



**Agenda Item No. 2  
April 3, 2013 Meeting**

**DATE:** March 14, 2013

**TO:** Children and Families Commission of Orange County

**FROM:** Christina Altmayer, Executive Director

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**SUBJECT:** Annual Review of the Strategic Plan, Approval of FY 2013/14 Business Plan and Budget, and Related Implementing Actions

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**SUMMARY:**

The Children and Families Commission of Orange County annually conducts a public hearing to review the Strategic Plan, approve the Business Plan, and the annual budget for the upcoming fiscal year. This item recommends approval of the updated reports for fiscal year 2013/14.

**Strategic Plan Annual Review**

The Children and Families Act of 1998 (Proposition 10) requires that each county commission review its strategic plan at least annually and revise the plan as necessary or appropriate. Each commission is required to conduct a public hearing on the review of its strategic plan. Adoption and annual review of the Strategic Plan by the Commission is required to maintain eligibility for Proposition 10 tobacco tax revenue. The Strategic Plan has been reviewed and maintaining the current Strategic Plan (Attachment 1) is recommended. The vision of Strategic Plan is to ensure that all children are healthy and ready to succeed. The four established goal areas to achieve the vision are Healthy Children, Early Learning, Strong Families, and Capacity Building. The FY 2013/14 Business Plan includes:

**Fiscal Year 2013/14 Business Plan**

Consistent with the Strategic Plan, the Commission annually approves an operating plan. The Business Plan reflects all planned work to be undertaken in FY 2013/14. It includes all Proposition 10 mandated work, including activities stipulated in the Proposition 10 legislation and subsequent statutory requirements. The FY 2012/13 budget continued the approximately 24 percent reduction in administrative and management made with the FY 2011/12 budget. This required a significant change to the current operating model. The FY 2013/14 budget includes an additional 30 percent reduction in administrative and management capacity compared to the current year budget. It also includes operational and programmatic priorities directed by the Commission including:

- Sustainability and Fund Leveraging – Commission staff actively works with grantees to develop plans beyond Commission funding. This has included such work as training and support for federal reimbursement programs and providing grant support.

Commissioners

Executive Director

- Collaborative Planning on Community Priorities – Since its inception, the Commission has supported community planning initiatives and collaborations. In the past year, the Commission provided staff support and planning assistance for the County’s Commission to End Homelessness, grantee collaborative grant application development, the OC STEM Initiative, and ongoing Capacity Building efforts.

The Commission’s Business Plan for FY 2013/14 is intended to ensure that the Commission’s operating plans for the next fiscal year are consistent with the priorities and objectives established by the Commission, including the goals described in the Commission’s Strategic Plan. The Business Plan includes a summary of the accomplishments to date for FY 2012/13 and a summary of the proposed Work Plan for FY 2013/14. The approval of the FY 2013/14 Business Plan does not authorize or obligate the Commission to any specific funding action or contract with any organization or entity.

***Annual Reporting and Evaluation Requirements for Proposition 10 Revenues***

Proposition 10 and subsequent legislation establish annual fiscal, evaluation and audit requirements that must be satisfied in order for a county commission to continue to receive its allocation of tax revenues. These requirements are described in detail in the Business Plan. The proposed Business Plan for FY 2013/14 includes the necessary resource allocation and staffing to comply with the minimum reporting and evaluation requirements as well as the outcomes reporting requirements established by the Commission for recipients of local funds. The Business Plan continues to rely on a combination of internal staff, county support services and consultants with subject area expertise to accomplish this work plan in the most efficient and effective manner.

**FY 2013/14 Budget**

The Fiscal Year 2013/14 Budget proposal includes the multi-year funding actions previously approved by the Commission and renews funding for core programs that support the four goal areas. The step-down approach continues to be embedded in the approved Long-Term Financial Plan, and assumes a reduction of base budget program spending from \$30 million to \$29 million in FY 2012/13 and \$27.6 million in FY 2013/14.

