

**Agenda Item 14**
March 4, 2015**DATE:** February 20, 2015**TO:** Children and Families Commission of Orange County**FROM:** Christina Altmayer, Executive Director**SUBJECT:** Public Hearing: First 5 California 2013-2014 Annual Report**ACTION:** Receive the First 5 California 2013-2014 Annual Report and Audit Results Excerpts

SUMMARY:

The Children and Families Act of 1998 requires the State Children and Families Commission (First 5 California) to submit an annual report to the Governor and Legislature by January 31 of each year that includes a comprehensive review of its progress and a review and summary of the 58 county commissions. Each county commission is then required to conduct a public hearing on the State Commission's Annual Report and provide opportunities for public comment.

2013-14 First 5 California Annual Report

Over the past 15 years, county commissions have produced annual reports to document the variety of programs, services, and other accomplishments that have helped ensure the healthy development of young children. These reports are then submitted to First 5 California for analysis and consolidation. First 5 California produces an annual report summary that provides information on both the county and state programs and fiscal data. This year's report, entitled "Building on the Momentum Surrounding Early Childhood Education", is organized into programmatic sections including: Supporting Healthy Development and School Readiness for Young Children; Serving California's Young Children, Parents, and Teachers; a Focus on: Child Development, Parent Support, and Teacher Effectiveness; and First 5 County Commission Program Result Areas.

Excerpts from the FY 2013/14 Annual Report are provided in the Attachments including:

- Message from the Executive Director – In March 2014, Camille Maben, the First 5 California Executive Director, visited Orange County and provided a presentation at the Commission meeting. The attached Executive Director message highlights recent federal and state actions that have focused on the importance of early childhood education and the work of First 5 California during the past fiscal year.
- Serving California's Young Children, Parents, and Teachers – The section, starting on page 9, summarizes the total number of services provided to children and families by First 5 California and the 58 county Commissions, along with expenditures. In FY 2013/14, close to one million services were provided to California children and over 1.1 million services provided to adults. Forty percent of the \$489 million in expenditures was focused on improved child development, 35% on child health and 25% on improved family functioning.
- A Child Signature Program 3 Example – Orange County – The Children and Families Commission of Orange County was highlighted as one of the county commission partners with First 5 California on the "Child Signature Program 3" (CSP3). This program supports early childhood learning and school

readiness in high need areas including early developmental screenings and services for children. Page 14 of the Annual Report describes Orange County's experience and success in implementing the CSP3 program.

- Orange County – Each county commission is provided with the opportunity to highlight several significant accomplishments achieved during Fiscal Year 2013/14. Orange County's section (starting on page 43) describes the expansion of autism services, the early childhood science, technology, engineering, and math (STEM) conference, and the work of the Southern California county commissions developing a common data system.
- California State Controller/Results of Audit Oversight - The First 5 California's Annual Report agenda item, filed to their Commission, includes the State Controller's annual review of the county commissions' independent audits, consistent with the expanded audit statutes chaptered into law in 2005. The cover letter for that review is included as Attachment 2.

The complete First 5 California 2013-2014 Annual Report and Results of Audit are both on file with the Clerk of the Commission and available on the First 5 California website at: www.cffc.ca.gov (under "Commission", click on "Annual Report").

Public Hearing Notice

As required, a public hearing notice for this item was placed in the *Orange County Register* newspaper on February 13, 2015.

STRATEGIC PLAN & FISCAL SUMMARY:

This agenda item does not include a funding request.

PRIOR COMMISSION ACTIONS:

- October 2014 – Conducted public hearing on the Children and Families Commission of Orange County's FY 2013/14 Annual Report and Financial Audit
- March 2014 - Conducted public hearing on the First 5 Annual Report for FY 2012/13 as required by California Health and Safety Code Section 130140(H).

