Collaborative Leadership Council); support for the Family Strengthening Oversight Entity, which standardizes implementation and coordination across funding streams and oversees the Los Angeles County Perinatal and Early Childhood Home Visitation Consortium; and supporting efforts to streamline the ability to share data across multiple funding streams to inform county-wide planning efforts.

- Home Visiting System Integration with Family Serving Systems: The Family Supports team works in partnership with key stakeholders in optimization and integration efforts that aim to improve home visiting services, coordination, and referral pathways. Examples include development of referral pathways between home visiting providers and family-serving systems.
- Home Visiting Funding and Sustainability: In collaboration with the CCFI Center Support Team (CST), the Family Support team is supporting efforts to explore and implement a variety of sustainability strategies. Efforts include work with managed care plans and building the necessary infrastructure and mechanisms to participate in data sharing, reporting and reimbursement processes. Additional efforts include the Families First Prevention Services Act and continued development of a Community Referral Pathway and implementation of multiple Pilots to establish new referral pathways into home visiting services. Evaluation and data also serve as a foundational support for the development and expansion of a universal home visiting system. The Family Supports team continues to oversee the Welcome Baby Virtual Implementation and Outcomes Study, with consulting evaluation support and guidance from Dr. Deb Daro. The Stronger Families Database represents a foundational component utilized by home visiting providers to capture client level data, screenings and program participation information across multiple funding streams. Finally, the Family Supports team continues to oversee a complex, standardized portfolio of home visiting grants requiring cross-team collaboration and a continual focus on program implementation and improvements.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: Fam Supports-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	1,287,969	1,624,062	26.1%	
<b>Total Salaries &amp; Wages</b>	911,156	1,133,392	24.4%	
<b>6040 Social Security Tax</b>	<b>54,833</b>	<b>70,795</b>	<b>29.1%</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	2,000	1,500	(25.0%)	Funds to cover mileage/parking for 9 FS staff to attend local meetings within LA County.
<b>6235 Cell Phone &amp; Mobile Devices</b>	10,800	10,800	0.0%	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. 9 FTEs at \$100/staff member for a total of \$900/month x 12 months = \$10,800.
<b>6260 Office Supplies</b>	2,000	2,000	0.0%	Funds for general office supplies to support 9 FTE staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
<b>6265 Subscriptions &amp; Publications</b>	250	250	0.0%	Funding in the amount of \$250 to cover the purchase of resource books as well as journal articles related to the Family Supports portfolio, including early childhood books to expand team's knowledge and access to online periodicals.
<b>6310 Internal Meetings</b>	2,000	1,000	(50.0%)	Funds to cover expenses related to internal staff meetings including speakers and supplies.
<b>6410 Consultant Fees</b>	8,000	3,000	(62.5%)	Funds to cover potential consulting for staff development and internal CCFI integration efforts for total of \$8,000.
<b>6540 Professional Dues</b>	1,000	0	(100.0%)	Funds to cover dues for [list the professional service(s)]
<b>6610 Airfare</b>	5,500	8,000	45.5%	Funds to support 9 FTE for travel to the Home Visiting National Summit in Washington DC (estimated at \$450/roundtrip), and at least one statewide event each (at \$300/each FTE), and attendance at key Home Visiting presentations/conferences during the year for total rounded to \$8,000.
<b>6620 Lodging</b>	5,000	11,000	120.0%	Funding for 9 FTE to attend National Home Visiting Summit in Washington DC (estimated at \$300/night x 3 nights), and hotel stays for staff to attend statewide event/conference for estimate of \$200 for one night, and additional local/state conferences or presentations, for total rounded to \$11,000.
<b>6640 Per Diem</b>	2,500	7,500	200.0%	Funds to cover per diem costs for 9 FTE that attend national home visiting annual conference in DC and one statewide event/conferences for total of \$7,500.
<b>6650 Other Travel Expense</b>	1,000	1,000	0.0%	Funds to support other travel expenses for 9 FTE for participation in conferences and/or events (e.g., taxi, rideshare, etc.).
<b>6820 In-house Training</b>	1,000	800	(20.0%)	Funds to support internal training and staff development for 9 FTE staff members
<b>6840 Conference/Training Registrations</b>	8,000	11,000	37.5%	Costs include National Home Visiting Summit registration for 9 FTE at \$350/person and training/registration opportunities for 9 FTEs at approximately \$300 per registration and three events per FTE. Total is rounded off to \$11,000
<b>6850 Outside Education</b>	5,000	3,500	(30.0%)	Provides for content specific training to increase content knowledge and expertise in program implementation and sustainability related strategies. Training can be provided on a group or individual basis. Trainings anticipated for 9 FTE at \$400 per individual, rounded off to a total of \$3,500.

**Office/Center/Team Name: Communities Team**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Director	1
Deputy Director	1
Senior Program Officer	5
Program Officer	10*
Administrative Coordinator	1
Program Associate	1
<b>Total:</b>	<b>19*</b>

\*10 PO positions are approved in the system. There are three vacant PO positions that are on hold pending the strategic plan reset process.

**Overview:**

The Communities Team focuses on partnering with others to lead and fund systems change activities which promote parent and community engagement to advance efforts that result in families having access to the resources, opportunities, and relationships necessary to optimize their child’s development across the five Best Start Regions/14 Best Start Geographies. Consistent with the Strategic Plan, the Communities Team leads efforts to leverage our Best Start Networks as platforms for community-based and County level systems change. In addition, the Communities Team collaborates within First 5 LA to inform the prioritization of organization-wide efforts related to regional efforts within LA County including work within the Center for Child and Family Impact (CCFI), communications, research and data, learning, and public policy. The team serves as subject matter experts for important issues which impact family well-being and are priorities for communities including food security, the built environment, and economic security.

**Priorities for FY 23-24:**

The Communities Team will engage in the following work in support of the current Strategic Plan:

**Strengthening Regional Networks and Building the Prenatal-5 Movement**

This priority area supports uplifting community voices, and experiences to mobilize Best Start Networks around prenatal to age 5 priorities and connecting those priorities to First 5 LA priorities. This is done by primarily focusing on strengthening the Best Start Networks’ infrastructure and integrating efforts between the Regional Network Grantees and their members, First 5 LA, and with our County system partners.

This includes:

- Regional Network Grantees (RNGs): building an infrastructure within the Best Start geographies committed to effecting change focused on our long-term results and conditions of wellbeing,
- Regional Influence and Impact with Data Project with Catalyst California (formerly Advancement Project California): to guide First 5 LA through data analysis,
- Community reflection and discussion about the state of Best Start geographies,
- Focus on collective policy and systems change efforts,

- Activating Network Partners: align and collaborate with influential partners within each region (Antelope Valley Resource Infusion, Southeast LA Collaborative and the Long Beach Mayor's Educational Fund as examples of models to replicate and expand in all the Best Start regions),
- Learning Dialogues: convening and organizing stakeholders within each Best Start region to generate collective understanding and action around the stories behind the baseline data from First 5 LA's Impact Framework, Catalyst California, and other public systems' data relevant to First LA and community priorities.

### **Best Start Learning**

This priority area focuses on furthering our learning and understanding of the impact of the Best Start effort within each Best Start region/geography and across regions within LA County. This includes the Best Start Learning Agenda which will increase our learning and understanding of the Best Start effort by cross learning with our grantees, partners, and communities. The Learning Agenda will help establish proof of concept to inform county-wide systems improvement strategies.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: Communities-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	2,721,205	2,209,077	(18.8%)	
<b>Total Salaries &amp; Wages</b>	1,923,392	1,581,688	(17.8%)	
<b>6040 Social Security Tax</b>	<b>107,421</b>	<b>97,641</b>	<b>(9.1%)</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	4,000	4,000	0.0%	Funds to cover mileage/parking for 19 staff to attend local meetings within LA County.
<b>6235 Cell Phone &amp; Mobile Devices</b>	22,800	22,800	0.0%	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. 19 FTEs at \$100/staff member for a total of \$1,900/month x 12 months = \$22,800.
<b>6255 Educational Supplies</b>	1,000	1,000	0.0%	Funds to cover books, videos, and other educational resources related to enhancing core staff capabilities/knowledge for community driven efforts, network development, etc.
<b>6260 Office Supplies</b>	6,000	6,000	0.0%	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
<b>6265 Subscriptions &amp; Publications</b>	2,500	2,500	0.0%	Funding to cover the purchase of subscription/publications that support deepening our understanding and application of community driven change, network development, etc. such as the Stanford Social Institutional Review (\$39.95/year), Slido (\$800/year), Kumu (\$120/year).
<b>6285 Equipment Repairs &amp; Maintenance</b>	1,000	1,000	0.0%	Funds to cover expenses related to copier, printer, and/or interpretation equipment.
<b>6310 Internal Meetings</b>	18,000	15,000	(16.7%)	Provides for expenses related to internal meetings for Team planning, contractor/partner meetings, and internal reflection and learning sessions. These meetings may include external partners such as commissioners, consultants, and contractors. Meeting expenses may include facility rentals, catering, meeting materials, etc. Due to the change of physical distancing and other public health guidance, in-person gatherings are anticipated to increase. The calculations for this line item considered the potential increase in rates for larger spaces to allow for social distancing and additional insurance costs that are normally affiliated with rentals. Starting in 2023, the Communities Team intends to host internal and external meetings outside of First 5 LA dependent on First 5 LA's policy and public health recommendations.
<b>6410 Consultant Fees</b>	48,500	23,500	(51.5%)	Provides for consultant support for the Communities Team for facilitation support, content and/or core capability specific trainings and workshops not covered through anticipated programmatic consultant support. Examples include virtual and in-person facilitation training to increase participant engagement in virtual meetings and guest speakers for brown bags (e.g. digital access in communities).  The team plans to use facilitation/ consultant support to: optimize our role in the CCFI integration process--both internally and externally, other expertise to support strengthening staff role and understanding in network development, and building the Prenatal-age 5 movement, and increasing reflective learning practices.
<b>6540 Professional Dues</b>	1,000	1,000	0.0%	Provides for memberships to content-specific professional associations and learning communities such as American Planning Association. Memberships generally range from \$500-\$1,000 per year.
<b>6610 Airfare</b>	2,000	3,000	50.0%	Provides for airfare to and from professional conferences, meetings or business-related trainings outside of Los Angeles area. Examples of anticipated conferences include: Grantmakers for Effective Organizations, First 5 CA and First 5 Association Summits, Southern California Grantmakers, Collective Impact Forum Convenings, the National Family and Community Engagement Conference, Alliance for Strong Families and Communities, National Forum on Place-Based Initiatives, Advancement Project Water Coolers, and Grants Managers Network. Approval from the Communities Team Director will be obtained prior to incurring any airfare expenses. All expenses will adhere to First 5 LA's Policy for Travel Approval and Reimbursement.
<b>6620 Lodging</b>	4,000	4,000	0.0%	Provides for lodging at professional conferences, meetings, or other business-related travel held outside Los Angeles County and greater than 100 miles round trip from the employees' current commute to First 5 LA. Staff attending conferences, meetings, or other business-related activities, support the implementation of the Team's workplans and the FY 2020-2028 Strategic Plan. Examples of anticipated conferences include Grant Makers for Effective Organizations, First 5 CA and First 5 Association Summits, Southern California Grantmakers, Collective Impact Forum Convenings, the National Family and Community Engagement Conference, Alliance for Strong Families and Communities, National Forum on Place-Based Initiatives, and Grants Managers Network. Approval from the Communities Director will be obtained prior to incurring lodging expenses and all expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: Communities-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>6640 Per Diem</b>	2,500	2,500	0.0%	Provides for various daily expenses incurred while attending professional conferences, trainings or meetings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Per diem expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
<b>6650 Other Travel Expense</b>	1,000	1,000	0.0%	Provides for various travel expenses (i.e., ride share, airport parking, taxi cabs, etc.) incurred while attending professional conferences, trainings or meetings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Other travel expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
<b>6840 Conference/Training Registrations</b>	10,200	10,200	0.0%	Provides for registration expenses for professional conferences. Examples include Grantmakers for Effective Organizations, First 5 CA and First 5 Association Summits, Southern California Grantmakers, Collective Impact Forum Convenings, the National Family and Community Engagement Conference, Alliance for Strong Families and Communities, National Forum on Place-Based Initiatives, Advancement Project Water Coolers, and Grants Managers Network. Approval from the Communities Director will be obtained prior to incurring any expenses.
<b>6850 Outside Education</b>	19,000	15,000	(21.1%)	This category is needed to support individual professional/leadership development outside of attending conferences and HRTM approved leadership programs with an approximate \$1,000 allocation per team member.

**Office/Center/Team Name: Early Care and Education Team**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Director	1
Senior Program Officer	3*
Program Officer	3
Administrative Coordinator	1
<b>Total:</b>	<b>8</b>

\*1 FTE/Senior Program Officer position is vacant pending strategic plan reset process

**Overview:**

The Early Care and Education (ECE) team works with others to implement system changes to increase access to quality early learning experiences for children in LA County with the goal of supporting children’s full developmental potential. *Over the FY23/24 period we will continue to focus on support for the county system of ECE services and supports, especially in light of the pandemic and the state’s efforts to expand Universal Transitional Kindergarten and implementing our strategy focused on home-based child care and the network of providers, including quality supports.* The team will serve as subject matter experts for early learning and care at First 5 LA and collaborate with functional leads within First 5 LA to inform the prioritization of organization-wide efforts related to early learning including communications, research and data, learning, and public policy.

**Priorities for FY 23-24:**

The ECE team will engage in the following work in support of the 2020-2028 Strategic Plan:

**County Alignment**

The ECE team oversees a number of projects to support the countywide system of early care and education. The work within this initiative has seen a shift in recent years. Rather than program design and implementation, the ECE team is focused on discrete, time-limited, resource-restricted investments that **respond to the historical and current context of the ECE system**. Examples of these new ways of working include the investments around the County ECE Infrastructure Support and Universal Preschool. Each of these projects center the program officer as an equal doer in the work with our partners and allows funding related to technical assistance and capacity building to fill gaps left by other public dollars.

County ECE Infrastructure Support includes support of updating the cost models from the Comprehensive Fiscal Analysis of the ECE System, alignment of data collection and reporting efforts for assessing early learning supply and demand, and coordination of early care and education workforce development resources and strategies. Lastly, our support around Universal Preschool implementation focuses on supporting messaging and relationship development between school districts and child care providers. We are also planning to support the LA County Office of Education (LACOE) and Office for the Advancement in Early Care and Education (OAECE) in providing technical assistance as they develop plans for implementation of Universal Preschool.

Finally, as the ECE team has worked with our County partners, a consistent theme is emerging: the ECE system is fragile due to the insufficient compensation and benefits for child care providers. This will be an area the ECE team begins to explore as we decide strategies aligned to our new Strategic Plan reset process.

### **Quality Support System**

The ECE team has several projects that support Quality Start Los Angeles (QSLA). First 5 LA is a member of the governance structure and has authority along with LACOE over system-level model changes that have budget implications and engagement with our statewide partners. The ECE team also directly oversees two funding streams (non-First 5 LA Prop 10 dollars) related to QSLA: LACOE funding and state IMPACT Legacy funding. These funding streams support the implementation of the QSLA model and the infrastructure of the system including facilitation of the governing body and the data system. QSLA has recently made refinements to their model to better respond to the needs of family child care.

The ECE team is also entering its third year of our ***Home Based Child Care strategy***. Funding will support disseminating the landscape analysis, identifying a workgroup of partners, and deciding on strategies to implement to support the children served by home based care providers. In addition, First 5 LA staff will work with an expert on home based care in Los Angeles County who will serve as a thought partner as staff work to develop responsive programming to meet the needs of this diverse and underserved population that has historically been excluded from broader quality improvement efforts.

Finally, the ECE team also has investments focusing on centering families and providers as co-designers in our work. We are enhancing and supporting a Provider Advisory Group to effectively incorporate provider feedback into our strategies to support capacity-building in the home-based child care system. We are also increasing our support for survey panel work, using mobile-first technology to gather input from both families and providers to further shape and enhance our strategies to support the ECE system.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: ECE-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	1,174,450	720,772	(38.6%)	
<b>Total Salaries &amp; Wages</b>	813,910	455,744	(44.0%)	
<b>6040 Social Security Tax</b>	<b>47,288</b>	<b>26,021</b>	<b>(45.0%)</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	2,880	3,360	16.7%	Calculation \$40/FTE/month for 12 months.
<b>6235 Cell Phone &amp; Mobile Devices</b>	9,600	8,400	(12.5%)	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. [#] FTEs at \$100/staff member for a total of \$[x]/month x 12 months = \$[X].
<b>6260 Office Supplies</b>	1,440	1,260	(12.5%)	Based on spending trends. \$15/FTE/month with 7 FTE. Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
<b>6265 Subscriptions &amp; Publications</b>	2,600	2,275	(12.5%)	Calculation \$325/FTE. FTE is 7.
<b>6310 Internal Meetings</b>	7,200	7,200	0.0%	Assumes return of in-person monthly retreats. \$600/month.
<b>6410 Consultant Fees</b>	50,000	50,000	0.0%	Consultant support for integration work across CCFI priorities. Additional funds for consultant support for reflective practice and management training for the team. Calculation 333 hours at rate of \$150/hr.
<b>6540 Professional Dues</b>	2,000	2,000	0.0%	Cover membership for organizations such as NAEYC, philanthropy affiliated orgs, and others.
<b>6610 Airfare</b>	7,000	8,750	25.0%	Increase to reflect increase in travel and airfare costs. Calculation is \$1250/FTE. FTE is 7. Travel examples include meetings in Sacramento, First 5 Association Summit, QCC meetings, etc.
<b>6620 Lodging</b>	7,500	9,100	21.3%	Calculation is \$1,300/FTE and FTE is 7. Lodging examples include meetings in Sacramento, First 5 Association Summit, and QCC meetings.
<b>6640 Per Diem</b>	2,450	2,800	14.3%	\$400/FTE and FTE is 7. Per diems for meetings and trainings requiring travel.
<b>6650 Other Travel Expense</b>	810	0	(100.0%)	Funds to support other travel expenses for [#] FTE for participation in conferences and/or events (e.g., taxi, rideshare, etc.)
<b>6840 Conference/Training Registrations</b>	6,000	7,000	16.7%	\$1,000/FTE for conference registration. FTE is 7.