The budget plan continues the reduction of program spending gradually, depending on actual revenue, to bring the total budget in line with the forecasted revenue and a reduction in the long-term sustainability funds. Planned reductions as a result of the projected savings from Catalytic Round 1 and 2 funding are incorporated into the budget as previously presented to the Commission. Several program areas have variances from the prior year:

- The Bridges Maternal Child Health Network variance is due to funds allocated for the transition of the Bridges Network redesign including developing the capacity for Bridges NetChemistry data system to upload to the Commission’s Information Technology vendor.
- The Community Clinics budget variance is due to one-time funding for catalytic programs and the El Sol Clinic which temporarily increased the budget in FY 2012/13.
- The one-time shelter project funding of \$750,000 is the cause for the Homeless Prevention program budget variance.

- The AmeriCorps/VISTA budget currently represents the baseline cost to the Commission and will be amended to include all federally reimbursed costs once a contract is executed for the FY 2013-14 program year.

Administrative costs budgeted for FY 2013/14 are \$2.52 million compared to \$3.21 in the prior year. The decrease in administrative costs is a result of staff positions being eliminated, allocation of salaries and benefits to specific programs, and a decrease in administrative support consultant contracts.

The FY 2013/14 Proposed Budget is fully compliant with Commission’s policy to limit administrative expenses to 10 percent of the annual budget. Health and Safety Code Section 130140 requires the Commission to adopt a limit on the percentage of the Commission’s operating budget that may be spent on administrative functions. Administrative costs and functions are defined by the First 5 California Commission guidelines pursuant to Chapter 284, Statutes of 2005 (AB 109). Adoption of the FY 2013/14 Budget includes a 10 percent limitation of the operating budget on administrative function expenditures. This limitation is proposed for the Commission operating budget not the larger funding plan which includes one-time catalytic investments. Approval of the FY 2013/14 Budget (Attachment 4) is requested.

***Funding Allocations Requiring Future Commission Action***

The FY 2013/14 Budget includes the following future funding allocation from the remaining \$2.5 million Round 2 Catalytic funds. Separate subsequent action will be required by the Commission as the specific programs to be funded are not approved at this time.

<b>Remaining Round 2 Catalytic funds budgeted in FY 2013/14</b>	
Vision	\$1,500,000
Capacity Building/Matching Funds for Grants	\$500,000
Implementation of Current Capacity Building Grants	\$500,000
<b>TOTAL</b>	<b>\$2,500,000</b>

**STRATEGIC PLAN & FISCAL SUMMARY:**

The Business Plan and recommended actions presented in this staff report have been reviewed in relation to the Commission’s Strategic Plan and are consistent with applicable goals.

**PRIOR COMMISSION ACTIONS:**

- May 2012 - Confirmed the annual review of the Strategic Plan, and approved the Business Plan and Annual Operating Budget for FY 2012/13

**RECOMMENDED ACTIONS:**

1. Adopt resolution (Attachment 2) confirming the Commission’s annual review of the Strategic Plan.
2. Approve FY 2013/14 Business Plan including the Administrative Budget and Work Plan.

3. Adopt resolution (Attachment 5) approving the Annual Operating Budget for FY 2013/14, and confirming the 10 percent limitation on administrative expenditures for the operating budget.

**ATTACHMENTS:**

1. Children and Families Commission of Orange County Strategic Plan
2. Resolution Confirming Annual Review of the Strategic Plan
3. FY 2013/14 Business Plan
4. FY 2013/14 Proposed Budget
5. Resolution approving the FY 2013/14 Budget

**Contact:** Michael Garcell



Children & Families  
Commission of Orange County

**Strategic Plan**

Presented to the Children & Families Commission of Orange County  
July 6, 2005 – Annual Review April 3, 2013

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                    Evaluation Framework

    Appendix C: Commission Resolution Adopting the Strategic Plan Update

## **I. Introduction**

### **A. Proposition 10**

The Children and Families Commission of Orange County was created as a result of Proposition 10, the California Children and Families Act of 1998. The proposition added a 50-cent sales tax on tobacco products sold in California and requires that funds raised be used to support education, health and child development programs for children from the prenatal stage through age five. Funds collected statewide are allocated to local county commissions based on each county's birth rate.