RECOMMENDED ACTIONS:

1. Conduct the Public Hearing
2. Receive and file the First 5 California 2013-2014 Annual Report and Audit Results Excerpts

ATTACHMENTS:

1. First 5 California 2013-14 Annual Report Excerpt
2. California State Controller Results of Audit Oversight Commissions Excerpt

Contact: Alyce Mastrianni



Building on the Momentum Surrounding Early Childhood Education

2013-14 | FIRST 5 CALIFORNIA ANNUAL REPORT

Excerpt-Full report available at www.cfc.ca.gov



Building on the Momentum Surrounding Early Childhood Education

MESSAGE FROM THE EXECUTIVE DIRECTOR

California has long-recognized the importance of investing in the success of its youngest children. By passing Proposition 10 in 1998, Californians voiced their commitment to making this investment a high priority. First 5 California was established to improve the lives of newborns, infants, and toddlers. With its county partners, First 5 California's mission is to do everything in its power to advance the well-being of children ages 0 to 5.

This past year has seen unprecedented attention spotlighting the importance of early childhood education. The President, recognizing expanding access to high-quality early childhood education as “among the smartest investments that we can make,” has earmarked millions of dollars to increase early education funding. Likewise, former Secretary of State Hillary Clinton co-chairs a national organization whose mission is to improve the health and well-being of children ages 0 to 5 so that more of America's children will be prepared to succeed in the 21st century.

In its 2013–14 session, the California Legislature identified early education as one of its highest priority policy issues. Numerous bills were introduced to support and improve early childhood education opportunities in the state, including an ambitious attempt to expand the State's transitional kindergarten program to all 4-year-olds.

The Governor took notice, passing a budget that included the biggest investment in early education in at least a decade. Among other things, the State's budget included a \$50 million investment for quality improvement, and a one-time \$25 million allocation for preschool and transitional kindergarten teacher training.

First 5 California is perfectly poised to build on this momentum. Our recently approved Strategic Plan directs us to work with our Federal, State, local, private, and stakeholder partners to maximize our resources to better serve our target





population. We also have been tasked with supporting and strengthening our statewide efforts and initiatives to facilitate the creation of a seamless system of integrated and comprehensive programs and services.

In the last year, First 5 California has been an active convener, partner, participant, and advocate on early childhood issues at the Federal and State levels and with various stakeholder groups within California. During this process, First 5 California continually has emphasized its commitment to foster the ongoing conversation on these issues so they remain fresh and relevant.

For example, First 5 California is hosting the first Child Health, Education, and Care Summit in 2015, which will bring together eight State agencies that provide support and assistance to our youngest children and their families, with the goal of building powerful partnerships to maximize cross-agency efforts and outcomes.

Finally, First 5 California's recent media activity has helped reinforce with California's parents and caregivers the need to work with children as early as possible to support healthy brain development. For the first time in years, we launched a television and radio campaign, with the slogan *Talk.Read.Sing.SM: Your Words have the Power to Shape Their World*. This successful campaign culminated with First 5 California's radio spot receiving a 2014 Southern California Broadcasting Association Outstanding Achievement Award.

There has never been greater momentum than now for early education issues, and First 5 California looks forward to its continued and proactive involvement in this most noble crusade.

A handwritten signature in black ink that reads "Camille Maben". The signature is written in a cursive, flowing style.

CAMILLE MABEN

EXECUTIVE DIRECTOR, FIRST 5 CALIFORNIA



Serving California's Young Children, Parents, and Teachers

FOUR KEY RESULT AREAS

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

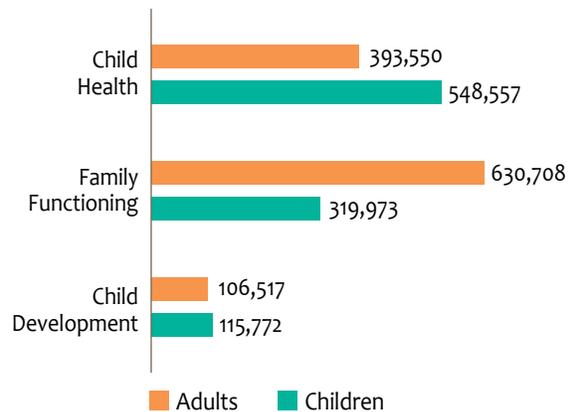
1. Improved Family Functioning
2. Improved Child Development
3. Improved Child Health
4. Improved Systems of Care

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

Stakeholders can use this information as one source to determine impact and resource allocation

from First 5 statewide. Exhibit 3 contains the total numbers of services provided to children ages 0 to 5 and adults in FY 2013–14 for Improved Family Functioning, Improved Child Development, and Improved Child Health.