**Office/Center/Team Name: Health Systems**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Director	1
Senior Program Officers	2
Program Officers	4*
Administrative Coordinator	1
<b>Total:</b>	<b>8*</b>

\*1 FTE/Program Officer position is vacant pending strategic plan reset process.

**Overview:**

The Health Systems team works to improve the health care system, with a focus on those components of the system responsible for serving children with or at-risk of developmental and behavioral delays through our Early Identification and Intervention (EII) work. In addition, we are focused on addressing the unacceptably high rates of Black infant and maternal deaths countywide and are working to ensure healthy and joyous births for Black families in Los Angeles County

The team will serve as subject matter experts on health care tied to birth disparities as well as early identification and intervention. We are also cultivating a broader understanding of the pieces of the health care system impacting these areas of focus. The Health Systems team will collaborate with functional leads within First 5 LA to inform prioritization of organization-wide efforts related to Health Systems including sustainability, communications, research and data, learning, and public policy.

**Priorities for FY 23-24:**

**African American Infant and Maternal Mortality Prevention**

First 5 LA and LA County DPH (LACDPH) have joined efforts to lead the African American Infant and Maternal Mortality Prevention Initiative (AAIMM). The Initiative designs, supports and implements novel and evidence-based strategies and activities to improve pregnancy, birth and infant outcomes, improve family wellbeing, and decrease the high rates of Black infant and maternal deaths in LA County. Through a series of comprehensive and coordinated strategies centered around the LACDPH Center for Health Equity’s 5-year action plan, we are working to reduce the gap in disparate infant mortality rates by 30% by 2024.

**Early Identification and Intervention**

First 5 LA’s primary workstream in support of strengthening early identification and intervention efforts in LA County includes the implementation of Help Me Grow LA (HMG LA). HMG LA coordinates existing systems (e.g., health, ECE, mental health, developmental disabilities, child welfare, school districts and community-based organizations) that serve children with or at risk for delays and their families to ensure they receive appropriate intervention services and supports. In partnership, LACDPH and First 5 LA are co-

implementing HMG LA's 4 core components (centralized access point, child health provider outreach, community and family engagement, and data collection and analysis) to meet LA county's needs and address fragmented early identification and intervention services and supports. Other key system partners in this work include Regional Centers working in community-based collaboratives to improve referral pathways and L.A. Care Health Plan focused on improving clinic-based practice improvements, parent/member and provider education and training to bolster support of children's full development through early screening and connection to appropriate supports.

More broadly, the team also works to support First 5 LA's efforts to leverage relationships with health plans given their reach, resources, and responsibility in providing health care services and supports to the pre-natal to five population and their families. Focused efforts this upcoming year include identifying partnership opportunities including sustainability and funding mechanisms given recent shifts in Medi-Cal prioritizing prevention and equitable care.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: Health Syst-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	1,196,698	1,105,372	(7.6%)	
<b>Total Salaries &amp; Wages</b>	849,190	756,661	(10.9%)	
<b>6040 Social Security Tax</b>	<b>49,111</b>	<b>44,604</b>	<b>(9.2%)</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	1,030	1,030	0.0%	Funds to cover mileage/parking for 7 staff to attend local meetings within LA County.
<b>6235 Cell Phone &amp; Mobile Devices</b>	9,600	9,600	0.0%	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. 7 FTEs at \$100/staff member for a total of \$700/month x 12 months = \$8,400.
<b>6260 Office Supplies</b>	1,545	1,545	0.0%	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
<b>6265 Subscriptions &amp; Publications</b>	515	515	0.0%	Funding to cover the purchase of interactive presentations/polling software, approximately \$10-\$15/month. Other costs include journal articles and articles to track latest research and inform programmatic strategy.
<b>6310 Internal Meetings</b>	3,090	3,090	0.0%	Funds to cover expenses related to internal staff meetings including speakers and supplies.
<b>6410 Consultant Fees</b>	15,000	15,000	0.0%	Funds to cover consulting for departmental capacity building and Center-wide integration efforts. Additionally will support content specific workshops/training not covered through programmatic consultant support.
<b>6540 Professional Dues</b>	100	1,000	900.0%	Funds to cover dues for Infant Development Association of California (\$250/person; includes up to 4 staff), American Public Health Association (\$225/person), Collaborative Family Healthcare Association (\$230/person).
<b>6610 Airfare</b>	4,212	4,212	0.0%	Funds for 7 FTE to attend conferences, trainings, meetings and other learning forums outside of the Los Angeles area. (estimated at \$601/roundtrip)
<b>6620 Lodging</b>	8,910	8,910	0.0%	Funds for 7 FTE where travel is expected for staff to attend multi-day conferences, trainings, meetings and other learning forums outside of the Los Angeles area. (estimated at \$424/night x 3 nights)
<b>6640 Per Diem</b>	3,402	3,402	0.0%	Funds to cover per diem costs for 7 FTE that attend conferences, trainings, meetings and other learning forums outside of the Los Angeles area.
<b>6650 Other Travel Expense</b>	1,458	1,458	0.0%	Funds to support other travel expenses for 7 FTE for participation in conferences and/or events (e.g., taxi, rideshare, etc.)
<b>6840 Conference/Training Registrations</b>	8,000	8,000	0.0%	Funds to cover registration fees for 7 FTE at \$1,100/person to attend local and National conferences, trainings and other learning convening events including but not limited to Zero to Three annual conference, American Public Health Association annual meeting, California Association of Health Plans annual conference, Birth Equity Funders Summit, California Black Birth Equity Summit, Black Maternal Health Conference and Training Institute and First 5 Association Summit.

**Office/Center/Team Name: Center for Child & Family Impact/Center Support Team**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Executive Vice President	1
Senior Strategist	2*
Executive Assistant and Center Coordinator	1
<b>Total:</b>	<b>4*</b>

\*1 Senior Strategist position vacant and being held vacant pending strategic plan reset process.

**Overview:**

The functions currently organized in what was referred to as the Programs Division is now called the Center for Child and Family Impact (CCFI) to reflect First 5 LA's continued pivot from an organization primarily focused on developing, funding, and implementing programs to an organization leveraging its expertise and resources to create impact through systems change. The CCFI will be led by the Executive Vice President and includes the following four CCFI primary functional teams:

- Communities Team (Communities)
- Early Care and Education Team (ECE)
- Health Systems (Health) Team
- Family Supports (Families) Team

(For additional information on these teams, please see the separate staffing and budget narratives for these four functional teams.)

In addition, the EVP leads the Center Support Team (CST), whose focus is to support the entire CCFI, and F5LA when appropriate, in two core functional support roles: managing partnerships with key county partners, as well as supporting our work on sustainability. These efforts are done in collaboration with other teams across the organization and not solely owned by the CST, though the CST plays an important support/coordination role in these two areas.

Under the direction of the EVP, the CCFI generally, including the support provided through the CST, will strategically leverage the subject matter expertise of each team, to:

- Represent First 5 LA at multi-sector, cross-cutting tables where prevention and multiple early childhood issues are discussed, where First 5 LA's voice can elevate an early childhood perspective, or where the community voice can be brought into county system conversations. Two critical partnership areas of focus for the CST are with county system partners and with other philanthropic partners aligned to CCFI priorities.
- Support sustainability efforts, especially sustainability initiatives which require complex, cross-cutting relationship management. Examples of critical cross-cutting partnerships focused on sustainability include First 5 LA's work with Medi-Cal funded health plans, the integration of various home visiting funding streams to

maximize resources for LA County's children and families, as well as opportunities for supporting public systems' greater focus on prevention.

Advancing the goals outlined in the Strategic Plan will be the primary focus of the Center for Child and Family Impact. In practice, this means each team will:

- Drive the development and execution of an array of tactics aligned to each team's area of expertise, consistent with First 5 LA's approach to system change
- Increase knowledge about child development and child and family serving systems within LA County, including how services are funded, provided, and managed; how families with young children access and receive services; the impact different levels of government have on systems; and the experiences of children and families, including the disparities experienced, with these systems
- Partner with the Center for Operational Excellence to inform and implement organizational processes, aligned with First 5 LA's position as a public agency
- Cultivate, develop, and manage partnerships across multiple sectors necessary to advance systems change goals
- Partner with the Office of Government Affairs and Public Policy on how to access policy opportunities given the work of, and focus of, the Center.

While the Center will be responsible for developing and executing tactics and strategies to drive systems change in service of the Strategic Plan, staff across the organization will be expected to connect with the Center and its teams when:

- New policies, procedures, and other business processes are redesigned and implemented that impact the work of the Center for Child and Family Impact
- Public policy, communications, data, and learning priorities are being developed and prioritized
  - Examples of organization-wide efforts led by other teams requiring consultation with the Center include developing the organization's policy agenda, establishing external and internal communications priorities, implementing and refining the Impact Framework and related products, and articulating organization-wide learning priorities

#### **Priorities for FY 23-24:**

- *County Partnership Fund (CPF)*: The CPF has resources to support areas of work where county priorities are emerging and can be shaped/aligned to F5LA priorities. There are two primary categories for this work:
  - 1) Prevention—this includes our longstanding partnership with LA County's Office of Child Protection, initiatives within the LA County Center for Strategic Partnerships, and specific departmental level initiatives including the work led by the Department of Children and Family Services (DCFS) with the Thriving Families Safer Children Initiative and planning/implementation of the new federal Families First Prevention Services Act (FFPSA), the emerging Community Family Resource Center project in the Antelope Valley, and the County CEO's Office efforts to develop a countywide approach to prevention
  - 2) Infrastructure—including investing in partnerships or efforts to test out or develop strategies that can lead to improvements in county systems' infrastructure that can lead to enhanced service-delivery or systems integration, or enhance other funding opportunities

- *Health Planning and Sustainability:* To support First 5 LA's efforts to create sustainable financing mechanisms for its investment and priority areas, including home visiting programs and health system investments. This includes funding to continue engaging expert consultation in the healthcare field to inform our strategies and efforts as well as funding to develop an infrastructure to support sustainable financing mechanisms.
- *Strategic Partnerships focus on core operating support:* This includes resources to continue funding the LA County Center for Strategic Partnerships, with a focus on collaborative work between F5LA and county system partners.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: CCFI-CST-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	988,420	857,699	(13.2%)	
<b>Total Salaries &amp; Wages</b>	678,671	560,192	(17.5%)	
<b>6040 Social Security Tax</b>	<b>28,570</b>	<b>22,732</b>	<b>(20.4%)</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	500	500	0.0%	Funds to cover mileage/parking for 3 staff to attend local meetings within LA County.
<b>6235 Cell Phone &amp; Mobile Devices</b>	3,800	3,600	(5.3%)	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. 3 FTEs at \$100/staff member for a total of \$300/month x 12 months = \$3600.
<b>6260 Office Supplies</b>	1,500	1,500	0.0%	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
<b>6265 Subscriptions &amp; Publications</b>	250	250	0.0%	Funding to cover the purchase of subscriptions to publications to support CCFI's work.
<b>6310 Internal Meetings</b>	3,000	5,000	66.7%	Funds to cover expenses related to internal staff meetings including speakers and supplies.
<b>6315 Divisional Capacity Building</b>	15,000	20,000	33.3%	Funds to cover expenses related to capacity building for CCFI planning, contractor/partner meetings, and internal reflection and learning sessions. These sessions may include external partners such as Commissioners, consultants, and contractors. Meeting expenses may include facility rentals, catering, meeting materials, etc.
<b>6410 Consultant Fees</b>	130,000	130,000	0.0%	Funds to cover consulting fees to support for CCFI for facilitation support, content and/or core capability-specific trainings and workshops such as consultants for team building/retreats, promotion of integration work, as well as support from Center for Collective Wisdom.
<b>6540 Professional Dues</b>	500	500	0.0%	Funds to cover dues that may arise to support CCFI.
<b>6610 Airfare</b>	1,500	1,500	0.0%	Funds for 3 FTE to and from professional conferences, meetings, or business-related trainings outside of Los Angeles area. All expenses will adhere to the First 5 LA policy for Travel Approval and Reimbursement.
<b>6620 Lodging</b>	1,500	1,500	0.0%	Funds for 3 FTE for lodging at professional conferences, meetings, or other business-related travel held outside Los Angeles County and greater than 100 miles round trip from the employees' current commute to First 5 LA. All expenses will adhere to First 5 LA policy for Travel Approval and Reimbursement.
<b>6640 Per Diem</b>	750	750	0.0%	Funds to cover per diem costs for 3 FTE to provide for various daily expenses incurred while attending professional conferences, trainings or meetings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Per diem expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
<b>6650 Other Travel Expense</b>	750	750	0.0%	Funds to support other travel expenses for 3 FTE for participation in conferences and/or events (e.g., taxi, rideshare, etc.)
<b>6840 Conference/Training Registrations</b>	2,500	2,500	0.0%	Funds to cover registration fees for 3 FTE professional conferences that maybe held virtually and in-person.

# OFFICES

OPERATING COSTS SUMMARY Executive Director's Office

Description	FY2023 Revised Budget	FY2024 EDO	FY2024 ODFA	FY2024 OOC	FY2024 OESL	FY2024 OGAPP	FY2024 BOC	FY2024 HRTM	FY2024 Approved Budget	Variance from Prior Year
<b>Operating Expenses</b>										
<b>Salaries &amp; Benefits</b>										
Total Salaries & Wages	4918343	1020870	625421	588268	829916	973143	0	808938	4846556	(71,787)
Total Benefits	1441426	246823	185283	202493	262874	285560	0	226690	1409722	(31,704)
<b>Salaries &amp; Benefits</b>	<b>6,359,769</b>	<b>1,267,693</b>	<b>810,704</b>	<b>790,761</b>	<b>1,092,790</b>	<b>1,258,702</b>	<b>0</b>	<b>1,035,628</b>	<b>6,256,278</b>	<b>(103,491)</b>
<b>Operating Services</b>										
Mileage, Parking and Other Transportation	13980	4000	700	2000	2500	4970	3000	250	17420	3440
Cell Phone & Mobile Devices	50616	7200	8400	8000	6000	10800	0	4800	45200	(5,416)
Outside Printing & Other Supplies	1500	0	0	0	0	1250	0	0	1250	(250)
Educational Supplies	0	0	0	0	0	0	250	0	250	250
Office Supplies	1500	0	0	0	600	900	0	0	1500	0
Subscriptions & Publications	22690	4000	350	5000	3000	2250	3000	3000	20600	(2,090)
Offsite Storage	27270	0	250	5000	550	14735	0	2000	22535	(4,735)
Hardware & Software	10000	0	0	0	0	0	0	0	0	(10,000)
Miscellaneous/Contingency	3500	0	0	4000	0	0	0	0	4000	500
Internal Meetings	50000	50000	0	0	0	0	0	0	50000	0
<b>Operating Services</b>	<b>50500</b>	<b>7500</b>	<b>14,700</b>	<b>11000</b>	<b>8000</b>	<b>3750</b>	<b>10000</b>	<b>15000</b>	<b>60250</b>	<b>9750</b>
<b>Operating Services</b>	<b>231,556</b>	<b>72,700</b>	<b>14,700</b>	<b>35,000</b>	<b>20,650</b>	<b>38,655</b>	<b>16,250</b>	<b>25,050</b>	<b>223,005</b>	<b>(8,551)</b>
<b>Consultant Services</b>										
Consultant Fees	827000	0	20000	0	450000	0	20000	266000	756000	(71,000)
<b>Consultant Services</b>	<b>827,000</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>450,000</b>	<b>0</b>	<b>20,000</b>	<b>266,000</b>	<b>756,000</b>	<b>(71,000)</b>
<b>Professional Services</b>										
Legal Fees	225000	225000	0	0	0	0	0	0	225000	0
Professional Dues	18595	0	1295	3000	1125	0	0	2300	7720	(10,875)
Staff Recruitment	20000	0	0	0	0	0	0	15000	15000	(5,000)
Commissioners Stipends	20000	0	0	0	0	0	20000	0	20000	0
Web-Based Services	88000	0	0	0	0	0	0	88000	88000	0
<b>Professional Services</b>	<b>371,595</b>	<b>225,000</b>	<b>1,295</b>	<b>3,000</b>	<b>1,125</b>	<b>0</b>	<b>20,000</b>	<b>105,300</b>	<b>355,720</b>	<b>(15,875)</b>
<b>Travel Expenses</b>										
Airfare	44740	7500	4200	10000	3500	48000	1000	800	75000	30260
Lodging	31830	5000	4200	15000	3000	30000	1000	1200	59400	27570
Per Diem	20120	2400	1400	10000	2500	8700	750	500	26250	6130
Other Travel Expense	3555	2400	700	500	1000	1500	250	200	6550	2995
<b>Travel Expenses</b>	<b>100,245</b>	<b>17,300</b>	<b>10,500</b>	<b>35,500</b>	<b>10,000</b>	<b>88,200</b>	<b>3,000</b>	<b>2,700</b>	<b>167,200</b>	<b>66,955</b>
<b>Professional Development</b>										
Training Materials & Supplies	10700	0	280	1000	0	6500	0	8000	15780	5080
In-house Training	121400	0	5000	5000	0	6400	0	60000	76400	(45,000)
Leadership Programs	25000	0	0	1000	0	0	0	75000	76000	51000
Conference/Training	54000	5100	3500	25000	9000	9000	1500	6000	59100	5100
Outside Education	26750	0	5250	5000	900	11500	0	8000	30650	3900
<b>Professional Development</b>	<b>237,850</b>	<b>5,100</b>	<b>14,030</b>	<b>37,000</b>	<b>9,900</b>	<b>33,400</b>	<b>1500</b>	<b>157,000</b>	<b>257,930</b>	<b>20080</b>
<b>Total Operating Expenses</b>	<b>8,128,015</b>	<b>1,587,793</b>	<b>871,229</b>	<b>901,261</b>	<b>1,584,465</b>	<b>1,418,957</b>	<b>60,750</b>	<b>1,591,678</b>	<b>8,016,133</b>	<b>(111,882)</b>

**Office/Center/Team Name: Executive Director’s Office**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Executive Director	1
Chief of Staff	1
Manager, Organization Engagement	1
Manager, Board Relations	1
Executive Assistant to the Executive Director	1
Board Relations Associate	1
<b>Total:</b>	<b>6</b>

**Overview:**

The organization’s senior executive, the Executive Director, leads the entire organization with the support of members of the Executive Director’s Office, including an Executive Assistant. The Executive Director’s Office was created in 2020 to bring greater alignment to core governance functions like Board relations and support more coordinated, intentional organization engagement.