### **B. Children and Families Commission of Orange County**

Before Orange County could receive Proposition 10 tobacco tax revenues, the Board of Supervisors had to establish a County Children and Families Commission. The Orange County Board of Supervisors adopted ordinance #98-18 on December 15, 1998 establishing the Children and Families Commission of Orange County Trust Fund and Commission. The Children and Families Commission of Orange County took their oath of office and conducted their first meeting on September 15, 1999.

### **C. First Strategic Plan Adoption**

The Commission approved a process and budget for the development of the original Strategic Plan on November 3, 1999. A public hearing on the proposed Strategic Plan was held on February 2, 2000 and the first Strategic Plan was adopted by the Children and Families Commission of Orange County on February 16, 2000. Deemed an adequate and complete Strategic Plan for the support and improvement of early childhood education within the county, the Strategic Plan was submitted to the California Children and Families Commission in February 2000. Beginning in 2001, the Children and Families Commission of Orange County annually reviews and re-approves the Strategic Plan as current and consistent with their goals and objectives and those of the California Children and Families Act of 1998.

### **D. Annual Strategic Plan Review**

The Plan has been annually reviewed by the Commission pursuant to the Proposition 10 initiative requirements. This Strategic Plan is consistent with and in furtherance of the purposes of the California Children and Families Act of 1998 and subsequent amendments. It is in compliance with Act-related sections of the California Health and Safety Code, and current amendments.

## II. Strategic Plan Overview

### A. Purpose

The Children and Families Commission of Orange County Strategic Plan provides an overall framework guiding investment and resource decisions that the Commission will make over the next three- to -five years. It has been developed consistent with the Proposition 10 Strategic Plan Guidelines and includes the following mandatory components:

- A description of the goals and objectives proposed to be attained;
- A description of the programs, services, and projects proposed to be provided, sponsored or facilitated;
- A description of how measurable outcomes of such programs, services and projects will be determined by the County Commission using appropriate reliable indicators;
- A description of how programs, services and projects relating to early childhood development within the county will be integrated in a consumer-oriented and easily accessible system.

*Source: California Children and Families Commission Strategic Plan Guidelines (September 1999)*

### B. Link to Other Planning Efforts

While the Strategic Plan is the overall guiding document, several related programs and documents support the implementation of the goals and strategies identified in the Strategic Plan. Each of these documents is identified below and briefly described in terms of its connection to the Strategic Plan.

#### 1. Community Outreach and Education Programs

The Commission engages the community through partnerships with both funded programs and media to both provide input on key areas of childhood development and disseminate child development information to the public. The Commission also develops program-specific engagement strategies to effectively incorporate community input in the design and development of programs.

#### 2. Program Plans

Prior to launching major initiatives, the Commission prepares a program plan specifically identifying how the program will be implemented, identifying outcomes and indicators of success, and building on best practices. Program plans are developed for the Commission's major initiatives.

3. Ten Year Financial Planning Document

Recognizing that the Commission is operating within an environment of declining revenue, a Ten Year Financial Planning document was initially developed by the Commission in 2001 to develop funding strategies to maximize the funding potential of Proposition 10 revenues, identify leveraging strategies and promote program sustainability. The ten year financial projections are annually reviewed by the Commission prior to any budgetary action to ensure that annual budget decisions are considered with a long-term perspective.

4. Annual Budget and Business Plan

The Commission annually adopts a budget which provides budgetary authority and appropriations. The Commission follows a conservative approach for revenue and interest earning projections. The budget provides general appropriation authority; specific contract actions require separate, subsequent approval by the Commission.

In conjunction with the annual budget, the Commission annually reviews a business plan of management and organizational strategies governing the operations of the Commission. The business plan identifies staffing levels, organizational structure, major initiatives planned for the year, and implementing actions.

5. Performance Outcome Measurement System (POMS)

The Performance Outcome Measurement System (POMS) is designed to measure the results of the Commission funded programs and the overall impact on children and families that Proposition 10 funding is making in Orange County. Annually, the Commission approves a work plan of evaluation activities, considering prior year progress. POMS include the investment the Commission has made in a program and client based outcomes reporting program and specific evaluation reports. (*See Part IV, Section B: Performance Outcome Measurement System: The Evaluation Framework*).