Exhibit 3: Total Numbers of Services Provided to Children Ages 0 to 5 and Adults in FY 2013–14 Across Result Areas



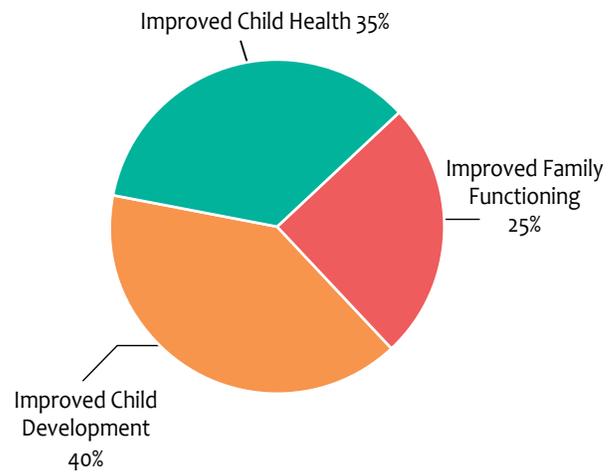
Source: County Demographic Worksheet, November 2014

The total expenditures (\$489,044,045) for children ages 0 to 5 and adults receiving services in FY 2013–14 by result areas and providers are presented in Exhibits 4 and 5, respectively.

One result area, Improved Systems of Care, differs from the others; it consists of programs and initiatives that support program providers in the other three result areas. In FY 2013–14, 15 percent of expenditures went toward community strengthening efforts; 30 percent toward service, outreach, planning, support, and management; and 55 percent toward provider capacity building, training, and support.

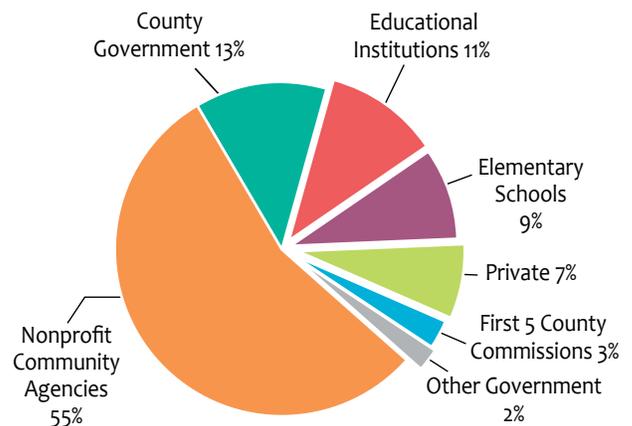


Exhibit 4: Total Expenditures for Children Ages 0 to 5 and Adults Receiving Services in FY 2013–14 by Result Area



Source: County Revenue and Expenditure Summary, November 2014

Exhibit 5: Total Expenditures for Children Ages 0 to 5 and Adults Receiving Services in FY 2013–14 by Provider



Source: County Revenue and Expenditure Summary, November 2014

For example, one administrator who operates twelve CSP 1 classrooms provides stipends to teachers who complete course work related to child development or degree attainment in child development. In addition, 135 teachers have obtained an Associate of Arts or Bachelor of Arts degree through the CARES Plus/AB212 Stipend Project since degree attainment has become the focus. VCOE has implemented creative strategies for supporting students, including contracting with a math tutor to assist them if they are struggling with math.

First 5 Ventura County's integrated system of services has been built on a strong foundation of collaboration with county agencies/partners.

A Child Signature Program 2 Example—Tuolumne and Amador County Consortium

During FY 2013–14, the CSP 2 Tuolumne and Amador County Consortium experienced noteworthy accomplishments.

In March 2014, the twelve CSP 2 preschool and toddler classrooms were involved in a Head Start federal review. Results from the review revealed 100 percent of the nine preschool classrooms assessed improved significantly, raising CLASS[®] scores in the Instructional Support domain from an average score of 2 to 4.5. The overall CLASS scores were the highest for a Head Start federal review in Head Start Region IX (Arizona, California, Nevada, Hawaii and the Outer Pacific Islands) and in the top 10 percent in the nation.