Led by a Chief of Staff, a position established in 2020, the Executive Director’s Office responsibilities include:

- Board relations and organization governance, led by a Board Relations Manager and a Board Relations Associate. Key Board relations responsibilities include managing all aspects of Board meetings, supporting communication and partnership with Commissioners, coordinating compliance with County requirements and First 5 LA bylaws and governance guidelines, and managing First 5 LA’s contract for legal services.
- Organization engagement, led by an Organization Engagement Manager. Key organization engagement responsibilities include managing staff meetings, coordinating with others to improve staff access to critical information, and developing infrastructure to deploy organization-wide emerging opportunities, sponsorships, memberships, and partnerships funding more strategically.
- Leadership team coordination, led by the Chief of Staff. In addition to the Executive Director, First 5 LA is led by a Leadership Team comprised of the heads of each Center, Office, and Team, and the Executive Director’s Office is responsible for coordinating Leadership Team engagement. The Chief of Staff also serves as an advisor to the Executive Director on emerging, organization-wide issues, and consults with members of the Leadership Team.

In addition to the work outlined above, the Executive Director’s Office leads various cross-functional initiatives as needed.

Looking to 2023, critical decision points and milestones for the Executive Director’s Office work include:

- Developing new Board engagement strategies to build more effective partnerships with Commissioners, make Board meetings more accessible to the public, and streamline Board operations.

- Updating the organization's Bylaws and Governance Guidelines.
- Building strong relationships with new Board leadership and Commissioners.
- Developing standard operating procedures for Board operations and organization governance.
- Establishing new approaches to convening leadership and staff meetings.
- Supporting strategic alignment of organization-wide partnership, sponsorship, membership, and emerging opportunities funding and staff and Commissioner participation in First 5 LA hosted and supported meetings and events.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: EDO Support-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	1,604,097	1,587,793	(1.0%)	
<b>Total Salaries &amp; Wages</b>	981,770	1,020,870	4.0%	
<b>6040 Social Security Tax</b>	<b>41,667</b>	<b>43,752</b>	<b>5.0%</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	1,030	4,000	288.3%	Funds to cover mileage/parking for the Executive Director and at least 2 additional staff, up to 5, to attend local meetings within LA County.
<b>6235 Cell Phone &amp; Mobile Devices</b>	7,416	7,200	(2.9%)	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. 6 FTEs at \$100/staff member for a total of \$600/month x 12 months = \$7200.
<b>6260 Office Supplies</b>	3,090	4,000	29.4%	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.). Holds funding level constant from the last budget year before the pandemic (FY 19-20).
<b>6300 Miscellaneous/Contingency</b>	50,000	50,000	0.0%	Funding for unforeseen expenses, emerging opportunities, and contingencies. Holds funding constant from FY 22-23.
<b>6310 Internal Meetings</b>	15,000	7,500	(50.0%)	Funds to cover expenses related to internal staff meetings including speakers and supplies. Holds funding constant from FY 19-20, the last budget before the pandemic, minus \$9,000 moving from the Executive Director's Office to Human Resources and Talent Management for the cost of organization activities.
<b>6520 Legal Fees</b>	225,000	225,000	0.0%	Funds to cover expenses for First 5 LA's legal services, provided through a competitively procured contract with Richards, Watson, and Gershon. Funding held constant from FY 22-23.
<b>6540 Professional Dues</b>	11,000	0	(100.0%)	Funds to cover dues for [list the professional service(s)]
<b>6610 Airfare</b>	3,240	7,500	131.5%	Funds expected travel for the Executive Director based on pre-pandemic expenditures (\$5,000) plus roundtrips for up to 5 additional staff to take at least one roundtrip flight for meetings, conferences, and/or events at up to \$500 per trip.
<b>6620 Lodging</b>	2,430	5,000	105.8%	Funds for the Executive Director's out of county travel based on pre-pandemic expenditures (\$2,500) and funding for up to 5 staff to take one trip out of county to attend various events, meetings, trainings, and conferences for \$250/night for two nights per trip (\$2,500).
<b>6640 Per Diem</b>	1,620	2,400	48.1%	Funds to cover per diem costs (\$59) for up to 40 days of out-of-county travel for the Executive Director and up to 5 additional staff, rounded to the nearest \$100.
<b>6650 Other Travel Expense</b>	405	2,400	492.6%	Funds to support other up to \$60 per day of travel expenses for an estimated 40 days of out-of-county travel (e.g., taxi, rideshare, etc.)
<b>6840 Conference/Training Registrations</b>	2,000	5,100	155.0%	Funds to cover registration fees for 6 FTE at \$250/person to attend at least two conference or training during the fiscal year, plus registration fees for 3 FTE at \$700/person to attend the annual First 5 Association Summit (\$620/person for FY 22-23).

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: BOC-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	58,750	60,750	3.4%	
<b>6225 Mileage, Parking and Other Transportation</b>	3,000	3,000	0.0%	Provides mileage reimbursement and payment of parking expenses to Commissioners when private vehicles are used on the course of conducting Commission business.
<b>6240 Outside Printing &amp; Publications</b>	250	0	(100.0%)	Funds to cover printing costs for externally facing documents such as [list documents]
<b>6245 Other Supplies</b>	0	250	100.0%	Provides for general supplies other than administrative (e.g. plaques, awards, etc.)
<b>6260 Office Supplies</b>	3,000	3,000	0.0%	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
<b>6310 Internal Meetings</b>	8,000	10,000	25.0%	Provides for expenses related to meetings attended by Commissioners, legal counsel, staff and guests.
<b>6410 Consultant Fees</b>	20,000	20,000	0.0%	Provides for transcription services for Board of Commission meetings.
<b>6560 Commissioners Stipends</b>	20,000	20,000	0.0%	Provides stipends to Commissioners who participate in regularly scheduled meetings (via conference call or in-person), Commission, Closed Session, Executive Committee, Budget & Finance Committee, Program & Planning Committee, Ad hoc Committee and special meetings
<b>6610 Airfare</b>	1,000	1,000	0.0%	Provides airfare expenses to and from professional conferences and seminars outside of Los Angeles area.
<b>6620 Lodging</b>	1,000	1,000	0.0%	Provides for lodging at multi-day professional conferences outside of the Los Angeles area.
<b>6640 Per Diem</b>	750	750	0.0%	Provides for various daily expenses incurred while attending professional conferences outside of the Los Angeles area.
<b>6650 Other Travel Expense</b>	250	250	0.0%	Provides for miscellaneous expenses when Commissioners are travelling outside of LA County on First 5 LA's business. Expenses may include taxi, ride-share and other travel expenses that doesn't fit into other travel categories.
<b>6840 Conference/Training Registrations</b>	1,500	1,500	0.0%	Provides for registration expenses for professional conferences and/or seminars.

**Office/Center/Team Name: Office of Communications**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Chief Communications Officer (vacant)	1
Manager, Strategic Initiatives	1
Manager, Marketing Strategies (vacant)	1
Manager, Internal Communications	1
Graphic Designer	1
Digital Content Specialist	1
Communications Specialist	1
Writer & Editor (vacant)	1
Administrative Assistant (shared with OGAPP)	.5
<b>Total:</b>	<b>8.5</b>

**Overview:**

First 5 LA's 2020-2028 Strategic Plan acknowledges that communications strategies are critical to advancing First 5 LA's priorities. Aligned with the Strategic Plan, communications and marketing will continue to be used to amplify our advocacy efforts and build public will to catalyze policy and systems change to achieve equitable futures for all L.A. County children and their families. While all Teams and Offices are responsible for the oversight of communications components in programs as part of First 5 LA investments, the Office of Communications is responsible for partnering with others to communicate the impact of the organization's work to internal and external audiences. Core functions of the Office include:

- Ongoing integrated development and implementation of strategic communications, marketing and internal communications efforts that build First 5 LA's reputation as an advocate, systems change agent and trusted source of information.
- Creating urgency to address issues and improve conditions impacting early childhood development by engaging and educating diverse internal and external audiences with an emphasis on influencing decision makers.
- Building policymaker understanding and public will to strengthen First 5 LA's advocacy efforts across diverse audiences, with the goal to inform and influence decisions to prioritize young children.
- Aligning communications expertise, including but not limited to strategic planning, message development, branding, editorial storytelling, and media placement and advertising, working in partnership across Center Teams and Offices to plan and design strategies that achieve targeted goals.

**Priorities for FY23-24:**

- Refine the focus of and strengthen the impact of core communications vehicles and channels developed and maintained by OOC, such as the website, internal and external newsletters and social media platforms (Facebook, Twitter, Instagram, YouTube, LinkedIn).

- Drive and consult on communications strategies centered on our value of diversity, equity and inclusion to further advance priorities of Center teams and Offices. The procurement of specialty communications consultants will support in the development of strategies and communications tactics that can be deployed to achieve impact, such as through message development, branding, editorial storytelling, and media placement and advertising to reach diverse audiences.
- Design integrated internal and external strategies to communicate the next phase of First 5 LA's 2020-2028 Strategic Plan Review, acknowledgment of our 25<sup>th</sup> Anniversary and the story of our impact in L.A. County and statewide, which could include a brand re-introduction campaign.
- Apply learnings from past strategic partnerships of directly funding the capacity of news outlets to cover early childhood issues by participating in a more cost effective and efficient partnership with other potential funders to expand in-depth reporting on critical health, early learning and child development topics affecting young children under the age of 5 and their families in L.A. County and statewide.
- Build upon FY22-23 work with the Office of Government Affairs & Public Policy (OGAPP) to design communications strategies and deploy targeted tactics to reach and engage key decisionmakers on First 5 LA's policy and advocacy priorities.
- Utilize translation and interpretation services to further center communications work on our value of diversity, equity, and inclusion, and support the growing demand for content development expertise across Teams and Offices.
- Support First 5 LA's transition to a fully hybrid work structure through communications that builds alignment and engagement between employees, Teams, and Offices. This includes First 5 LA's operations and anticipated communications needs, such as creating a welcoming fully hybrid on-site work environment.
- Support Center for Operational Excellence (COE) with internal communications and information sharing about operational plans, including a SharePoint remodel, records retention, etc.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: OOC-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	1,228,494	901,261	(26.6%)	
<b>Total Salaries &amp; Wages</b>	852,008	588,268	(31.0%)	
<b>6040 Social Security Tax</b>	<b>51,241</b>	<b>37,110</b>	<b>(27.6%)</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	3,000	2,000	(33.3%)	Funds to cover mileage/parking for [#] staff to attend local meetings within LA County.
<b>6235 Cell Phone &amp; Mobile Devices</b>	12,000	8,000	(33.3%)	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. [#] FTEs at \$100/staff member for a total of \$[x]/month x 12 months = \$[X].
<b>6260 Office Supplies</b>	6,000	5,000	(16.7%)	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
<b>6265 Subscriptions &amp; Publications</b>	10,000	5,000	(50.0%)	Funding to cover the purchase of [list subscription/publication] to [list reason]
<b>6290 Offsite Storage</b>	10,000	0	(100.0%)	Funds to cover expenses for offsite storage units to store [x,y,z]
<b>6295 Hardware &amp; Software Maintenance</b>	3,500	4,000	14.3%	Funds to cover expenses to maintain First 5 LA's hardware and software in support of our technological resources, including [name hardware/software]
<b>6310 Internal Meetings</b>	11,000	11,000	0.0%	Funds to cover expenses related to internal staff meetings including speakers and supplies.
<b>6540 Professional Dues</b>	3,000	3,000	0.0%	Funds to cover dues for [list the professional service(s)]
<b>6610 Airfare</b>	10,000	10,000	0.0%	Funds for [#] FTE to attend [list what function staff is attending] (estimated at \$[x]/roundtrip)
<b>6620 Lodging</b>	15,000	15,000	0.0%	Funds for [#] FTE to attend [list what function staff is attending] (estimated at \$[x]/night x [#] nights)
<b>6640 Per Diem</b>	10,000	10,000	0.0%	Funds to cover per diem costs for [#] FTE that attend [list function]
<b>6650 Other Travel Expense</b>	0	500	100.0%	Funds to support other travel expenses for [#] FTE for participation in conferences and/or events (e.g., taxi, rideshare, etc.)
<b>6810 Training Materials &amp; Supplies</b>	1,000	1,000	0.0%	Funds to cover expenses for materials and supplies for [name of internal training]
<b>6820 In-house Training</b>	5,000	5,000	0.0%	Funds to support internal training and staff development for [#] staff members
<b>6830 Leadership Programs</b>	0	1,000	100.0%	Funds for [#] staff to attend [leadership program name(s)]
<b>6840 Conference/Training Registrations</b>	20,000	25,000	25.0%	Funds to cover registration fees for [#] FTE at \$[x]/person to attend [name of conference/training]
<b>6850 Outside Education</b>	5,000	5,000	0.0%	Funds to cover training attendance at [name of training] because [reason for attendance] (estimated at [#] FTE at \$[x]/person)

**Office/Center/Team Name:** Office of Data for Action

**Authorized Positions:**

Position	#
Chief Data Officer	1
Senior Strategy Strategists	2
Data Strategy Specialists	4
<b>Total:</b>	<b>7</b>

**Overview:**

The Office of Data for Action (ODFA) provides organization-wide leadership and expertise in measurement, evaluation and data-related endeavors. ODFA is responsible for:

1. Advancing an organization-wide data strategy. The Data Strategy is intended to articulate First 5 LA's data priorities and the work we will undertake to address those priorities.
2. Providing leadership for the ongoing alignment and implementation of the Impact Framework, which measures progress towards achieving the outcomes specified in the Strategic Plan. Additionally, ODFA will regularly produce and disseminate reports and other products to engage our staff, commissioners and stakeholders in understanding our impact.
3. Providing technical assistance for First 5 LA's research, evaluation and data needs, such as advising on approach, methodology, assessing the quality of research and data efforts, and supporting adherence with regulations, standards, and policies related to data ownership, privacy, accessibility and quality.
4. Managing data and research investments that support the entire organization.

**Priorities for FY 23-24:**

Following are key efforts that will be led by the Office of Data for Action in FY 23-24:

- ODFA will lead the development of the Data Strategy including stakeholder engagement. We will also collaborate with various stakeholders (e.g., staff, contractors and external partners) to develop an implementation plan that outlines the work we will undertake to address our Data Priorities.
- ODFA will lead the refinement and implementation of the Impact Framework. The emphasis in FY 23-24 will be ensuring we have outcome indicators that align with the Strategic Plan and a measurement plan including data sources and an analytic approach for reporting on those indicators.
- ODFA will lead the First 5 California Annual Reporting process. Additionally, we will develop a brief that highlights how Proposition 10 funds have been used and the characteristics of the grantees and contractors we've funded to work on behalf of children and families in L.A. County.
- ODFA will lead data partnerships with the Children's Data Network, Public Health Foundation Enterprise (PHFE) WIC and the L.A. County Office of the Chief Info) to inform advance and measure the progress of our systems change efforts. A goal for FY 23-24 is to align these partnerships with the Data Priorities identified in the Data Strategy.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: ODFA-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	1,055,830	871,229	(17.5%)	
<b>Total Salaries &amp; Wages</b>	768,873	625,421	(18.7%)	
<b>6040 Social Security Tax</b>	<b>43,331</b>	<b>36,033</b>	<b>(16.8%)</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	350	700	100.0%	Funds to cover mileage/parking for [7] staff to attend local meetings within LA County.
<b>6235 Cell Phone &amp; Mobile Devices</b>	8,400	8,400	0.0%	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. [7] FTEs at \$100/staff member for a total of \$[7]/month x 12 months = \$[X].
<b>6260 Office Supplies</b>	350	350	0.0%	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.). \$50pp x 7 FTEs
<b>6265 Subscriptions &amp; Publications</b>	250	250	0.0%	Funding to cover the subscriptions to the American Journal of Evaluation, Evaluation Review, Qualitative Research and Qualitative Inquiry.
<b>6310 Internal Meetings</b>	6,000	5,000	(16.7%)	Funds to cover expenses related to internal staff meetings. Meeting expenses may include catering and meeting materials. Additional resources are included for up to four external speakers at \$500 each. The amount is based on historical expenditures for similar staff engagement opportunities.
<b>6410 Consultant Fees</b>	16,000	20,000	25.0%	Funds to cover consulting for on the design, planning, facilitation, documentation and supporting of action items related to quarterly ODFA Team and Leadership retreats for team-building, reflection, recalibration and short- and long-term planning in support of organizational and ODFA-specific goals.
<b>6540 Professional Dues</b>	945	1,295	37.0%	Funds to cover dues for an annual professional association membership for up to seven staff (e.g., the American Evaluation Association Membership is \$185 per year).
<b>6610 Airfare</b>	4,200	4,200	0.0%	Provides for airfare to and from professional conferences, meetings or business-related trainings outside of Los Angeles area. Examples of anticipated conferences include annual meetings of the American Evaluation Association, The Evaluator's Institute, Grantmakers for Effective Organizations, First 5 CA and First 5 Association Summits. Estimate \$600 round trip per person for 7 FTEs
<b>6620 Lodging</b>	4,200	4,200	0.0%	Funds for 7 FTEs to attend professional conferences estimated at \$200/night x 3 nights.
<b>6640 Per Diem</b>	1,400	1,400	0.0%	Funds to cover per diem costs for 7 FTEs that attend professional conferences and meetings.
<b>6650 Other Travel Expense</b>	700	700	0.0%	Funds to support other travel expenses for 7 FTEs for participation in conferences and/or events (e.g., taxi, rideshare, etc.)
<b>6810 Training Materials &amp; Supplies</b>	700	280	(60.0%)	Funds to cover expenses for materials and supplies for ODFA internal training. Trainings materials include books and assessments.
<b>6820 In-house Training</b>	10,000	5,000	(50.0%)	Funds to support internal training and staff development for 7 staff members
<b>6840 Conference/Training Registrations</b>	7,000	3,500	(50.0%)	Funds to cover registration fees for 7 FTE at \$500/person to attend the Annual Conference of the American Evaluation Association or other professional conferences or meetings.
<b>6850 Outside Education</b>	7,000	5,250	(25.0%)	Funds to cover attendance at the Claremont Evaluation Center Professional Development Workshop Series to support professional growth and development estimated at 7 FTE at \$750/person.