The graphic on the following page displays the linkage of these planning efforts.

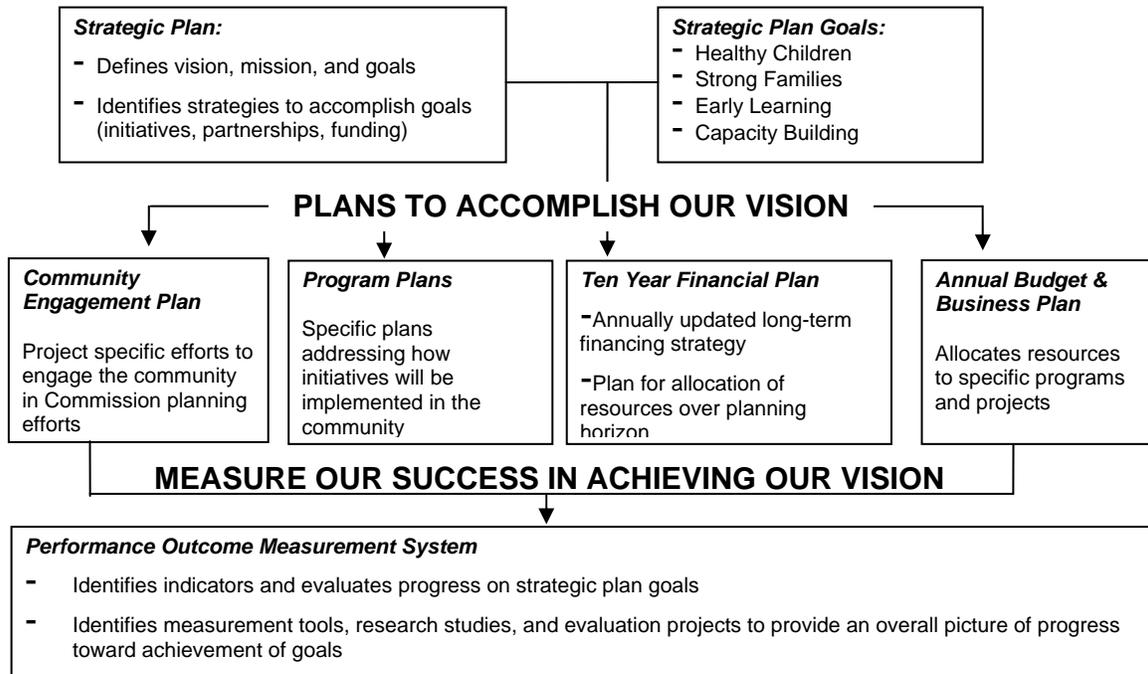
## Children and Families Commission of Orange County Strategic Planning Process

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### VISION

**All Children are Healthy and Ready to Succeed**



### **C. Reliance on Community Data**

The Commission supports the development of reliable community indicators, community health needs assessment, and data both to provide comparison with program evaluation data and to discern the effects of Commission funded initiatives at the community level. Community reports are also critical input to the Commission in identifying areas of need and priorities for its investment in children and families in Orange County.

Following are examples of on-going, community-wide measurement efforts sponsored by the Commission:

1. Annual Report on the Conditions of Children in Orange County

This detailed compilation of key indicators of the wellbeing of children is sponsored by the Commission and the County of Orange Children's Services Coordination Committee.

2. Community Health Needs Assessment/Early Development Index (EDI) Community Profile

The Commission sponsors and supports several community based assessments including the Early Development Index (EDI) Community Profile. The EDI Community Profile provides local level information on children's developmental outcomes during the kindergarten year.

3. Orange County Community Indicators Project

This annual report provides a comprehensive set of indicators that measure the quality of life in Orange County. The indicators provide comparison with neighboring and "peer" regions (areas with similar demographics and economies) and track trends over time.