This remarkable progress was accomplished through the combined efforts of strong leadership, engaged staff, high-quality teacher coaching and CLASS training supported by First 5 California's CARES Plus program. The CSP 2 ELSSs played a key role in leveraging and coordinating staff resources and materials. The ELSSs provided enhance math and science focused materials, instruction, training, and expanded coaching, which ultimately enhanced teacher effectiveness and raised CLASS scores.

A Child Signature Program 3 Example—Orange County

Another county that integrates CSP, CARES Plus, RTT-ELC grant, local First 5, and First 5 California funding is the Children and Families Commission of Orange County. The county commission applied

for CSP 3 and received funding for 33 qualifying classrooms—29 preschool and 4 infant/toddlers. All classrooms through the QRIS matrix have received either a four- or five- star quality rating. CSP 3 directors and teachers have developed and implemented a continuous quality improvement plan with the EEEs utilizing both the RTT-ELC Quality Continuum Framework-Hybrid Rating Matrix and Continuous Quality Improvement Pathways documents.

The Children and Families Commission of Orange County and community partners have developed CSP 3 to include a wide range of direct services, such as case management for children, parent education and coaching, home visitation, mental health resources, physical health, and nutritional support. CSP 3 will provide services to approximately 750 families and more than 70 early educators. Key partners include the Orange County Commission-funded Early Learning Specialists, School Readiness Nurses, the Orange County Department of Education, and the Center for Autism and Neurodevelopmental Programs.

The strength of the program is the additional support of CSP-funded staff, including mental health specialists, family support specialists, a nutrition/physical activity coach, and a dietician. Parent involvement in these classrooms is high. Parents are offered workshops, volunteer opportunities, and, at some sites, English-as-a-Second-Language and parenting classes. There is a strong collaboration with the K-12 classrooms. CSP preschool teachers work closely with the transitional kindergarten and kindergarten teachers.

The county's CSP has addressed the challenge of a lack of available qualified substitute preschool teachers. This has caused difficulty for coaches trying to schedule classroom visits with teachers. A solution has been to schedule lunch and afternoon appointments with teachers, and to offer teachers a stipend to meet with the coach after hours.

The Children and Families Commission of Orange County continues to partner with other county funding organizations to provide seed money that is leveraged through matching funds to produce a greater impact for their children ages 0 to 5 in programs such as CSP.

The HFA program served 27 “high-risk” families to prevent child maltreatment and strengthen and stabilize the family. Families are receiving needed services and 190 referrals were made.

“High-risk” families received services that improved family and parent strengths:

- Eighty percent of clients remained stable (36 percent) or improved their ability (44 percent) to access social supports.
- Sixty-eight percent of clients remained stable (28 percent) or improved (40 percent) their satisfaction with being a parent.
- Fifty-two percent of clients maintained (8 percent) or improved (44 percent) their problem-solving skills.
- Home visitors provided support, resources, and services to ensure children are receiving wellness services. In the last year:
- A total of 35 children received Ages & Stages Questionnaires® (ASQ), Third Edition, and ASQ:Social-Emotional screens at regular intervals.
- A total of 81 percent of children are up-to-date on immunizations.
- All children have a medical home and health insurance.

Nevada County

Through its investments, the goal of First 5 Nevada County is to—in partnership with the community—create, foster, and support programs that promote health, wellness, and child development for children ages 0 to 5 and their parents. Its current major investments are in family resource centers, home visiting, children’s behavioral health services, school readiness programs, community collaboratives of family-service agencies, and a quality child care rating program.

During FY 2013–14, one of the most significant accomplishments was the Foothill/Truckee Healthy Babies (FTHB) program’s achievement of accreditation with the evidence-based *Healthy Families America (HFA)* model. A national review team rated FTHB in all 117 of the HFA best practice standards. As part of