**Office/Center/Team Name: Office of Equity, Strategy, and Learning**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Chief Transformation Officer	1
Senior Strategists	3*
Project Manager	1
Administrative Coordinator	1
<b>Total:</b>	<b>6</b>

\* One Senior Strategist position is on hold for FY 23-24 pending the strategic plan reset process.

**Overview:**

The Office of Equity, Strategy and Learning (OESL) is a centralized function at First 5 LA led by a Chief Transformation Officer (Antoinette Andrews Bush), who reports to the Executive Director. The OESL team designs and implements organizational development and change management strategies to support First 5 LA's strategic planning and implementation, organizational culture, and continuous improvement.

**Priorities for FY 23-24:**

**1. Strategic Plan Reset**

Leading and coordinating First 5 LA's strategic planning aligned with our fiscal reality, and working in partnership with other teams as needed, to help First 5 LA make substantive decisions about its priorities, work, and role.

**2. Organizational Culture**

- Design and implement change management strategies to help staff engage in the strategic plan reset while strengthening relationships and capacity for implementation.
- Embed DEI strategies into the strategic plan reset and support early implementation of internally facing DEI projects.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: OESL-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	1,367,587	1,584,465	15.9%	
<b>Total Salaries &amp; Wages</b>	672,164	829,916	23.5%	
<b>6040 Social Security Tax</b>	<b>35,804</b>	<b>46,852</b>	<b>30.9%</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	2,000	2,500	25.0%	Provides for expense reimbursement for up to five staff that use their private vehicles and ride-share services in the course of conducting commission business. Monthly mileage and parking reimbursements fluctuate based on the distance driven. All expenses will adhere to First 5 LA's Policy for Travel Approval and Reimbursement.
<b>6235 Cell Phone &amp; Mobile Devices</b>	7,200	6,000	(16.7%)	Per First 5 LA's Mobile Device Policy, eligible staff who are required to be accessible while working outside of the office or during after-hours, are provided a monthly reimbursement of \$50 for use of their personal mobile device. Cell phone and internet (\$50) reimbursements will be paid up to five full-time staff (5 FTE x \$100 = \$500 x 12 months = \$6,000).
<b>6255 Educational Supplies</b>	600	600	0.0%	Provides for expenses such as books, videos, and other educational resources related to enhancing staff core capabilities in change management, adult learning, organizational development, and/or individual professional development. Costs assume \$120 per person for the fiscal year (5 FTE x \$120 = \$600).
<b>6260 Office Supplies</b>	3,000	3,000	0.0%	Provides for consumable office supplies for the five staff at an estimate of \$600 per year per employee. Anticipated expenditures support staff working in a hybrid context (in office and remotely) during the fiscal year.
<b>6265 Subscriptions &amp; Publications</b>	320	550	71.9%	Provides resource for subscriptions to publications, such as the Stanford Social Innovation Review (\$40 per year) and the Harvard Business Review (\$180 per year) to learn about research and practice-based approaches and experiences on a range of topics relevant to OESL's work. Costs assume that five staff will share one account per subscription. Additional resources are included for subscriptions and tools that support that support strategic plan decision-making and implementation as well as OESL's ongoing work in DEI and organizational learning.
<b>6310 Internal Meetings</b>	5,000	8,000	60.0%	Provides resources for on-site and off-site staff planning sessions, contractor/partner meetings, and network-building sessions with external peers doing similar work. Meeting expenses may include facility rentals, catering, meeting materials, etc.
<b>6410 Consultant Fees</b>	450,000	450,000	0.0%	Costs associated with current and anticipated consultant support in FY 23/24: 1) Center for Collective Wisdom (C4CW) (\$200,000): Next phase of work with C4CW to support continue thought partnership to First 5 LA in its application of four core competencies (leadership, living systems, community, and results) from C4CW's Living Collective Wisdom framework. This work supports ongoing learning and organizational transformation aligned with the 2020-2028 Strategic Plan by: Improving internal structures and processes that support staff reflection on their work and implementation progress for ongoing strategy refinement Strengthening First 5 LA Leadership Team capabilities and other competencies to address areas of improvement and advance the work internally and externally Supporting the formation and strategic focus of internal regional integration teams working to integrate strategies in Best Start regions Building internal staff capacity to sustain the results of the work beyond the C4CW contract This contract crosses fiscal years. Current contract approved by the board in June 2022. Expenditures anticipated in FY 23/24 do not reflect total contract amount. Work with this consultant slated to end December 2023. 2) Content-Specific Consultant Support TBD (\$250,000): Resources for the strategic plan reset and implementation planning as well as to build the OESL team's capacity to fulfill its essential duties and responsibilities (e.g., DEI metrics, strategic plan implementation dashboards, building OESL's internal expertise in organization development and change management, etc.)
<b>6540 Professional Dues</b>	1,350	1,125	(16.7%)	Provides for membership to organizational development professional organizations, which is professional learning community of organizational development practitioners from around the world who exchange best practices, interact with thought leaders, and share access to leading edge tools and technologies. Membership is \$225 per person per year for up to five staff (\$225 x 5 staff = \$1,125)
<b>6610 Airfare</b>	1,500	3,500	133.3%	Provides for airfare to and from professional conferences, meetings or business-related trainings outside of Los Angeles area. Examples of anticipated conferences include: Grantmakers for Effective Organizations, First 5 CA and First 5 Association Summits, Southern California Grantmakers, Collective Impact Forum Convenings, Organizational Development Network, and the Othering and Belonging Institute. Approval from the Chief Transformation Officer will be obtained prior to incurring any airfare expenses. All expenses will adhere to First 5 LA's Policy for Travel Approval and Reimbursement.
<b>6620 Lodging</b>	2,000	3,000	50.0%	Provides for lodging at professional conferences, meetings, or other business-related travel held outside Los Angeles County and greater than 100 miles round trip from the employees' current commute to First 5 LA. Examples of anticipated conferences include Grantmakers for Effective Organizations, First 5 CA and First 5 Association Summits, Southern California Grantmakers, Collective Impact Forum Convenings, Organizational Development Network, and the Othering and Belonging Institute. Approval from the Chief Transformation Officer will be obtained prior to incurring lodging expenses and all expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
<b>6640 Per Diem</b>	1,500	2,500	66.7%	Provides for various daily expenses incurred while attending professional conferences, trainings or meetings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Per diem expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: OESL-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>6650 Other Travel Expense</b>	500	1,000	100.0%	Provides for various travel expenses (i.e., ride share, airport parking, taxi cabs, etc.) incurred while attending professional conferences, trainings or meetings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Other travel expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
<b>6840 Conference/Training Registrations</b>	9,000	9,000	0.0%	Provides for registration expenses for professional conferences and training to support five OESL staff in building their knowledge as they develop internal processes, tools, and structures to facilitate ongoing organizational learning and priority setting. Examples of conferences include Grantmakers for Effective Organizations, First 5 CA and First 5 Association Summits, Southern California Grantmakers, Organizational Development Network, UC Berkeley Othing and Belonging Institute, and University of Maryland Project Management Symposium. Conference fees range from \$200-\$875 per registration. Approval from the Chief Transformation Officer will be obtained prior to incurring any expenses.
<b>6850 Outside Education</b>	750	900	20.0%	Webinars and peer learning circles - on topics such as organizational culture, using data and analytics to drive decision-making, diversity, equity and inclusion, adult learning, etc. - can range from \$25-\$75 per participant. These topics support staff in building their knowledge as they develop internal processes, tools, and structures to facilitate ongoing organizational transformation. Approval from the Chief Transformation Officer will be obtained prior to incurring any expenses.

**Office/Center/Team Name: Human Resources and Talent Management Team**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Director, Human Resources and Talent Management	1
HR Business Partner	2
Project Manager, Human Resources and Talent Management	1
<b>Total:</b>	<b>4*</b>

\*Additional HRTM personnel resources include two temporary employees that provide support as needed.

**Overview:**

The Human Resources & Talent Management team (HRTM) cultivates the employee – employer relationship by ensuring that all people-related structures, programs, policies, practices and procedures align with First 5 LA’s strategy and fiscal reality, support our desired culture, and comply with legal requirements. The HRTM team’s areas of work includes:

- Providing a comprehensive and competitive compensation and benefits program.
- Ensuring policies, procedures, and practices are compliant with employment law and other legal requirements.
- Providing an organization-wide approach to the employee life cycle and guiding teams accordingly.
- Ensuring workplace policies, protocol, and emergency preparedness protect the health and safety of employees in partnership with Facilities.
- Providing the infrastructure and resources for organizational learning and development in partnership with OESL.
- Advising the Executive Director on executive-level HR related decisions.

**Priorities for FY 23-24:**

- Finalize the recommendations of the compensation study to inform updates to compensation philosophy, salary grades, employee compensation, and approach to merit.
- Implement hybrid work policies, practices, and procedures and improve the overall employee experience.
- Improve the approach, processes, and tools to create consistency in the employee life cycle across the organization.
- Improve First 5 LA’s workplace policies, practices and procedures.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: HRTM-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	1,499,166	1,591,678	6.2%	
<b>Total Salaries &amp; Wages</b>	686,919	808,938	17.8%	
<b>6040 Social Security Tax</b>	<b>36,735</b>	<b>47,255</b>	<b>28.6%</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	100	250	150.0%	Mileage and Parking reimbursement for department staff that use their private vehicles and ride-share services in the course of conducting HR related business such as attending local meetings, hearings, trainings, and other HR related business. Monthly mileage and parking reimbursements fluctuate based on the distance driven. All expenses will adhere to First 5 LA's Policy for Travel Approval and Reimbursement.
<b>6235 Cell Phone &amp; Mobile Devices</b>	4,800	4,800	0.0%	Per First 5 LA's Mobile Device Policy, eligible staff who are required to be accessible while working outside of the office or during after-hours, are provided a monthly reimbursement of \$50 for use of their personal mobile device. Cell phone reimbursement will be paid for up to four full-time staff (4 FTE x \$100 = \$400 x 12 months = \$4,800).
<b>6260 Office Supplies</b>	5,000	3,000	(40.0%)	Day-to-day office supplies for the department including printer cartridges and employee file folders. Also includes cost of binders and dividers for Employee Handbook. Costs associated with updating ID badges and providing ID badges to new staff (\$1500).
<b>6265 Subscriptions &amp; Publications</b>	2,700	2,000	(25.9%)	HR related subscriptions and publications such as annual labor law posters and publications (\$450), HR California employee handbook creator (\$100), SHRM job description creator (\$360), Survey Monkey (\$400), Harvard Business Review (\$120). Expenses such as books, videos, and other educational resources related to enhancing staff core capabilities in human resources, leadership development, adult learning, and/or individual professional development. Costs assume \$100 per HR employee for the fiscal year (4 FTE x \$100 = \$400).
<b>6310 Internal Meetings</b>	3,000	15,000	400.0%	On-site and off-site staff planning sessions, contractor/partner meetings, and network-building sessions with external peers doing similar work. Meeting expenses may include facility rentals, catering, meeting materials, etc. Resources in this category also include organization-wide activities that support employee engagement.
<b>6410 Consultant Fees</b>	341,000	266,000	(22.0%)	Costs associated with current and anticipated consultant support in FY23-24: Executive Recruitment Search Firm (\$75,000)- Recruitment of director and above leadership talent, as needed. Compensation Study Implementation (\$50,000)- Update salary structure, review job descriptions and conduct an analysis of our total compensation package against the current market and similar organizations. Compensation study began in FY22-23. Costs included in the FY23-24 budget represented estimated spending to support implementation of recommendations. Interactive Process Coordination and Facilitation and Disability Policy Development (\$50,000)- Provides for costs associated with conducting disability/medical accommodation coordination and facilitation and developing any disability policies as needed. Ergonomic Assessments (\$11,000)- Ergonomic assessments in the First 5 LA building Legal Costs (\$30,000)- Legal costs associated with accommodations, workplace investigations, etc. HR Specific Consultant Support (\$50,000)- HR-related consultant to improve HR policies, practices, and procedures in alignment with organizational values, DEI commitments, and legal requirements.
<b>6540 Professional Dues</b>	2,300	2,300	0.0%	Annual membership dues to HR related professional organizations including Cal Chamber of Commerce (\$820); Society of Human Resources Management (SHRM) membership (\$220); Association for Talent Development (TD) membership (\$280); World at Work membership (\$350); Professionals in Human Resources (PIHRA) memberships (\$600).
<b>6550 Staff Recruitment</b>	20,000	15,000	(25.0%)	Expenses related to the recruitment, sourcing, and posting of open positions. Also includes candidate background checks and candidate related travel expenses, as needed.
<b>6570 Web-Based Services</b>	88,000	88,000	0.0%	Costs associated with web-based services including Human Resources Information System (HRIS) (\$28,000); Performance Management System to conduct FY23-24 performance evaluations (\$5,000); Potential Updated Performance Management System for FY23-24 performance evaluations and beyond (\$25,000); IRS mandatory Affordable Care Act (ACA) reporting (\$8,000); Web-based Compliance Trainings (\$6,000); Emergency Notification System (\$6,000); FMLA Tracker (\$3,000).
<b>6610 Airfare</b>	800	800	0.0%	Airfare to and from professional conferences or trainings outside of Los Angeles area such as evaluating trainings from The Management Center. Approval from the Director of HRTM will be obtained prior to incurring any airfare expenses. All expenses will adhere to First 5 LA's Policy for Travel Approval and Reimbursement.
<b>6620 Lodging</b>	1,200	1,200	0.0%	Lodging at professional conferences or trainings held outside Los Angeles County and greater than 100 miles round trip from the employees' current commute to First 5 LA. Approval from the Director of HRTM will be obtained prior to incurring lodging expenses and all expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
<b>6640 Per Diem</b>	500	500	0.0%	Various daily expenses incurred while attending professional conferences or trainings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Per diem expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.
<b>6650 Other Travel Expense</b>	200	200	0.0%	Various travel expenses (i.e., ride share, airport parking, taxi cabs, etc.) incurred while attending professional conferences or trainings outside of Los Angeles County greater than 100 miles round trip from employees' current commute to First 5 LA. Other travel expenses will adhere to First 5 LA's policy for Travel Approval and Reimbursement.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: HRTM-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>6810 Training Materials &amp; Supplies</b>	8,000	8,000	0.0%	Materials, supplies, and catering related to internal training through the First 5 LA University. Also includes materials and supplies related to employee onboarding and new hire orientation.
<b>6820 In-house Training</b>	100,000	60,000	(40.0%)	Resources to support early implementation of a robust learning and talent development strategy that supports strategic plan implementation. Work in this area includes reconceptualizing and retooling First 5 LA University to reflect organization-wide learning priorities such as DEI, systems change, early childhood development, manager training, etc. For FY23-24, First 5 LA University will have a priority focus on DEI and manager-specific leadership development. This line item is anticipated to increase in future years to reflect full implementation of First 5 LA University.
<b>6830 Leadership Programs</b>	25,000	75,000	200.0%	Also includes coaching for Leadership Team (\$5,000 per staff). Costs associated with external staff professional development opportunities in programs such as Riordan Leadership Institute (\$2,250 per staff), Leadership LA (\$3,555 per staff), Leadership Southern California (\$4,455 per staff), Emerging Leaders Peer-to-Peer (\$600 per staff); Senior Peer-to-Peer (\$1,600 per staff), California Connections (\$6,500 per staff), CORO (\$3,000 per staff) and other leadership programs.
<b>6840 Conference/Training Registrations</b>	5,500	6,000	9.1%	Registration expenses for professional conferences and webinars to support HRTM staff learning including annual labor law updates, annual employee handbook updates, and webinars on ADA disability compliance and reasonable accommodation. Approval from the Director of HRTM will be obtained prior to incurring any expenses.
<b>6850 Outside Education</b>	8,000	8,000	0.0%	Resources for external training that support First 5 LA in building core competencies in alignment with the redesign and implementation of First 5 LA University as noted under Internal Training. Examples of external training includes manager-specific training such as Managing to Change the World offered through The Management Center. This line item includes resources for new employees and new/newly promoted managers to attend these external trainings. This line item also includes resources for HRTM staff to attend newly identified external trainings to evaluate applicability for the organization. Approval from the Director of HRTM will be obtained prior to incurring any expenses. This line item is anticipated to increase in future years to reflect full implementation of First 5 LA University.

**Office/Center/Team Name: Office of Government Affairs and Public Policy**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Chief	1
Senior Policy Strategist	1
Senior Policy Analyst	1
Senior Government Affairs Strategist	1
Local Policy Specialist	1
Policy Analyst	2
Government Affairs Strategist	1
Administrative Coordinator	.5
<b>Total:</b>	<b>8.5</b>

**Overview:**

The functions currently organized in what is referred to as the department of Public Policy and Government Affairs, and functions related to government affairs and advocacy currently organized within the Community Relations and Strategic Partnerships departments, will now be centralized and referred to as the Office of Government Affairs and Public Policy, led by a Chief Government Affairs Officer (Charna Widby). The Office will report to the Executive Director and will focus on core government affairs and public policy functions that must be executed through a centralized team, including lobbying, lobbying compliance, articulating organization-wide public policy change priorities, and developing strong relationships with elected officials. The Office will also lead the policy development and prioritization process in consultation with staff across the organization.