### III. Vision, Mission and Goals

The following section describes the Commission’s vision, mission and goals for Orange County children. For each of the four strategic goal areas, programmatic initiatives critical to the achievement of the Commission’s goals are presented. Also discussed are common strategies used across all goal areas and an overall framework, *Pathways to School Readiness*, which charts a course for the Commission to follow in achieving its goals. This section also includes discussion of the communications strategy used to convey to the public the Commission’s vision, mission and goals. This is followed by a presentation of the Commission’s guiding principles for all funding decisions. Finally, this section details the specific objectives the Commission will pursue to achieve its vision and goals and how these programs and services relating to early childhood development within the county will be integrated into a consumer-oriented and easily accessible system.

#### A. Vision

Orange County’s young children need safe, supportive and nurturing environments to be healthy and ready to succeed in life. The Commission’s vision statement reflects its unique position within Orange County to better the lives of young children and their families.

All children are healthy and ready to succeed

#### B. Mission

The Commission’s mission statement is a broad, comprehensive statement of its purpose and function in the community. The mission enables the Commission to act as an advocate for all young children in Orange County, serving roles as convener, planner, and program sponsor.

Provide leadership, funding and support for programs that achieve the vision that all children are healthy and ready to succeed when they enter school.

#### C. Goals

##### 1. Goals and Initiatives

The following four goals further refine and delineate the Commission’s desired results over the coming years. They provide the framework for the initiatives discussed under each goal. Many of the initiatives summarized are Commission directed initiatives, developed by the Commission to fill gaps in the existing service landscape.

## ***Healthy Children***

Ensure the overall physical, social, emotional and intellectual health of children during the prenatal period through age five.

Within this goal area, the Commission considers the following programmatic initiatives in reaching the goal:

**a. Early Intervention**

Each child should have a healthcare home where they receive regular, quality, preventative care and the foundation needed for optimal development. Early detection of health conditions or developmental delays is achieved through partnerships with health care and service providers that identify children at-risk and link caregivers to a network of family support services. Health access strategies that encourage maintenance of health coverage and promote appropriate utilization of pediatric care are essential to this strategic goal area. The Commission furthers its goals in these ways by educating parents of newborns about early childhood development.

**b. Child Health and Safety**

Through partnerships among physicians, public health professionals, and service providers, the Commission provides leadership to reduce deaths and disabilities due to preventable causes. Examples include: injury prevention and safety training; respite care, counseling, and therapy for families with disabled children; improved child passenger safety; and integrated approaches to prevent intentional and unintentional injuries.

**c. Fitness and Nutrition**

Programs that implement strategies specific to the prevention of obesity in children zero through five can improve children's long term health and well being.

**d. Dental Health**

Physical health includes dental health and the Commission plays a role in the reduction of oral health disease in children through support of education, prevention, access, and treatment services.

**e. Pediatric Primary and Specialty Care**

The Commission fosters a strong children's health care delivery system in Orange County. Programs targeted at assessing and treating conditions of increasing prevalence, such as asthma and autism, are an important component of the overall system of pediatric care.

**f. Health Access**

A child's health is heavily influenced by access to health care. Access is improved through the direct provision of health care to access and utilization of health access and coverage programs, and providing health education, in-home support services, parenting classes, and other services for pregnant women and families with young children. It is important to note that health access is emphasized in all programs related to the Healthy Children goal area.

**g. School Nurses**

School nurses provide services including general health and development screenings and ensure proper immunizations prior to a child's first day of school. They also can provide parent education to increase awareness about child health issues, access to health care and other available community resources. The Commission views funding and supporting school-based nurses for young children an essential element of this goal area.

***Strong Families***

Support and strengthen families in ways that promote good parenting for the optimal development of young children.
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Within this goal area, the Commission considers the following programmatic initiatives in reaching the goal:

**a. Community Partnerships**

The Commission leverages existing community resources by working with community organizations to use facilities during non-peak, school hours to offer child health and development programs to young children and their families.

**b. Community Outreach and Education**

The Commission partners with the media to provide child development information through community outreach programs to support and strengthen families.