accreditation, FTHB will engage in continuous quality improvement, using data on program service delivery and outcomes to continually improve services. FTHB has been supported with First 5 funds for 15 years, initially serving 20 families; this investment has now been leveraged to serve 120 families with the addition of Federal Home Visiting dollars through the California Maternal, Infant, and Early Childhood Home Visiting Program. With a funding investment of \$83,000, this program provided intensive services to 27 of the total 170 families served by FTHB in FY 2013–14. Home visitors provide regular developmental screenings of children using Ages & Stages Questionnaires® (ASQ) and ASQ:Social-Emotional as well as regular screenings of mothers for perinatal mood disorders (Edinburgh) and relationship violence (Women’s Experience with Battering Scale). Children and parents with identified needs are connected to services, often with a warm hand-off. Home visits follow curriculum on child development and building positive parent-child interactions to encourage the development of a secure attachment. Families identify goals they wish to work on. Among those served for three months or more in FY 2013–14, 81 percent had attained or made substantial progress on at least one goal they had set for the year. Home visitors assess health insurance status of mothers and children, making sure each has insurance, is connected to a medical home, and is receiving preventive medical care. In a county where less than 73 percent of entering kindergartners are fully immunized, 100 percent of FTHB-enrolled infants and toddlers are on target to be fully immunized.

Other accomplishments in FY 2013–14 included:

- In the summer kindergarten preparation classes, teacher observation showed that, on average, children who had had no preschool showed growth in 8.33 areas on a modified Desired Results Development Profile, which was scored on 18 school-readiness-related areas.

- A total of 863 parents of 1,014 children ages 0 to 5 were served in four family resource centers; this is a growth in the number of children served of 7 percent from the prior year, though available funding was reduced at all centers.
- The STAR child care rating program has grown to include 12 centers, five large family child care homes, and four small family child care homes; 52 percent achieved the highest rating by a professional after at least a year of self-study.

Orange County

First 5 Orange County serves as a convener, planner, and sponsor to implement programs in four goal areas—healthy children, early learning, strong families, and capacity building—to achieve the vision that all children are healthy and ready to learn.

In FY 2013–14, one of the most significant accomplishments was the expansion of autism services. Last year, First 5 Orange invested \$7 million that was matched by the Thompson Family Foundation. This year, The Center for Autism & Neurodevelopmental Disorders opened in a new 21,500-square-foot facility, increased the number of providers from 15 to 50, increased annual visits from 3,000 to 21,000, and now provides treatment in addition to evaluation and diagnosis. With the match funding, the center is now open to children from infancy to age 22. First 5 Orange continues to provide over \$1.5 million for annual operations and services for young children.



Other highlights included:

- **Early Childhood Science, Technology, Engineering, and Math (STEM) Conference:** First 5 Orange and its early learning manager THINK Together partnered with the Children’s Center at Caltech in February 2014 for the first annual Orange County Early Childhood STEM Conference. The conference included a panel presentation with represen-



tatives from business and early and higher education to discuss the skills children need to develop for the 21st century workplace. More than 500 early educators and others interested in early STEM education attended the two-day conference. First 5 Orange funds 27 Early Learning Specialists in 25 school districts throughout Orange County. The conference was developed to respond to the Early Learning Specialists’ request for professional development to better understand how to incorporate math and science into their curriculums.

- **Regional Common Data System:** Four southern California First 5 county commissions participated in a multi-commission application process this year for a joint database vendor to reduce costs, achieve efficiencies, and improve outcomes reporting by the southern California region. In Orange County, the new agreement

represents an annual savings of \$41,000 to \$63,000 depending on the number of participating counties. As tobacco tax revenue declines, these cost savings will be redirected to programs that serve children. The new system was operational in April 2014 and the collected data is used to inform local program improvements and renewal decisions, and provides the data reporting as required to First 5 California. The regional common data system is now being used by six southern California First 5 commissions and is expected to ensure joint planning in relation to developing common data for evaluation and communicating regional results.

Placer County

First 5 Placer County believes all children are its children, and works to create an environment that supports its children and their families in reaching their full potential. In order to achieve this vision, First 5 Placer focuses on early childhood development and supports and builds on existing collaborative efforts by bringing together diverse perspectives, communities, and resources to assure comprehensive, integrated strategies, and holistic, family-centered, sustainable approaches.

First 5 Placer began to implement a *Strengthening Families and Community Protective Factor* framework with its funded programs as of January 2011. The approach is described in the First 5 Placer Strategic Plan 2011–16. In FY 2013–14, First 5 Placer provided significant contributions toward strengthening families with children ages 0 to 5 and built community capacity to support parents, family members, and service providers. The funded programs’ self-assessment, addressed through the results of an end-year organizational survey, indicated that agencies offer a range of services that support positive change across the protective factors, including strategies that support both family and community strengthening.