In practice, the Office will:

- Lead direct lobbying efforts at the local, state, and federal levels, including managing any lobbying contract support resources
- Manage any contracts or investments that support organization-wide advocacy efforts, for example First 5 LA's Master Agreement with the First 5 Association and the development of an integrated Policy Advocacy Fund.
- Curate and articulate an annual public policy agenda for First 5 LA reflecting local, state, and federal public policy change goals, informed by organization-wide engagement
- Serve as the primary liaison to the First 5 Association policy committee and the First 5 Association, and First 5 California government relations and policy work
- Cultivate and strengthen any partnerships with cross-cutting external advocacy partners who collaborate with First 5 LA to advance public policy goals, for example business sector advocacy efforts
- Manage First 5 LA's event sponsorships budget, process, and engagement, and develop strategic approaches to increase First 5 LA's impact through its approach to sponsorship

*Additional Expectations:* While the Office will provide technical assistance and support to staff and execute projects that require subject matter expertise, the expectation is that every team at First 5 LA, as necessary, will have:

- Knowledge of public systems, how public policy impacts First 5 LA results, how to most effectively influence public policy, and how to assess public policy opportunities and set policy priorities
- Knowledge of advocacy in all its forms beyond lobbying that can be used to support policy change as part of a broader systems change strategy
- A clear understanding of where changes to public policy will most contribute to First 5 LA's results and the feasibility of proposed change strategies and priorities
- Knowledge of government ethics rules and First 5 LA's advocacy constraints as a public agency

**Priorities for FY 22-23:**

Following is a brief summary of the critical work the Office of Government Affairs and Public Policy is leading for FY22-23 in support of Strategic Plan implementation.

- OGAPP will lead development and launch of an integrated Policy Advocacy Fund in partnership with teams across First 5 LA to support policy change activities aligned with First 5 LA's Board-approved Policy Agenda and rules governing public agency advocacy activities.
- OGAPP will refine a strategy for organization-wide sponsorships and partnership-building efforts that will build First 5 LA's reputation as an advocate and trusted source, engage and influence decision makers and stakeholders; and elevate awareness and create urgency on issues affecting young children and their families to help create lasting, equitable change. In support of the 2020-2028 Strategic Plan and refined policy agenda OGAPP will employ a variety of stakeholder engagement strategies and activities to support First 5 LA's advocacy priorities: policy education and advocacy events, engagement efforts with sector groups (e.g., business and grantmaking). In addition, OGAPP will support grantmaking projects and organizational membership with potential partners in an effort to build partnerships that support First 5 LA's strategic plan as well as our programmatic and policy goals. Within this strategy OGAPP will also coordinate and lead First 5 LA's goal for funding conferences and events is to advance the field of early childhood development as part of efforts to further the goals of the 2020-28 Strategic Plan's results areas.
- OGAPP will lead annual refinement of the First 5 LA Policy Agenda and coordination of aligned advocacy tactics to advance priority policy and sustainability issues. First 5 LA invests in key activities to support its policy goals related to family support, health systems, early care and education, and community engagement.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: OGAPP-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	1,314,091	1,418,957	8.0%	
<b>Total Salaries &amp; Wages</b>	956,609	973,143	1.7%	
<b>6040 Social Security Tax</b>	<b>54,869</b>	<b>57,500</b>	<b>4.8%</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	4,500	4,970	10.4%	Funding remains constant from FY22-23 anticipating return to in person and hybrid work. Using the 2023 mileage rate of 66 cents per mile, this budget would cover mileage for up to 150 trips at 30 miles per trip (\$2,970) plus \$10 for parking per trip (\$1,500). An additional \$500 is included for longer than average trips, like meetings in the Antelope Valley, or higher than average parking rates. This budget allows for approximately \$30 per trip, which could cover cab fare and public transportation for trips not taken in personal cars. All travel funds are anticipated to be spent on policy-related work.
<b>6235 Cell Phone &amp; Mobile Devices</b>	10,800	10,800	0.0%	This budget assumes \$100/month for 12 months per position. OGAPP will continue to have 9 FTE approved staff
<b>6240 Outside Printing &amp; Publications</b>	1,250	1,250	0.0%	Reduces FY 22-23 budget based on historic underspending. OGAPP occasionally needs to produce external facing documents and make copies while outside the office. This budget would allow the Department to produce 5 large color posters (\$250 each) or 500 double sided color handouts (\$1.78 each). Prices based on historic spending and quotes from FedEx
<b>6255 Educational Supplies</b>	900	900	0.0%	OGAPP occasionally purchases supplies to advance the team's knowledge of leading policy research, recommendations, and issues, as well as for professional development. This budget assumes \$100 per person for educational supplies (9 staff total), 50% of which will be allocated for professional development (\$50) and 50% to advance policy work (\$50). This reflects a reduction of \$300 per person based on historic underspending.
<b>6260 Office Supplies</b>	2,250	2,250	0.0%	Reduces FY 22-23 spending based on historic underspending. This budget will provide up to \$250 per person for office supplies through FY 22-23, a decrease from \$330 per person.
<b>6265 Subscriptions &amp; Publications</b>	14,000	14,735	5.3%	Increase from FY 22-23 due to increased costs and adding users. OGAPP's primary expense in this category is a subscription to Politico Pro California, a California-specific political and policy news service (\$10,500). The Office also subscribes to GovBuddy, a legislative monitoring service; the Capitol Morning Report; Capitol Track and other publications including the Stanford Social Innovation Review and Harvard Business Review
<b>6310 Internal Meetings</b>	2,500	3,750	50.0%	Anticipating the transition to hybrid work and in person meetings, this budget increased FY 23-24 funding. OGAPP frequently hosted working lunches and has historically spent the majority of its meeting expense budget, the Office is focused on reducing meeting expenses but also anticipates a higher budget than the last two years in mandatory telework. This budget will allow the Department to host 25 meetings at an average cost of \$150 per meeting.
<b>6610 Airfare</b>	24,000	48,000	100.0%	Projecting 23-24 funding to be less than half of the budget from FY 19-20 when in-person travel was required. OGAPP staff frequently traveled for advocacy events, meetings, and conferences including: First 5 Advocacy Day, advocacy coalition and planning meetings, legislative hearings, partner advocacy events like Access LA and DC, meetings with other First 5 Commissions including the First 5 Association, and other key partners like First 5 California, the Heising Simons and Packard Foundations, the Ounce of Prevention, and others. The most common destinations for OGAPP staff travel are Sacramento, Washington DC, and the San Francisco Bay Area. Assuming an average cost of \$400 per roundtrip flight, this budget would allow 120 trips in FY 22-23, or an average of two trips per week for the Office. All travel funds are anticipated to be spent on policy-related work and not professional development.
<b>6620 Lodging</b>	6,000	30,000	400.0%	Increases funding to anticipate the transition to hybrid and in person work due to increased travel for advocacy trips and policy meetings. The average hotel room for frequent destinations ranges from \$200 to \$400 per night, or an average of \$300 per night. At this average rate, the budget would cover nearly 100 hotel nights for the office in FY 23-24 or approximately 20 hotel nights for the 5 staff which travel most frequently. All travel funds are anticipated to be spent on policy-related work, and not on professional development
<b>6640 Per Diem</b>	4,350	8,700	100.0%	Increases FY 23-24 budget in anticipation of increased number of travel days and anticipated utilization of the budget. OGAPP frequently travels for meetings, conferences, and other events outside of LA County. The per diem rate for frequent destinations ranges from \$66 to \$79. Assuming an average per diem rate of \$72.50, this budget would allow for approximately 120 days of travel

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: OGAPP-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>6650 Other Travel Expense</b>	1,500	1,500	0.0%	Stable funding FY 23-24. OGAPP frequently travels outside of LA County and includes parking at airports, cab rides to meetings and hotels, and train trips. Assuming each cab or train ride or day of airport parking is an average of \$25, this budget would allow for 60 individual trips or parking days outside of LA County. All travel funds are anticipated to be spent on policy-related work and not on professional development.
<b>6810 Training Materials &amp; Supplies</b>	1,000	6,500	550.0%	LA County. All travel funds are anticipated to be spent on policy-related work and not on professional development.
<b>6820 In-house Training</b>	6,400	6,400	0.0%	OGAPP plans to hold a series of team development and learning retreats with facilitators. The budget assumes each retreat will require up to 16 hours of consultant time at a \$150 hourly rate, that venue and ancillary services will cost up to \$1,000 per retreat, and that the department will host four retreats through FY 23-24. The budget assumes that 50% of internal trainings will support policy work (\$3,200) and 50% will support professional development (\$3,200).
<b>6840 Conference/Training Registrations</b>	9,000	9,000	0.0%	This budget assumes an average conference registration of \$500/person and up to two conferences per person. All costs for conference/training registrations will be for policy related work and not professional development opportunities.
<b>6850 Outside Education</b>	6,000	11,500	91.7%	OGAPP plans to help staff develop certain skills associated with individual development goals, such as policy analysis and professional skills for the workplace. Training costs vary by program. This budget assumes that up to four members of the Policy team will participate in an external training program at up to \$1,500 per program. All of this budget is anticipated to be spent on professional development.

# CENTER FOR OPERATIONAL EXCELLENCE

**OPERATING COSTS SUMMARY Center for Operational Excellence**

Description	FY2023 Revised Budget	FY2024 CAP	FY2024 Facilities	FY2024 Finance	FY2024 IT	FY2024 COE	FY2024 Approved Budget	Variance from Prior Year
<b>Operating Expenses</b>								
<b>Salaries &amp; Benefits</b>								
Total Salaries & Wages	3,257,248	1,000,992	0	887,084	607,572	444,924	2,940,572	(2,649,676)
Total Benefits	1,030,560	377,053	0	336,314	235,815	110,614	1,059,797	(794,745)
<b>Salaries &amp; Benefits</b>	<b>4,287,808</b>	<b>1,378,045</b>	<b>0</b>	<b>1,223,398</b>	<b>843,388</b>	<b>555,538</b>	<b>4,000,369</b>	<b>(3,444,420)</b>
<b>Operating Services</b>								
ADP-Payroll	42,000	0	0	42,000	0	0	42,000	(42,000)
Workers' Compensation Insurance	52,500	0	0	45,000	0	0	45,000	(52,500)
Utilities	120,000	0	170,000	0	0	0	170,000	(120,000)
Corporate Insurance	110,000	0	0	113,300	0	0	113,300	(110,000)
Mileage, Parking and Other Transportation	1,525	0	0	200	300	515	1,015	(1,225)
Telephones	70,600	0	0	0	71,000	600	71,600	400
Cell Phone & Mobile Devices	21,672	0	0	10,800	7,200	3,600	21,600	(14,472)
Outside Printing & Publications	750	0	0	200	0	0	200	(750)
Other Supplies	5,000	0	6,000	0	0	0	6,000	(5,000)
Postage & Delivery	9,500	0	6,000	0	0	0	6,000	(9,500)
Educational Supplies	500	1,350	0	0	0	0	1,350	(500)
Office Supplies	27,530	2,000	24,000	2,000	2,000	750	30,750	(25,530)
Subscriptions & Publications	1,000	0	0	0	0	0	0	(1,000)
Capital Outlay	130,000	0	0	0	130,000	0	130,000	0
Equipment-Rents & Leases	26,190	0	1,000	0	12,000	0	13,000	(14,190)
Building Repair & Maintenance	150,000	0	185,000	0	0	0	185,000	(150,000)
Equipment Repairs & Maintenance	10,100	0	6,000	0	500	0	6,500	(9,600)
Offsite Storage	12,500	0	1,500	0	4,000	0	5,500	(8,500)
Hardware & Software Maintenance	443,000	0	0	0	390,000	0	390,000	(53,000)
Miscellaneous/Contingency	52,800	0	10,000	0	0	0	10,000	(52,800)
Stipend/Honorarium	5,000	0	0	0	0	2,500	2,500	(5,000)
Internal Meetings	7,715	5,700	0	300	200	1,500	7,700	(7,515)
<b>Operating Services</b>	<b>1,299,882</b>	<b>9,050</b>	<b>409,500</b>	<b>213,800</b>	<b>617,200</b>	<b>9,465</b>	<b>1,259,015</b>	<b>(682,682)</b>
<b>Consultant Services</b>								
Consultant Fees	551,600	70,000	0	10,000	390,000	15,000	485,000	(161,600)
Other Professional Fees	378,000	0	291,000	0	0	0	291,000	(378,000)
<b>Consultant Services</b>	<b>929,600</b>	<b>70,000</b>	<b>291,000</b>	<b>10,000</b>	<b>390,000</b>	<b>15,000</b>	<b>776,000</b>	<b>(539,600)</b>
<b>Professional Services</b>								
Audit	90,000	0	0	72,000	0	0	72,000	(90,000)
Professional Dues	35,300	4,000	35,000	500	2,500	1,150	43,150	(32,800)
Bank & Other Service Charges	20,000	0	0	11,000	0	0	11,000	(20,000)
<b>Professional Services</b>	<b>145,300</b>	<b>4,000</b>	<b>35,000</b>	<b>83,500</b>	<b>2,500</b>	<b>1,150</b>	<b>126,150</b>	<b>(142,800)</b>
<b>Travel Expenses</b>								
Airfare	11,197	4,000	0	1,500	600	1,000	7,100	(10,597)
Lodging	14,774	5,000	0	2,000	1,944	1,500	10,444	(12,830)
Per Diem	6,525	1,800	0	750	850	1,000	4,400	(5,675)
Other Travel Expense	2,405	600	0	300	0	500	1,400	(2,405)
<b>Travel Expenses</b>	<b>34,901</b>	<b>11,400</b>	<b>0</b>	<b>4,550</b>	<b>3,394</b>	<b>4,000</b>	<b>23,344</b>	<b>(31,507)</b>
<b>Professional Development</b>								
Leadership Programs	6,000	5,500	0	0	0	0	5,500	(6,000)
Conference/Training Registrations	13,000	7,500	0	2,000	3,000	2,000	14,500	(10,000)
Outside Education	6,500	5,550	0	0	0	3,000	8,550	(6,500)
<b>Professional Development</b>	<b>25,500</b>	<b>18,550</b>	<b>0</b>	<b>2,000</b>	<b>3,000</b>	<b>5,000</b>	<b>28,550</b>	<b>(22,500)</b>
<b>Total Operating Expenses</b>	<b>6,722,991</b>	<b>1,491,045</b>	<b>735,500</b>	<b>1,537,248</b>	<b>1,859,482</b>	<b>590,153</b>	<b>6,213,428</b>	<b>(4,863,509)</b>

**Office/Center/Team Name: Center for Operational Excellence**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Chief Operating Officer (COO)	1
Administrative Coordinator to the Chief Operating Officer	1
Senior Strategist, Operational Excellence	1
<b>Total:</b>	<b>3</b>

**Overview:**

The Center for Operational Excellence’s (COE) vision is as trusted and collaborative partners, COE strives for effective, efficient, and impactful organizational practices to help every child in LA County reach their full developmental potential throughout the critical years of prenatal to age five.

The COE mission statement is to shift, refine, and continuously improve its capabilities, processes, resources, and technology to enable First 5 LA to be an effective and impactful systems change agent and a responsible steward of public funds.

COE is led by the Chief Operating Officer. As the leader of COE, the COO will serve as a member of the organization’s Senior Leadership Team (SLT). The COO directly supervises three Directors – Finance, Contract Administration and Purchasing, Information Technology, as well as the Senior Strategist, Operational Excellence. The COO is also responsible for Facilities and oversees the contract with an external property management company. COE is comprised of 27 colleagues.

**COE Goals:**

- COE internal business processes, systems, and procedures are **streamlined, standardized as appropriate, and refined** based on balancing the needs of a public agency and the learnings from staff, contractors, and grantees to be a more effective systems change organization.
- COE will **strengthen relationships** within COE and across the organization and practice **greater collaboration** in the development, evaluation, and refinement of policies, processes, and practices to effectively address pain points and meet the needs of the organization.
- COE staff will build **functional content area expertise** and strengthen its **understanding** of child development, systems change, and DEI to be more effective contributors to F5LA’s overall work.
- COE will **champion and actively embed** F5LA’s organizational values and **DEI commitments** into our interactions, behaviors, policies, processes, and practices to cultivate a culture of belonging, healing, safety, learning, and trust.
- COE will provide timely, relevant, and **engaging training and learning opportunities** to build understanding and adoption of internal business processes, policies, technology, and tools.
- COE will engage staff across the organization to build **shared understanding** of different types of risk and **collective ownership** of risk mitigation strategies.

In addition, the COO also acts as the “executive sponsor” for all projects and priorities identified under the individual COE teams. The executive sponsor is charged with communicating project milestones and deliverables with the broader SLT, as well as identifying and resolving any barriers to the COE-led projects or progress towards meeting organizational priorities. This includes effective prioritization of COE resources to meet the organization’s highest priorities.

The role of the Administrative Coordinator is to assist the COO in the coordination of scheduling, work, and general management of workflow across the COE.

The Sr. Strategist, Operational Excellence provides project management and support to the Center’s cross-functional initiatives, including business process improvement and facilitating integration and partnership with organization-wide teams to advance First 5 LA’s strategic plan.

### **Priorities for FY 23-24:**

Each team within COE has specific priorities. The below priorities encompass COE as a whole and will involve all COE teams. COE’s priorities align with our Strategic Priority #4: Optimize Our Effectiveness.