**c. Homeless Prevention**

Children learn and succeed better when they have a strong, stable, nurturing environment – in other words, a home. The Commission works with local agencies to fund transitional shelters and support services for families with young children.

## ***Early Learning***

Provide early care and education opportunities for young children to maximize their potential to succeed in school.

Within this goal area, the Commission considers the following programmatic initiatives in reaching the goal:

**a. Early Literacy and Language Development**

Early literacy and language development are essential to success in school. Language development programs and the development of best practices and guidelines for early literacy are among Commission supported efforts to improve young children's literacy and language development.

**b. School Readiness**

Children should enter kindergarten with the skills and support they need to succeed. School readiness programs take a "whole child" approach by focusing on the emotional, physical and social well-being of each child. The school readiness programs encourage system change and build community capacity to prepare young children in their transition to kindergarten.

*School District Early Learning Programs*

School district based Early Learning Specialists improve the transition to kindergarten by educating the community on best practices for early care; informing and training parents to prepare their children for entering school; promoting community collaboration; and coordinating the distribution of resource information and materials between the districts and local community agencies.

*Countywide Early Learning Programs*

Countywide Early Learning Programs are provided by organizations to improve the readiness of young children for school including early literacy and math, special needs services, speech and language training, health and safety support to early care providers, and the Orange County Child Care Coordinator.

## **Capacity Building**

Promote an effective delivery system for child and family services.

Within this goal area, the Commission considers the following programmatic initiatives in reaching the goal:

**a. Leveraging Strategies and National/State Foundation Programs**

The Commission seeks to leverage existing programs to serve the needs of young children. For example, Commission funded AmeriCorps/VISTA members serve with key community service organizations supporting programs for children and families.

**b. Commission Operations/Infrastructure**

Infrastructure includes expenditure requirements for general operations including staffing, professional and technical services, public outreach and communication, and fiscal and program oversight. The Commission operates with a small core staff and uses outside contractors to support the programs and grants as needed. Professional and technical services are contracted out for services including: legal counsel, auditors, financial consultants and other professional support. Public outreach and communication includes promoting early child development and strategies in the community.

**c. Technical Assistance**

The Commission provides training, technical assistance and administrative support to funded programs to ensure effective, efficient and quality services.

**d. Capacity Building Grants**

The Commission competitive grants are for existing or new organizations to deploy new services to children through age five and their families.

**e. Performance Outcomes Measurement System (POMS)**

All Commission programs are part of an integrated performance evaluation process that makes outcomes measurement part of the program operations. These programs are discussed in detail in Section IV, Part B.

**f. Program Grants**

The Commission allocates funding for a wide range of programs including local community groups and service organizations, social services partners, school districts, government organizations, faith-based groups, local hospitals and health clinics, family shelters, and neighborhood organizations to ensure that young children in Orange County are healthy and ready to succeed.

2. Common Strategies Across Goals

Across all four goals, the Commission employs the following common strategies:

a. **Outcomes Based Funding**

Programs are funded based on outcomes and results are tracked.

b. **Unique Partnerships**

The Commission has stimulated new partnerships to promote and address the needs of young children.

c. **Creating Multiple Ways to Access Care**

Programs include an access to care element among multiple service platforms such as schools, family resource centers, and community agencies.

d. **Family-based Services**

Services are geared at enriching the child within the context of the whole family, incorporating parents, other caregivers, and siblings in the service design.