During FY 2013–14, one of the most significant accomplishments of First 5 Placer was the planning for and

development of a children’s early trauma treatment center. Placer County Health and Human Services Children’s System of Care, in collaboration with Sacramento County, developed agreements for a shared, regional center for children and families to provide early care and education, including a range of wrap-around and therapeutic services needed for children ages 3 to 5 years who have experienced trauma. The center will be operated by Children’s Receiving Home of Sacramento (CRH) through a contract with the County of Placer.

Other highlights from the overall evaluation findings for FY 2013–14 indicate that through First 5 Placer investments:

- Parents increased their individual and family social connections; improved their knowledge of and connections to community resources; and enhanced their resilience.
- Parents improved their knowledge of parenting and child development, and their ability to nurture and support their children’s development.
- Family and community strengthening messages were used in active community education.
- Service networks and systems were developed, used, and strengthened.
- Families and stakeholders were offered opportunities for participation in strengthening their community.

Plumas County

In FY 2013–14, First 5 Plumas County focused its resources on sustaining its ongoing, intensive home visitation for pregnant women and children through age 5. The program is modeled after the Healthy Families America model of home visitation. Desired outcomes include greater access to health and dental care, improved parenting skills, improved family literacy, father involvement, and creating home environments that are supportive of optimal child development.

In FY 2013–14, four home visiting programs worked toward shared outcomes, gathered information on standardized instruments to measure



JOHN CHIANG
California State Controller

October 22, 2014

Camille Maben, Executive Director
First 5 California
2389 Gateway Oaks Drive, Suite 260
Sacramento, CA 95833

Re: Annual Report to First 5 California Commission
Results of Audit Oversight of Local Commissions

Dear Ms. Maben:

I am pleased to submit our annual report to the First 5 California Commission. Our report summarizes the results of our review of the independent audits of the local First 5 county commissions (local commissions) for fiscal year (FY) 2012-13. This report also summarizes the results of our review of the audit findings identified in the independent auditor's reports to the local commissions.

This is the seventh report submitted in accordance with Senate Bill 35 (Chapter 243, Statutes of 2005), which mandated an expanded audit of every county commission funded by the California Children and Families Program Act of 1998. Each commission was required to adopt a range of policies, including contracting and procurement, administrative expenditure limits, conflict of interest, staff compensation, and long-range financial planning. Each local commission is required to have an annual independent audit that is reviewed by the State Controller's Office.

Our review focused on the local commissions' compliance with program requirements (as reported by their independent auditors) specified in the Health and Safety Code. We also verified the independent auditors' compliance with audit standards and the expanded audit guidelines when performing the local commission audits. As required by statute, our annual report summarizes the results of our review and assesses the audit reports issued by the independent auditors. In addition, the audit findings and audit finding follow-up section of our report provide information related to the findings from each local commission's independent audit report. Lastly, our report contains comparative statistics from the results of our desk reviews of the independent audits for FY 2012-13, FY 2011-12, and FY 2010-11, where applicable.

I hope our report will be useful to you in assessing the local commissions' activities and compiling your annual report to the Legislature. Please direct any comments regarding the content of the report to Lisa Hughes, Chief, Community Related Audits Bureau, by phone at (916) 322-8489, or by email at lhughes@sco.ca.gov.

Sincerely,

Original signed by

GEORGE LOLAS
Chief Operating Officer

GL/sk

Enclosure

cc: Jennifer Clark, Chief, Administrative Services Division, First 5 California Commission
George Halvorson, Commission Chair, First 5 California Commission
Joyce Iseri, Commission Vice Chair, First 5 California Commission
Kathryn Icenhower, Ph.D., Commissioner, First 5 California Commission
Conway Collis, Commissioner, First 5 California Commission
Muntu Davis, Commissioner, First 5 California Commission
Casey McKeever, Commissioner, First 5 California Commission
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Jim Suennen, Designee, First 5 California Commission
Magdalena Carrasco, Commissioner, First 5 California Commission