1. Org-wide Operations Planning
  - Leverage the development of the operations plan and put into practice to prioritize, track, and sequence organization wide projects to optimize First 5 LA's resources and maximize First 5 LA's impact that every child in LA County reach their full developmental potential throughout the critical years of prenatal to age five.
2. Hybrid Workplace & Lease & Community Space Planning
  - Update of our physical workspace and corresponding services to support the future of hybrid work at First 5 LA including exploration, planning, and preparation for leasing a portion of the building as well as for community space.
3. Key Performance Indicator (KPI) Data Collection
  - Collection of metric data for key processes within COE to establish baselines to better understand how we are performing today and areas of opportunity for improvement
4. Policy Review & Update
  - Review of existing policies to ensure our policies are up to date and to incorporate updates with a DEI perspective
5. Diversity, Equity and Inclusion (DEI) Workgroup Participation
  - Participate on and support cross-functional workgroups to operationalize our DEI commitments

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: COE Support-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	570,725	590,153	3.4%	
<b>Total Salaries &amp; Wages</b>	452,933	444,924	(1.8%)	
<b>6040 Social Security Tax</b>	<b>19,977</b>	<b>21,465</b>	<b>7.4%</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	515	515	0.0%	Funds to cover mileage/parking for three staff to attend local meetings within LA County.
<b>6230 Telephones</b>	600	600	0.0%	Funds to cover AT&T internet and long-distance calling at F5LA building and Verizon company-issued cell phones
<b>6235 Cell Phone &amp; Mobile Devices</b>	2,472	3,600	45.6%	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. 3 FTEs at \$100/staff member for a total of \$300/month x 12 months = \$3600.
<b>6260 Office Supplies</b>	1,030	750	(27.2%)	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
<b>6305 Stipend/Honorarium</b>	5,000	2,500	(50.0%)	Funds to cover expenses for stipends/honorariums paid to external speakers, community members and/or other organizations for the purpose of learning on specific operational excellence and mission-oriented topics.
<b>6310 Internal Meetings</b>	1,000	1,500	50.0%	Funds to cover expenses related to internal staff meetings and supplies.
<b>6410 Consultant Fees</b>	0	15,000	100.0%	Funds to cover consulting for any related Facilities/CIP consultation that may be needed to address hybrid work and/or leasing of the building
<b>6540 Professional Dues</b>	1,000	1,150	15.0%	Funds to cover dues for annual dues to First 5 California and Project Management Institute membership (\$139)
<b>6610 Airfare</b>	1,500	1,000	(33.3%)	Funds for three FTE to attend potential professional conferences outside of the Los Angeles area (estimated at \$300/roundtrip)
<b>6620 Lodging</b>	2,000	1,500	(25.0%)	Funds for three FTE to attend potential multi-day professional conferences outside of the Los Angeles area such as the First 5 Summit
<b>6640 Per Diem</b>	1,500	1,000	(33.3%)	Funds to cover per diem costs for three FTE that attend professional conferences outside of the Los Angeles area
<b>6650 Other Travel Expense</b>	500	500	0.0%	Funds to support other travel expenses for three FTE for participation in conferences and/or events (e.g., taxi, rideshare, etc.)
<b>6840 Conference/Training Registrations</b>	2,000	2,000	0.0%	Funds to cover registration fees for three FTE at \$650/person to attend philanthropic, operational excellence, facilities, and security conferences and trainings that may come up during the year
<b>6850 Outside Education</b>	2,500	3,000	20.0%	Funds to cover training attendance at philanthropic, operational excellence, facilities, and security trainings that may arise during the year to deepen knowledge and understanding in support of the strategic plan (estimated at three FTE at \$1000/person)

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: Facilities-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	743,100	735,500	(1.0%)	
<b>6245 Other Supplies</b>	5,000	6,000	20.0%	Funds to cover ergonomic supplies for staff
<b>6250 Postage &amp; Delivery</b>	9,500	6,000	(36.8%)	Funds to cover USPS mailings, courier services and FedEx delivery services.
<b>6260 Office Supplies</b>	15,000	24,000	60.0%	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.), including general supplies for the kitchens.
<b>6275 Equipment-Rents &amp; Leases</b>	2,500	1,000	(60.0%)	Funds to cover annual lease agreements for equipment
<b>6280 Building Repair &amp; Maintenance</b>	150,000	185,000	23.3%	Funds to cover general repairs and maintenance of the building including janitorial services, air conditioning, plumbing, painting, carpet cleaning, electric systems maintenance and building security system. Also includes funds for HVAC filters, restroom repairs, janitorial supplies (e.g., toilet paper and seat covers, cleaning solutions, air fresheners, hand soap, paper towels, etc.), lamp fixtures, electrical ballasts and paint supplies.
<b>6285 Equipment Repairs &amp; Maintenance</b>	9,600	6,000	(37.5%)	Funds to cover expenses related to access card equipment, cubicle changes, blinds, file cabinets, etc.
<b>6290 Offsite Storage</b>	8,500	1,500	(82.4%)	Funds to cover expenses for offsite storage units to store unused furniture and office file cabinets.
<b>6300 Miscellaneous/Contingency</b>	20,000	10,000	(50.0%)	Funding for unforeseen expenses, emerging opportunities, and contingencies
<b>6420 Other Professional Fees</b>	378,000	291,000	(23.0%)	Funds to cover contracted services for the building management company and security
<b>6540 Professional Dues</b>	25,000	35,000	40.0%	Funds to cover dues for payment of CC&Rs yearly assessment for common area expenses shared by the Union Station tenants and payment of Los Angeles City Lighting Bureau

**Office/Center/Team Name: Contract Administration & Purchasing Team**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Director	1
Contract Compliance Manager	1
Contract Operations and Purchasing Manager	1
Contract Compliance Officer	4
Contract Operations and Compliance Officer	2
Department Coordinator	1
<b>Total:</b>	<b>10</b>

**Overview:**

The Contract Administration and Purchasing Team (CAP) supports procurement, contracting, and oversight of the contract management functions necessary for First 5 LA to fulfill its role as a public grantmaker. In addition, the team executes agreements with contractors and grantees to support the organization's operations and implementation of the Strategic Plan. A core objective of the strategic plan is adapting and refining First 5 LA's business processes, and to support that, the CAP team will play a critical role to support First 5 LA's organizational effectiveness.

**Priorities for FY 23-24:**

Below is a brief summary of the critical work the Contract Administration and Purchasing Team will be leading in FY 23-24.

The CAP department will continue to support the organization's procurement and contracting needs. This includes support needed for the second phase of the building renovation project contingent upon further guidance from the board. CAP will continue to support monthly board approval of contracts and Contract Monitoring activities, review CAP related records for annual disposition, provide annual Contracting and Procurement trainings to staff, manage insurance requirements of contractors, seek out savings opportunities in collaboration with staff, and perform internal annual audits of procurement and contracting documents.

In addition to the usual administrative and operational support described above, CAP will continue to work on the following critical areas: 1) DEI commitments in procurement and contracting and 2) systems implementation.

In FY 22-23, First 5 LA finalized and adopted twelve DEI commitments, two of which are in the areas of procurement and contracting. The CAP team, in collaboration with others, will develop strategies and tactics that promote participation and diversity of our contracted partners and supports partnerships through contracting. This will require CAP to incorporate these strategies and tactics into CAP led processes and identify ways to track progress.

During FY 22-23, CAP also explored the use of First 5 LA's contract management system. This included: 1) assessment of functionalities and modules to support contract management, 2) exploration of automation of internal and external process workflows, and 3) a cost benefit analysis and overall approach to license distribution. In FY 23-24, CAP will implement the approved

recommendations developed during the exploratory phase. In addition, CAP, in partnership with Finance and IT, will explore web-invoicing for the organization.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: CAP-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	1,554,241	1,491,045	(4.1%)	
<b>Total Salaries &amp; Wages</b>	1,042,045	1,000,992	(3.9%)	
<b>6040 Social Security Tax</b>	<b>61,233</b>	<b>60,701</b>	<b>(0.9%)</b>	
<b>6255 Educational Supplies</b>	500	1,350	170.0%	Funds to cover books for procurement and contracting courses for staff and general professional development.
<b>6260 Office Supplies</b>	3,000	2,000	(33.3%)	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
<b>6310 Internal Meetings</b>	5,400	5,700	5.6%	Funds to cover expenses related to internal staff meetings including speakers and supplies.
<b>6410 Consultant Fees</b>	106,600	70,000	(34.3%)	Funds to support a DEI Procurement Consultant for \$50,000, MyCOI Insurance review service for \$10,000 and staff retreat facilitator for \$10,000.
<b>6540 Professional Dues</b>	5,000	4,000	(20.0%)	Funds to cover dues for NCAM membership and Grammarly for 9 staff and so on
<b>6610 Airfare</b>	4,700	4,000	(14.9%)	Round trip airfare for 5 staff at \$800/staff
<b>6620 Lodging</b>	6,400	5,000	(21.9%)	Lodging for 6 staff to attend conferences in support of staff professional development
<b>6640 Per Diem</b>	2,000	1,800	(10.0%)	Per Diem for 6 staff at \$300/staff for conferences to support staff professional development.
<b>6650 Other Travel Expense</b>	1,200	600	(50.0%)	\$100/staff for 6 staff for commute to and from hotel for conferences.
<b>6830 Leadership Programs</b>	6,000	5,500	(8.3%)	Leadership program for 2 staff at \$2,750/staff.
<b>6840 Conference/Training Registrations</b>	4,000	7,500	87.5%	Funds to cover conference registrations for 7 staff to support staff professional development.
<b>6850 Outside Education</b>	4,000	5,550	38.8%	Funds will cover courses and webinars in support of staff professional development.

**Office/Center/Team Name: Finance Team**

**Authorized Positions:**

<b>Position</b>	<b>#</b>
Director	1
Manager, Finance Planning & Analysis	1
Manager, Accounting	1
Financial Planning & Analysis Analyst	1
Compliance & Audit Analyst	1
Staff Accountant	2
Payroll & Accounts Payable Coordinator	1
Payroll & Accounts Payable Assistant	1
<b>Total:</b>	<b>9*</b>

*\* The Finance Team shares a Team Coordinator with the Contract Administration & Purchasing (CAP) Team. As First 5 LA does not maintain a practice of allocating staff time, all personnel costs related to the Team Coordinator are included within the CAP Team budget.*

*~Authorized positions are not necessarily guaranteed to be filled during the fiscal year.*

**Overview:**

The Finance Team (Finance) is led by the Director (Raoul Ortega). The Finance team supports and oversees financial management and budget development for the organization, as well as the auditing process, accounting, financial analysis, and payroll. As First 5 LA continues to adapt to promote efficiencies, foster integration, and recognize the organization's evolving fiscal environment, the Finance team will provide essential leadership for re-envisioning the organization's business processes to support organizational effectiveness, including the development of responsive and nimble financial management systems. In FY 23-24, resources have been allocated for the transition and cross-training of the Accounting Manager position.

**Priorities for FY 23-24:**

- Payroll – responsible for all related payroll activities including bi-weekly payroll processing, retirement and quarterly earnings reporting and annual W-2 preparation, filing and mailing.
- Accounts Payable – responsible for reviewing, verifying, and processing invoices for payment and uploading issued checks and Automated Clearing House (ACH) deposits to the Bank of the West portal.
- General Accounting – Day-to-day recordkeeping and preparation of the monthly financial statements submitted to the Board for their review and approval.
- Annual Financial Audit – The Finance Team is the lead in our required annual audit and collaborates with the whole organization and our auditors to complete and produce an Annual Comprehensive Financial Report due to the State Controller's Office and First 5 California by November 1<sup>st</sup>.
- Annual Budget and Mid-Year Budget Adjustment – The Finance Team is responsible for developing First 5 LA's annual budget in collaboration with the whole organization. The budget is presented to the Board for approval each June and a mid-year budget adjustment is prepared each spring for Board approval.

- Long Term Financial Plan (LTFP) – The Finance Team is responsible for developing and creating a five-year forecast to aid in the Commission’s financial stewardship role by showing the long-term implications of funding decisions. The forecast includes revenue, Fund Balance, program commitments and estimated expenditure and estimated operating expenses.
- PowerPlan – The Finance Team has phased out the dated home-grown budget system and replaced it with PowerPlan in fiscal year 2022-23. In fiscal year 2023-24 and beyond, PowerPlan will be used to support multi-user budget and reporting across the organization and provides key reporting capabilities and enhancements.
- Web Invoicing – During this fiscal year, Finance staff will support the implementation of Web Invoicing. Web Invoicing is a web-based solution allowing users to make online invoice requests for expense reimbursement. The approved requests are transferred to Accounts Payable where invoices are automatically created.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: Finance-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	1,615,816	1,537,248	(4.9%)	
<b>Total Salaries &amp; Wages</b>	919,007	887,084	(3.5%)	
<b>6040 Social Security Tax</b>	<b>53,731</b>	<b>49,943</b>	<b>(7.1%)</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	260	200	(23.1%)	Funds to cover mileage/parking for Finance staff to attend local meetings within LA County.
<b>6235 Cell Phone &amp; Mobile Devices</b>	10,800	10,800	0.0%	Provides for reimbursement of cell phone charges and internet costs for nine staff for nine months. \$900 X 12 months = \$10800.00
<b>6240 Outside Printing &amp; Publications</b>	750	200	(73.3%)	Funds to cover printing costs for externally facing documents such as budget books.
<b>6260 Office Supplies</b>	2,000	2,000	0.0%	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.).
<b>6310 Internal Meetings</b>	300	300	0.0%	Funds to cover expenses related to internal staff meetings including speakers and supplies.
<b>6410 Consultant Fees</b>	30,000	10,000	(66.7%)	Provides funds for continued technical assistance of PowerPlan and consulting cost for a new project: Web Invoicing.
<b>6510 Audit</b>	90,000	72,000	(20.0%)	Provides for annual independent audit fees and anticipated CPA fees for fiscal compliance audits.
<b>6540 Professional Dues</b>	800	500	(37.5%)	Funds to cover dues for Government Finance Officers Association for two Finance staff.
<b>6580 Bank &amp; Other Service Charges</b>	20,000	11,000	(45.0%)	Provides for Los Angeles County fees related to accounting services and for annual banking charges for the Commission's credit cards.
<b>6610 Airfare</b>	2,000	1,500	(25.0%)	Provides for airfare to and from professional conferences outside of the Los Angeles area for one or two staff.
<b>6620 Lodging</b>	2,000	2,000	0.0%	Provides for lodging at multi-day professional conferences outside of the Los Angeles area.
<b>6640 Per Diem</b>	1,000	750	(25.0%)	Provides for various daily expenses incurred while attending professional conferences outside of the Los Angeles area.
<b>6650 Other Travel Expense</b>	300	300	0.0%	Provides for miscellaneous expenses when staff is travelling outside of Los Angeles County on First 5 LA business. Expenses may include taxi, ride-share and other travel expenses that do not fit into other travel cost categories.
<b>6840 Conference/Training Registrations</b>	3,000	2,000	(33.3%)	Provides for registration expenses for professional conferences including GFOA annual conference and other professional conferences that staff may attend.

## Information Technology (IT) Team

### Authorized Positions:

Position	#
IT Director	1
IT Project Manager	1
IT Business Application Support	1
Network Administrator and Service Desk Support	1
Enterprise Content Management Specialist (ECM)	1
IT Helpdesk Specialist	1
*Admin Coordinator	1
<b>Total:</b>	<b>7*</b>

*\* The IT Team will share an Admin Coordinator with the Chief Operating Officer in FY23-24.*

### Overview:

The Information Technology (IT) Team (Department) is led by the Director of Information Technology (Jasmine Frost). Technology powers First 5 LA to be an accessible, high-impact and innovative public entity achieving positive outcomes for young kids and their families. The purpose of the IT Team is to implement a focus-forward vision for First5LA’s technology. This vision is built by partnering with all Centers, Offices and Teams to reflect the unique role of First5LA. To do so, the IT Team provides a broad range of high-quality innovative solutions to our internal customers, commission members, and the community we serve. Through this process, the IT Team fosters an exciting workplace, that inspires high-performance and provides career growth opportunities.

The IT Team provides support for the organization’s network infrastructure, cyber security monitoring; helpdesk/ticketing system; project management; phone and mobile systems; internet and wi-fi; hardware and software support; technology replacement, customer support, records retention and data management, technical assistance for audio/visual to support the broadcasting of Commission and other public meetings, etc.

### IT Goals:

- IT will provide First 5 LA an industry standard technical infrastructure with integrated applications that are secure, reliable, flexible, and scalable to enable all staff to conduct their work efficiently and effectively.
- IT will ensure organizational information is safe, secure, and accessible to allow all staff to perform their jobs effectively and to be compliant with regulations and industry standards.
- IT will invest in IT systems and applications that are aligned to First 5 LA’s strategic goals and fiscal imperative to effectively streamline organization-wide business processes and improve information sharing for all staff.
- IT will provide the appropriate level of tools and training to all staff to maximize use of existing technology and investments.

### **Priorities for FY 23-24:**

In addition to providing innovative solutions and support to the organization, the Information Technology Team will lead the following work in FY 23-24.

- **IT Disaster Recovery and Business Continuity (DR/BC) Phase -2:** Phase – 1 includes assessing First 5 LA's readiness for IT outages during a disaster that would dramatically affect our ability to operate normally. In Phase-2, IT will implement a formal disaster recovery plan, detailing processes to undertake in the event of IT outages.
- **Tech-Savvy Workforce and Cyber Awareness Initiatives:** IT will provide the appropriate level of tools and training to all staff to maximize use of existing technology and investments. To further strengthen our current cyber security environment the IT Team will be expanding cyber education and cyber security awareness to all staff, including but not limited to completion of vulnerability assessments, policies, procedures, testing, and remediation.
- **Annual Org-wide Records Disposition:** IT conduct an annual review of records eligible for disposition based on First 5 LA's Records Retention Schedule, meeting legal and regulatory obligations.
- **Records Retention Schedule and Policy - Review & Update:** Current schedule and policy is outdated and needs to be realigned to the include all teams and offices to ensure compliance with legal requirements.
- **Org-wide Adoption of Digital Signatures:** In continuing our efforts to streamline our financial and administrative processes, the functionality of digital signatures will be adopted at an organizational level.
- **Info Sharing Improvement – Phase 1 (SharePoint redesign):** Initial assessment of our current SharePoint environment. Development of a plan to re-organize/redesign the intranet site for better sharing and communication of org-wide information. This is a collaborative effort between IT and Office of Communications, while also engaging org-wide teams.
- **Employee Onboarding and Offboarding Workflow Development:** Assisting HRTM, in the creation of an end-to-end employee onboarding/offboarding process flow to clearly articulate roles & responsibilities of the teams involved in the timing of activities.
- **Workflow Automation and Digitization – Phase 1 (Pilot):** As a business thought partner, the IT Team will work with the Health Systems' Team to identify and pilot workflow automation tools to improve process efficiencies, while keeping costs down. Similar solution may become part of a future org-wide adoption in Phase 2.
- **Azure Active Directory Enhancement & Cleanup:** Active Directory (AD) is a database and set of services that connects end-users with the network resources they need to get their work done. Microsoft 365 (M365) platform uses AD. By removing clutter and obsolete data from these systems, not only improves the database and server performance, but plugs security holes left from old, unused accounts. An efficient running application can also contribute to a better end-user experience.
- **Network Performance Monitoring System:** Acquisition and implementation of a network monitoring solution for greater visibility into application performance. Will help mitigate or minimize service disruptions. Provide KPI on network performance and service disruptions.

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: IT-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
<b>Total Operating Expenses</b>	2,020,290	1,859,482	(8.0%)	
<b>Total Salaries &amp; Wages</b>	718,351	607,572	(15.4%)	
<b>6040 Social Security Tax</b>	<b>36,712</b>	<b>35,411</b>	<b>(3.5%)</b>	
<b>6225 Mileage, Parking and Other Transportation</b>	500	300	(40.0%)	Funds to cover mileage/parking for 6 staff to attend local meetings within LA County.
<b>6230 Telephones</b>	70,000	71,000	1.4%	Funds to cover internet and long-distance calling at F5LA building and company-issued cell phones, wireless peripherals. Funds include cost of implementation of a new redundant, backup internet connection at First5LA building.
<b>6235 Cell Phone &amp; Mobile Devices</b>	7,200	7,200	0.0%	Cell phone (\$50/month) and internet (\$50/month) reimbursement to staff for offsite work, included for 12 months. 6 FTEs at \$100/staff member for a total of \$600/month x 12 months = \$7200.
<b>6260 Office Supplies</b>	4,000	2,000	(50.0%)	Funds for general office supplies to support staff with hybrid and onsite work (e.g., paper, pens, post it notes, folders, etc.) including power cords, chargers, batteries, labelers, network cables, etc.
<b>6270 Capital Outlay</b>	130,000	130,000	0.0%	Funds to cover the purchase of fixed assets. Items can include but not limited to Technology Replacement for end-user Laptops, monitors, computer peripherals, servers, switches, desk phones, desktop printers, audio-video equipment, etc.
<b>6275 Equipment-Rents &amp; Leases</b>	23,690	12,000	(49.3%)	Funds to cover annual lease agreements for equipment such as Multi-Functional Printers (MFP)
<b>6285 Equipment Repairs &amp; Maintenance</b>	500	500	0.0%	General maintenance and repairs of technology equipment that are not scheduled to be replaced in the upcoming fiscal year. Examples include damaged / broken phones, laptops, etc.
<b>6290 Offsite Storage</b>	4,000	4,000	0.0%	Provides funding for offsite storage of physical data, including access and management of records. IT is responsible for costs associated with Records Retention and management of physical and digital data.
<b>6295 Hardware &amp; Software Maintenance</b>	443,000	390,000	(12.0%)	collapse;width:305pt">ADOBE License \$9000 AV Conference Calling subscription - \$12,000 Backup Server Support & Maintenance - \$5,000 Board Agenda Management Software - \$4,000 Budget Application - \$7,500 Cloud Hosting - \$14,000 Digital Signatures - \$25,000 eMail Authentication and Validation-\$10,000 eMail Fraud Protection - \$5,000 Financial App Support and Maintenance - \$42,750 Firewall Maintenance \$8,000 GIS - \$5,500 Grantmaking Application - \$135,000 Helpdesk - \$6,000 IPS & IDS-\$10,000 Lynda.com - \$360 Microsoft - \$15,500 Microsoft Office Application 1- \$2,000 Microsoft Office Application 2 - \$2000 Project Management Tool - \$10,000 Public Records Software Maintenance - \$5000 Records Management Software Maintenance - \$8000 Records Retention Review - \$5,000 Remote Software - \$1,000 Visitor Mgmt. App -\$10,000 Server (Virtualization) Maintenance - \$3,500 Survey Application - \$900 Visualization (Data) Software - \$900 VOIP services - \$36,000 Website (First5LA.org) Hosting Service \$5300 Website Management Application - \$360
<b>6310 Internal Meetings</b>	515	200	(61.2%)	Funds to cover expenses related to internal staff meetings including speakers and supplies.
<b>6410 Consultant Fees</b>	390,000	390,000	0.0%	Strategic Partnerships (MODIS). \$300,000. Funding under Strategic Partnership will cover IT staff augmentation and resources needed to cover any IT vacancies or consulting costs associated with projects identified in IT's Strategic/Work Plans.  Funding for expertise in IT consulting services that are above and beyond those that can be covered under the MODIS contract - \$90,000. Funding examples include costs associated with assessment/implementation of Disaster Recovery/Business Continuity (DR/BC) Plan, or Cybersecurity assessments and remediations etc.
<b>6540 Professional Dues</b>	2,500	2,500	0.0%	Funds to cover dues including but not limited to MISAC (Municipal Information Systems Association of California), TAG (Technology Association of Grantmakers), etc.
<b>6610 Airfare</b>	972	600	(38.3%)	Provides travel airfare costs at multi-day professional conference outside of Los Angeles area.
<b>6620 Lodging</b>	1,944	1,944	0.0%	Provides lodging at multi-day professional conference outside of Los Angeles area.
<b>6640 Per Diem</b>	810	850	4.9%	Provides for various daily expenses incurred while attending professional conferences outside of LA area

OPERATING COSTS SUMMARY

BUDGET FY23-24

CENTER/OFFICE/TEAM: IT-Op Costs-No Project



Description	FY2023 MID-YEAR	FY2024 BUDGET	% Variance	Note(s)
6840 Conference/Training Registrations	3,000	3,000	0.0%	Funds to cover costs associated with conferences/training for IT staff for professional development. examples include Project Management, Local IT conferences, MISAC, TAG, ESRI, etc.)

**First 5 LA**  
**Long Term Financial Plan - Multi-Year Detail**

Beginning Fund Balance as of July 1	\$ 352,109,768	\$ 316,422,237	\$ 299,019,898	\$ 269,865,022	\$ 241,786,892	\$ 206,842,103	\$ 175,696,124	\$ 147,980,134
Projected Revenue (by Fiscal Year)	ACTUALS FY 2020-21	ACTUALS FY 2021-22	REVISED BUDGET FY 2022-23	PROPOSED BUDGET FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Proposition 10 Tax Allocations	\$ 78,806,030	\$ 73,800,189	\$ 65,652,207	\$ 58,806,335	\$ 55,450,941	\$ 53,509,169	\$ 51,550,968	\$ 49,695,133
Adjustment in Response to Proposition 56 Trend					(554,509)	(535,092)	(515,510)	(496,951)
Other Revenue	3,226,759	3,970,432	5,874,813	8,288,000	2,000,000	2,000,000	2,000,000	2,000,000
Interest Earnings	1,987,841	1,629,048	4,184,793	3,944,358	3,246,148	2,815,160	2,429,659	2,085,932
<b>Total Projected Revenue</b>	<b>\$ 84,020,630</b>	<b>\$ 79,399,669</b>	<b>\$ 75,711,813</b>	<b>\$ 71,038,693</b>	<b>\$ 60,142,580</b>	<b>\$ 57,789,238</b>	<b>\$ 55,465,118</b>	<b>\$ 53,284,114</b>
Estimated Program Demands (by Fiscal Year)								
Annual Program Demands	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
<b>Center for Child and Family Impact</b>								
Family Supports - Welcome Baby/Home Visitation	\$ 37,586,382	\$ 38,618,481	\$ 37,143,866	39,103,000				
Communities - Best Start Communities/New Activities	16,621,055	15,627,426	16,592,219	14,367,200				
Early Care & Education Systems	13,562,410	10,862,518	10,942,000	6,174,615				
Health Systems	2,575,833	3,736,568	6,008,517	4,750,550				
Center Support		312,539	600,000	450,000				
<b>TOTAL 2020-2028 STRATEGIC PLAN</b>	<b>\$ 70,345,680</b>	<b>\$ 69,157,532</b>	<b>\$ 71,286,602</b>	<b>\$ 64,845,365</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL LEGACY INVESTMENTS</b>	<b>\$ 2,627,621</b>	<b>\$ 1,391,802</b>	<b>\$ 1,800,000</b>	<b>\$ 2,027,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Emerging Opportunities</b>		\$ 360,684	\$ 150,000	\$ 150,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
<b>SUPPORT INVESTMENTS</b>								
Office of Communications		2,352,843	3,597,000	3,187,417				
Office of Government Affairs & Public Policy	6,583,767	1,270,019	4,153,000	6,565,500				
Office of Data for Action	1,912,510	1,274,690	1,673,000	1,595,000				
<b>TOTAL SUPPORT INVESTMENTS</b>	<b>\$ 8,496,277</b>	<b>\$ 4,897,552</b>	<b>\$ 9,423,000</b>	<b>\$ 11,347,917</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>PROGRAM OPERATING COST</b>			<b>8,175,010</b>	<b>7,370,316</b>				
<b>TOTAL ESTIMATED PROGRAM DEMANDS</b>	<b>\$ 81,469,578</b>	<b>\$ 75,807,570</b>	<b>\$ 90,834,612</b>	<b>\$ 85,740,598</b>	<b>\$ 80,824,264</b>	<b>\$ 75,594,934</b>	<b>\$ 70,703,941</b>	<b>\$ 66,129,396</b>
Estimated Operating Expenditures (Admin cost in projections)		\$ 20,963,345	\$ 14,032,076	\$ 13,376,226	\$ 14,263,105	\$ 13,340,282	\$ 12,477,166	\$ 11,669,893
Capital Improvement Fund Expenditures								
Other Adjustment		\$ 31,093						
<b>TOTAL ESTIMATED SPENDING</b>	<b>\$ 103,896,716</b>	<b>\$ 96,802,008</b>	<b>\$ 104,866,688</b>	<b>\$ 99,116,824</b>	<b>\$ 95,087,369</b>	<b>\$ 88,935,216</b>	<b>\$ 83,181,108</b>	<b>\$ 77,799,290</b>
<b>TOTAL ESTIMATED SPENDING IN EXCESS OF REVENUES</b>	<b>\$ 19,876,086</b>	<b>\$ 17,402,339</b>	<b>\$ 29,154,876</b>	<b>\$ 28,078,131</b>	<b>\$ 34,944,789</b>	<b>\$ 31,145,979</b>	<b>\$ 27,715,990</b>	<b>\$ 24,515,176</b>
<b>PROJECTED ENDING FUND BALANCE</b>	<b>\$ 316,422,237</b>	<b>\$ 299,019,898</b>	<b>\$ 269,865,022</b>	<b>\$ 241,786,892</b>	<b>\$ 206,842,103</b>	<b>\$ 175,696,124</b>	<b>\$ 147,980,134</b>	<b>\$ 123,464,959</b>
<b>Reserve - Organizations Approved Budget</b>	<b>\$ 25,974,179</b>	<b>\$ 48,401,004</b>	<b>\$ 52,433,344</b>	<b>\$ 49,558,412</b>	<b>\$ 47,543,684</b>	<b>\$ 44,467,608</b>	<b>\$ 41,590,554</b>	<b>\$ 38,899,645</b>
<b>PROJECTED AVAILABLE ENDING FUND BALANCE</b>	<b>\$ 290,448,058</b>	<b>\$ 250,618,894</b>	<b>\$ 217,431,678</b>	<b>\$ 192,228,480</b>	<b>\$ 159,298,418</b>	<b>\$ 131,228,516</b>	<b>\$ 106,389,581</b>	<b>\$ 84,565,314</b>

**Assumptions:**

- a) The annual rate of decline for Total Estimated Spending from FY 2023-24 to FY 2024-25 is 4.00%, and from FY 2024-25 through FY 2027-28 it is approximately 6.47% per year.
- b) Projected interest earnings rate for FY 2022-23 is 1.25%, FY 2023-24 is 1.3%, and 1.2% beginning in FY 2024-25 through FY 2027-28.
- c) Reserve assumes 25% of the total FY 2020-21 actual budget and 50% of the total budget effective FY 2021-22 through FY 2027-28.
- d) Internal Adjustment in Response to Proposition 56 Trend is 1% from FY 2024-25 through FY 2027-28.
- e) Revenue estimates are based on revised March 2023 projections provided by F5CA and DOF in April 2023.
- f) The projected Proposition 10 revenue rate of decline is approx. 5.7% from FY 2023-24 to FY 2024-25, and approx. 3.6% annually from FY2024-25 through FY 2027-28.
- g) Other Revenue includes funding from: F5CA (Impact, F5CA Home Visit Coordination Project, Refugee Resettlement LA), LACDPH, LACOE, Medi-Cal Managed Care Plan and DMH.
- h) Emerging Opportunities resources are included at \$1.5M per year from FY 2024-25 through FY 2027-28.

# **First 5 LA**

**FY 2019 – 2028 Long Term Financial Plan**  
**(July 1, 2018 – June 30, 2028)**

FIRST 5 LA

**SUBJECT:**

**The updated Long-Term Financial Plan (Plan) is presented to the Budget and Finance Committee and Executive Committee as an information update to the Plan approved in July 2020, which will be presented to the Board of Commissioners on May 2 for information and future action in June 2023.**

**LONG TERM FINANCIAL PLAN**

On July 9, 2020, the Commission voted to adopt a ten-year long-term financial plan (Plan). This Plan established spending limits for future years through FY 2027-28. The Plan moves the organization away from a five-year annual projection snapshot to a plan with specific spending limits. The Plan is intended to strengthen the organization's fiscal discipline by changing how the organization plans for the long-term, adjusts to the organization's fiscal reality, aligns to the 2020-2028 Strategic Plan goals, and promotes sustainability. The future spending limits, grounded in an 85%-15% maximum split of total expenditures between programmatic and administrative costs, respectively, demand that we bring an organization-wide perspective to and be disciplined in the allocation of resources to their most strategic use and impact.

The long-term financial plan represents a tool for focusing resources on Strategic Plan priorities, deepening our sustainability work, and leveraging non-First 5 LA resources. For FY 2023-24, not only is the total proposed budget of \$99.1 million below the established \$101.7 million spending limit for the fiscal year, but approximately \$8.3 million in anticipated expenses will be offset by external non-First 5 LA funds, bringing the true total FY 2023-24 budget down to \$90.8 million. Although tobacco tax revenues have been on the decline for many years now, the impetus for the decrease to estimated spending was prompted by the approval of a recent California ballot measure, Proposition 31, prohibiting the sale of certain flavored tobacco products which took effect November 2022. The fiscal effect of this legislation is a reduction to state tobacco tax revenues, and thus an accelerated reduction in revenues to the First 5 Commissions, including First 5 LA. The net effect of this legislation is a decline in the Plan's projected FY 2027-28 available ending fund balance. As a result of this impact to revenue and leveraging the Strategic Plan Reset process which reviewing and reassessing our strategic plan priorities, currently underway, we will return to the Board in FY 2023-24 with a revised long term plan which will more effectively align with the new fiscal reality and changes to our Strategic Plan goals.

More information about these Plan adjustments are included in this memo. As was communicated and established last year, deviations from the approved annual limits require Board review and approval.

**I. Introduction: Purpose of the Long-Term Financial Plan**

This update to the FY 2020-2028 Long-Term Financial Plan (Plan) is the third update to the Plan since its approval in July 2020. The intent of the process continues to be the support the financial stewardship role of the Los Angeles County Children and Families First Proposition 10 Commission ("Commission"), i.e. First 5 LA, by projecting the long-term implications of fiscal actions taken by the

Board of Commissioners (“Board”). This 10-year plan includes a multi-year outlook of current anticipated revenues, as well as established annual administrative and programmatic limits against forecasted revenue and fund balance.

Each year the Plan is presented to the Board to provide context for budget funding decisions. The July 1, 2018 through June 30, 2028 plan period includes four years of historical actual expenditure data with more details provided for the mid-year revised FY 2022-23 budget year as well as the upcoming proposed FY 2023-24 budget year. Resources for years 7 through 10 are reflected at a higher annual level reflecting the future funding direction of an 85%-15% distribution of spending between programmatic and administrative work. The long-term financial plan will be used to strategically plan and manage future year’s expenses and Fund Balance drawdowns. An update to this Plan can be expected in FY 2023-24.

Specifically, the Long-Term Financial Plan utilizes the following overarching approach:

- Uses the most recent audited fund balance as a starting point (July 1, 2021 - June 30, 2022) to update actual revenues and expenditures;
- Includes updated revenue forecasts based on the most current available data from the Department of Finance (DOF) and California Department of Tax and Fee Administration (CDTFA), which reflects the impact due to Proposition 31;
- Includes actual and forecasted spending in support of Strategic Plan goals;
- Includes project expenditures for all investments approved by the Board, including those that have received a multi-year allocation and Investments Prior to Strategic Plan 2020-2028 (formerly referred to as legacy investments) that have received a multi-year award; and
- Forecasts ending fund balance for each fiscal year through June 30, 2028.

The LTFP has formally assigned future funds through the end of the term (June 30, 2028). Outside of the LTFP process, funds must be reviewed, amended, and formally committed as part of the annual budget process approved by the Board or through a Resolution that specifically commits funds for an initiative or program in a manner consistent with Strategic Plan objectives and First 5 LA’s Governance Guidelines.

## **II. Methodology/Approach**

Staff used the FY 2018-19 actuals, FY 2019-20 actuals, FY 2020-21 actuals, FY 2021-22 actuals, FY 2022-23 mid-year revised budget, FY 2023-24 draft budget and four years of estimated spending ceilings through FY 2027-28, as approved in July 2020 by the Board.

The LTFP was developed using the following more specific approach and methods:

- The baseline year for this Long-Term Financial Plan is the FY 2021-22 audited actual expenditures, as reflected in section A of this memo.

- Updating the FY 2022-23 mid-year revised budget estimates of \$104,866,688, a decrease of \$1.1 million to the anticipated spending for FY 2022-23.
- Reflecting the proposed FY 2023-24 draft budget which was developed based on an analysis of historical spending, projected expenditures, multi-year contracted funding, anticipated need, as well as a 5-10% estimated target budget below the spending limit for FY2023-24 in response to Proposition 31. The proposed budget of \$99.1 million is below the \$101.7 million spending limit established for FY 2023-24. Any adjustments to the draft FY 2023-24 budget based on board presentations and input will be incorporated into the Plan.
- As part of the action taken to approve the FY 2022-23 Budget in June 2022, multi-year commitments and allocations were reauthorized. This schedule of commitments and allocations, known as the GASB 54 schedule, was approved by formal Resolution and designates funds for those specific purposes as directed by the Board. Final year-end balances for these commitments are available in First 5 LA's annual official audit, the Comprehensive Annual Financial Report (Annual Report), for the fiscal year ending June 30, 2022.
- Total future year budget expenditures are split – 85% for programmatic needs and 15% for administrative needs, as was determined through the Strategic Plan Refinement process by an assigned Strategic Refinement Team. The LTFP is presented at a high-level cost distribution which reflects annual totals based on the revised structure.

Updates to the LTFP's methodology and overarching approach, as noted in sections I and II above, have resulted in an overall decrease to the projected available ending fund balance at fiscal year-end 2027-28 from \$100.7 million as reflected in the Revised Plan approved in June 2021, to \$84.6 million reflected in this updated Plan. The decrease to the fund balance in response to the updated revenue forecast was offset by an increase to the fund balance due to lower than anticipated actual spending in FY 2021-22, a downward adjustment to the FY 2022-23 budget at mid-year, and a FY 2023-24 proposed budget below the established spending limit. Higher than anticipated external revenues have also contributed to an increase to the available fund balance at fiscal year-end 2027-28. We anticipate that the FY 2027-28 ending fund balance will continue to fluctuate over the years as we update estimated spending with actual expenditures, mid-year revised budgets and proposed detailed budgets. These updates will be brought to the Board for review and approval on an annual basis, as applicable. In the meantime, revisions to First 5 LA's LTFP in response to Proposition 31 will be shared with the Board as a component of the Strategic Plan Reset process in FY 2023-24.

### **III. Assumptions**

This long-term plan includes the following assumptions:

1. Resources are distributed, summarized and categorized in the budget between program costs and administrative costs.
2. The Plan spans a ten-year period of annual estimates.
3. For long-term projection and planning purposes, the Plan assumes that spending for FY 2024-25 through FY 2027-28 will remain on a consistent annual rate of decline of approximately

6.47%; 85% of the total will be designated as program costs and 15% will be designated as administrative.

4. Emerging Opportunity resources are included at \$1.5 million per year from FY 2024-25 through FY 2027-28, as included in the approved Long-Term Financial Plan approved in July 2020. Emerging Opportunity resources will be assessed for appropriate annual funding levels during the budget development and approval process.
5. Reserve: Effective FY 2020-21, the reserve represents 50% of the total annual budget.

Assumptions (resource categorization, 85%-15% split, emerging opportunity funding for projected years, and reserve) reflected above do not capture changes in response to Proposition 31 or the Strategic Plan Reset. Changes to the board-approved approach and assumptions beyond FY 2023-24 will be shared for review and approval in FY 2023-24 in alignment to the Strategic Plan Reset.

#### A. Beginning Fund Balance

The LTFP's FY 2022-23 beginning fund balance of \$299,019,898 reflects the most recent audited ending fund balance per the Comprehensive Annual Financial Report (Annual Report) for the fiscal year ending June 30, 2022. The beginning fund balance in future years, beyond FY 2022-23, is calculated based on projected revenue and expenditures for the prior year.

#### B. Revenue

Approval of Proposition 31, a recent ballot measure prohibiting the sale of certain flavored tobacco, has prompted an accelerated decline in First 5 LA's primary source of funding as of November 2022.

The Commission is funded through the Proposition 10 Tobacco Tax, 80% of which is distributed to the County Commissions based on their proportion of statewide births. Los Angeles County receives the greatest share, representing approximately 23-24% of the total County allocations. **Tobacco tax revenue**, projected to be roughly \$65.7 million in FY 2022-23 and \$58.8 million in FY 2023-24, is anticipated to continue declining in future years. Based on the most recent forecast from the Department of Finance (DOF) and the California Department of Tax and Fee Administration (CDTFA) updated March 2023 which was adjusted in response to Proposition 31, banning the sale of flavored tobacco in California, tobacco tax revenues are projected to decline by 10.4% from FY 2023 to FY 2024, decline by 5.7% from FY 2024 to FY 2025 and decline by an average of 3.6% per year through 2027. In response to inconsistent information previously received regarding the Proposition 56 backfill calculations and methodologies, an internal 1% downward adjustment is applied against the State's projected Proposition 10 and Proposition 56 revenue through FY 2027-28 for the purpose of this analysis.

**Interest earnings** are projected based off the average rate of return on anticipated cash balances. Based on the latest assessment and fluctuations, First 5 LA is calculating 1.25% in interest earnings for FY 2022-23, 1.3% in interest earnings for FY 2023-24, and 1.2% in interest earnings from FY 2024-25 through FY 2027-28 based on the latest analysis of market conditions. Interest earnings for FY 2022-23 are projected at approximately \$4.2 million. Interest earnings for FY 2023-24 are projected at approximately \$3.9 million. In addition, the **Other Revenue** category includes funding from First 5

California, the Los Angeles County Department of Public Health (DPH), the Los Angeles County Department of Mental Health (DMH), a Medi-Cal Managed Care Plan, and the Los Angeles County Office of Education, with a combined total of \$5.9 million anticipated for FY 2022-23 and approximately \$8.3 million for FY 2023-24.

The long-term impact to our primary source of funding will require us to revisit the established spending limits. As previously noted, we will return to the Board with a revised Plan in FY 2023-24, in conjunction with the strategic plan reset process. In accordance with standard practice, staff will continue to monitor and make the appropriate adjustments as new information is received and engage with key partners to obtain more information regarding the projected downward revenue trajectory. Additionally, staff will continue to monitor actual revenue relative to the projections to analyze the impact these declining resources may have on the organization's fiscal position.

#### C. Program Expenditure Assumptions

The baseline for the current long-term financial plan is grounded on the assumption that the Board will invest in the implementation of the approved 2020-2028 plan to achieve the strategic priorities outlined through FY 2027-28. The Strategic Plan Reset will influence the revisions to the LTFP, proposed for Board review and approval in FY 2023-24. The current projections also assume an annual rate of revenue and expenditure decline for the strategic plan term. Programmatic investments will use 85% of the total annual spending limit to carry out activities aligned with our strategic plan that continue to move us in a direction of policy and systems change work in alignment with our values, investment guidelines and desired results.

Specific investments will be presented to the Board on an annual basis through a refined spending plan based on updated information. Additional detail related to the investment estimates for FY 2023-24 is included in the FY 2023-24 Budget materials.

#### D. Program Expenditure Assumptions – Investments Prior to SP 2020-2028 (formerly Legacy Investments)

The expenditure projections contained in the LTFP were developed based on the following overarching assumptions:

- Consistent with the Governance Guidelines, all initiatives and programs are assumed to end according to the Board-directed timeframe.
- Fidelity to existing approved allocations and other funding decisions made by the Board. Funding for Little by Little/One Step Ahead is assumed to fully exhaust the original \$30 million allocation award by 2025 as approved by the Board in November 2018.

#### E. Operating Expenditure Assumptions

The Revised FY 2022-23 Operating Budget of \$22.2 million included assumptions related to staffing, salary and benefit costs, professional development, travel, and other operating costs. The FY 2023-

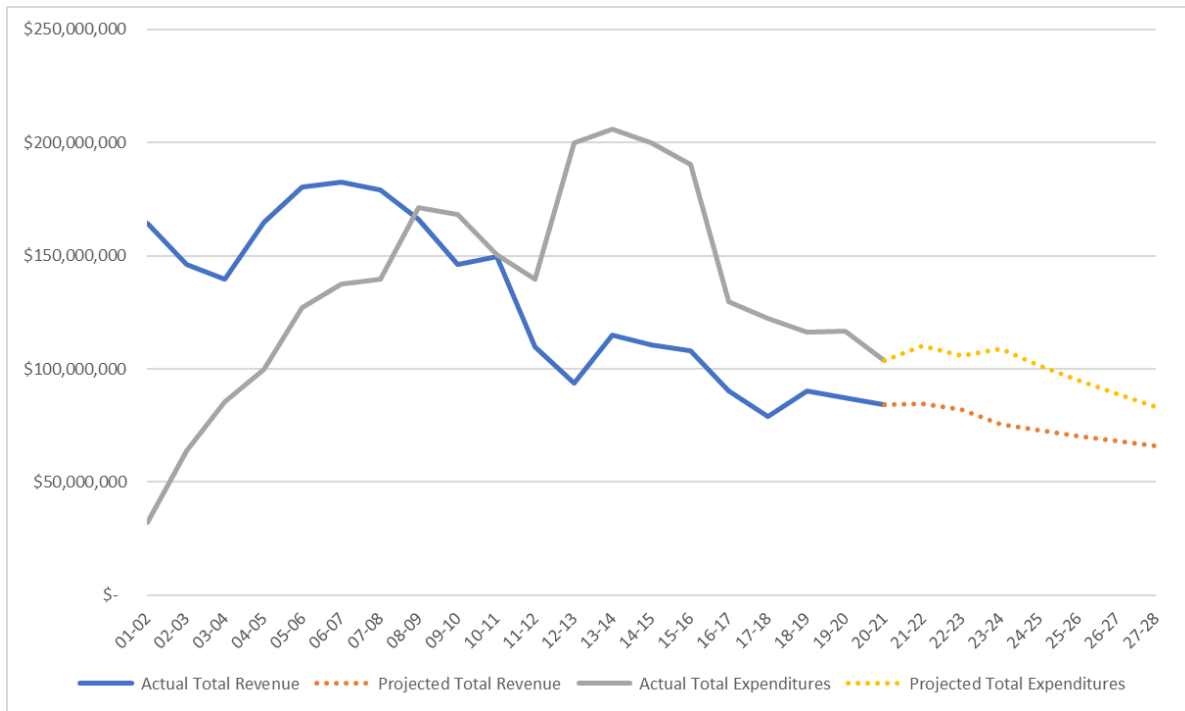
24 Draft Budget proposes \$20.7 million in operational costs to support the organizational needs, including the elimination of three full-time equivalent (FTE) positions, applying a hire-freeze on 12 vacant positions for the year pending the outcome of the strategic plan reset, a 5% merit adjustment, a 3.5% attrition rate, and an increase in health insurance costs, as well as other supplies and services costs as needed. Staff recognizes that operating requirements and structure will continue to evolve and change to best support the work of the Commission as the Commission activities shift toward greater alignment with our fiscal realities. Although the LTFP is not the vehicle for updating the budget, additional staff analysis and recommendations are included for Board action in the FY 2023-24 Budget materials.

The LTFP does assume compliance with the Commission's annual administrative limit, which for FY 2023-24 is 13.5% of proposed spending, within the 15% limit established with the approval of the Plan in July 2020.

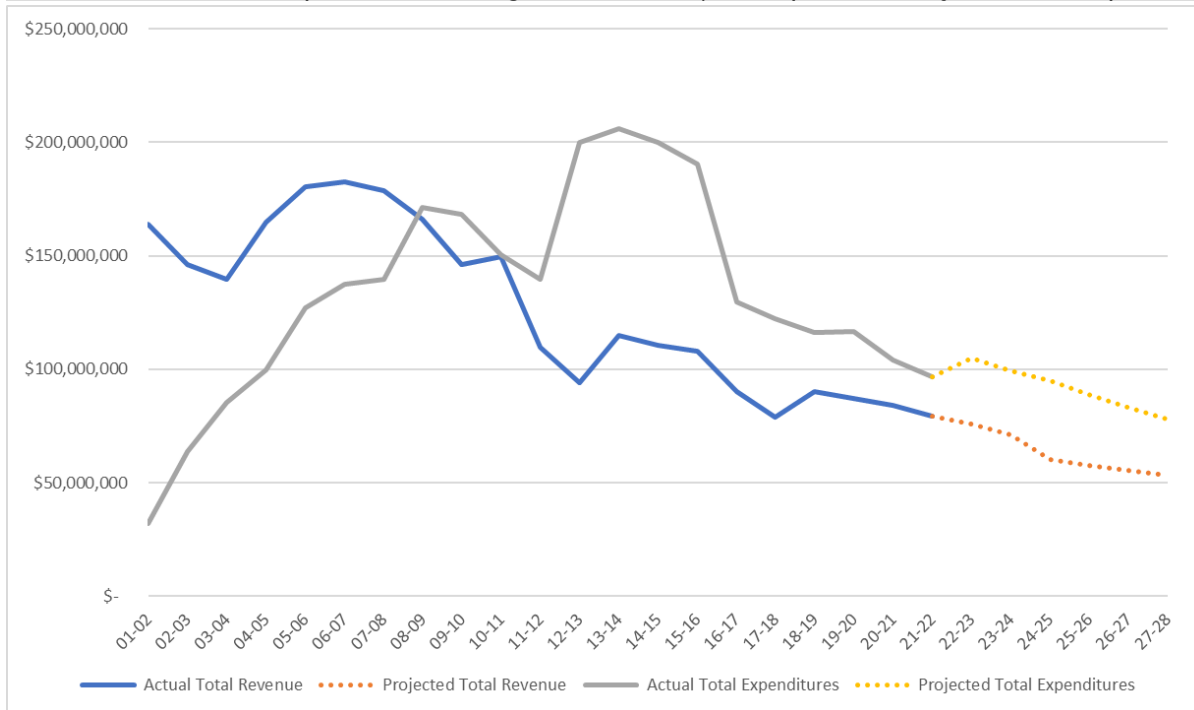
#### **IV. Analysis: The Multi-year Outlook**

Consistent with previous years, the LTFP continues to reflect declining resources, including both incoming tobacco tax revenue and existing fund balance. As previous projections have demonstrated, this is primarily driven by the fact that spending has outpaced revenue, requiring the Commission to depend on existing fund balance to cover the difference. The reliance on existing fund balance has escalated as of 2023 due to the passing of Proposition 31, banning the sale of flavored tobacco in California, which has accelerated the projected revenue decline. The purpose of establishing annual spending limits in this ten-year plan was to allow us to be proactive in deciding how and when we strategically use the diminishing fund balance to offset expenditure needs above and beyond the Proposition 10 tax revenue dollars and any other known revenues. Given the change in projected revenue, we will need to strategically revisit the spending limits to better align to the new fiscal reality and get us closer to living within our means. This revised Plan is anticipated to be shared with the Board in alignment with the Strategic Plan Reset process in FY 2023-24.

*Chart 1: Revenue vs. Expenditures through FY 2027-28 (as of April 2022, prior to Proposition 31)*



**Chart 2: Revenue vs. Expenditures through FY 2027-28 (as of April 2023, adjusted for Proposition 31)**



The Commission’s primary source of revenue, Proposition 10 tobacco tax revenue, has been steadily decreasing since FY 2004-05, and is projected to decline an additional 24.3% by FY 2027-28, from the \$65.7 million anticipated for receipt in FY 2022-23 to an estimated \$49.7 million in FY 2027-28, not including the 1% internal downward adjustment to Proposition 10 tax revenue to account for possible Proposition 56 backfill shortfalls or changes. The transition from long-term financial projection

to plan has allowed First 5 LA to plan for a gradual path toward expenditure alignment with revenues as we continue to focus resources on Strategic Plan priorities, deepen our sustainability work and leverage non-First 5 LA resources. The recent change to projected tobacco tax revenue will require us to revisit the previously Board-approved spending limits toward greater alignment with revenues and Strategic Plan priorities.

Projected spending is estimated to peak in FY 2022-23. The total impact of the anticipated expenditures in FY 2022-23 is approximately \$104.9 million, or 38.5% above the estimated incoming revenue, an excess level of spending which results in a commensurate decline in fund balance. The total impact of the proposed costs for FY 2023-24 is \$99.1 million, or 39.5% above the estimated total incoming revenue. The ongoing variance between projected revenue and the established spending limits, coupled with the increased decline in revenue due to Proposition 31, results in an 71.7% decrease in fund balance from the July 1, 2022 beginning fund balance of \$299.0 million to an updated projected available ending fund balance of \$84.6 million by June 30, 2028. This \$84.6 million includes the fund balance reserve which increased from 25% of the projected annual fiscal year budget per Board-approved policy to 50% effective FY 2020-21, per Board approval in July 2020.

Staff will continue to monitor the changing environment and political landscape—both at the State and Federal level—that can have potential implications for anticipated revenue so that we may adjust our longer-term plans, accordingly. The plan will be updated on an annual basis to capture changes to major assumptions related to additional funding, both restricted and unrestricted, outside of the Proposition 10 and the Proposition 56 backfill dollars.

In conjunction with the Strategic Plan Reset process, staff will be exploring alternate scenarios to achieve the alignment of revenues and expenditures by time certain and to clarify the use of the fund balance. This analysis will be grounded in a number of guiding principles, including minimizing dramatic fiscal cliffs (reductions greater than 10% annually) during the remaining years of the 2020-2028 Strategic Plan, with a possible extrapolation, minimizing disruption in existing work and investments that advance First 5 LA priorities, and maximizing the use of our available fund balance. The intent is to further embrace our fiscal reality and role as fiscal stewards and to preempt situations that could threaten our long-term success through strategic planning, budgeting, and policy development. Staff is expecting to return to the Board with more information related to a revised Plan in FY 2023-24 in conjunction with the Strategic Plan Reset.

Any updates to the LTFP actual or proposed spending will be presented to the Board for approval.

## **VI. Summary**

The transition from a long-term financial projection to a plan in 2020 has required that First 5 LA bring greater discipline to its current and future spending. In so doing, the Plan helps First 5 LA improve its long-range strategic investment planning, particularly as the organization places a higher emphasis on policy and systems change, and doing more with less, due to our ever-declining Proposition 10 Tobacco Tax revenues, a decline amplified with the passing of Proposition 31.

First 5 LA will continue working to identify the appropriate level of resources for distribution in support of the short and long-term 2020-2028 Strategic Plan efforts. Revisions to the long-term plan's annual

spending and revenues will be shared with the Board for discussion, feedback and approval in alignment with the Strategic Plan Reset in FY 2023-24. The revised Plan will allow us to continue manage the transition to a more sustainable spending plan with greater alignment to the new fiscal realities and an ever-decreasing fund balance.