e. **Prevention and Early Intervention**

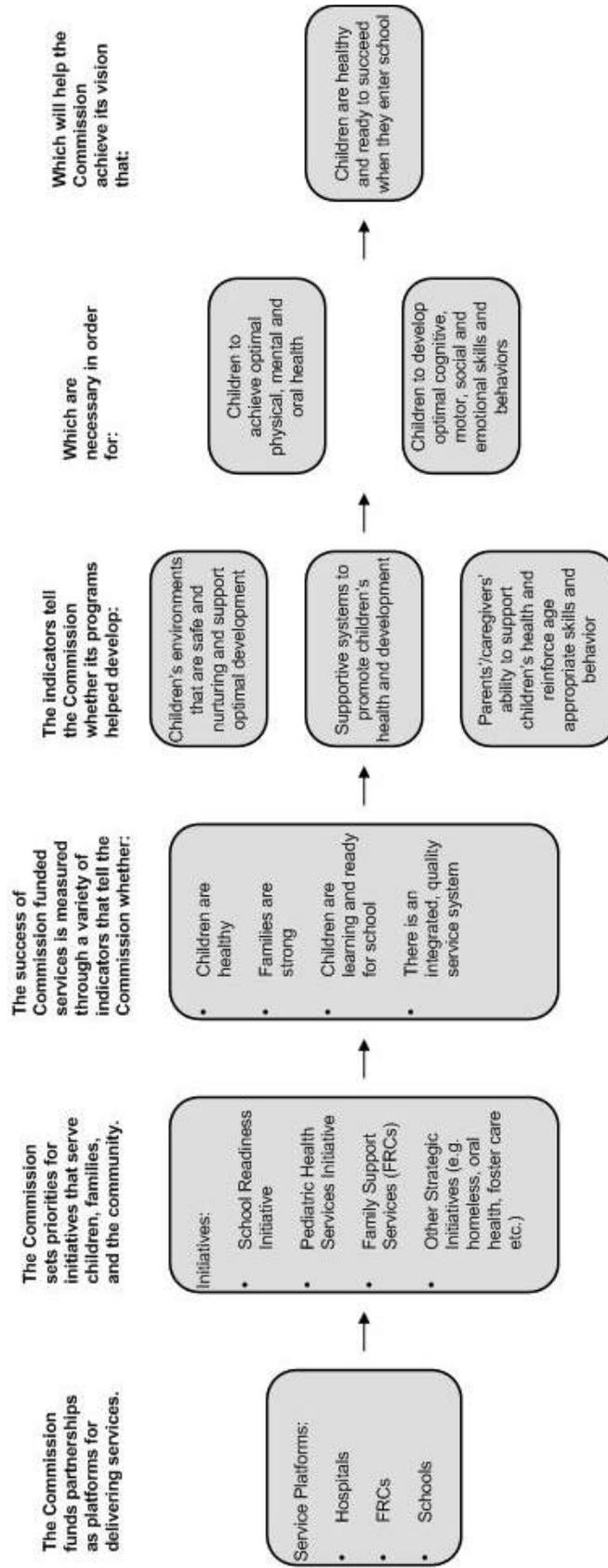
Programs emphasize addressing early identification and prevention.

3. Pathways to School Readiness: Measuring Progress

*Pathways to School Readiness* provides a clear framework for the Commission to follow to achieve its vision, mission and goals. *Pathways to School Readiness* begins by identifying the service platforms that will carry out Commission priorities and specific initiatives. It then takes the initiatives through implementation and evaluation of outcomes as a means of assessing success toward achieving the Commission's vision.

The graphic on the following page displays the *Pathways to School Readiness*.

## Pathways to School Readiness: Measuring Progress



4. Community Outreach & Communication

The Commission uses various outlets to communicate its vision and goals to the public, including partnerships with local media outlets and participation in community events.

**D. Guiding Principles**

In all of its operations the Commission is committed to the following core values and principles which guide its investments in early childhood health and development.

1. Promote and fund high quality services modeled after research-based, proven strategies which have planned publicly accountable outcomes.
2. Maximize and leverage the existing system of public and private agencies concerned with young children and families and promote integration of services through local, convenient and family-friendly access points.
3. Create family-based, culturally and linguistically appropriate services which enrich the child within the context of the whole family by incorporating parents, other caregivers, and siblings in the service design.
4. Foster sustainability by building community capacity to support families and focusing on policy-level issues and decisions.
5. Engage in an open decision making process that makes funding decisions based on: Commission vision, goals, and outcomes; compelling community need, and positive data supported outcomes.

## IV. Implementing Strategies

Implementation of the Strategic Plan requires a unique combination of innovative strategies. Strategies to guide specific program implementation will be identified and developed as part of program plans. The following are six implementing programs for achieving the Strategic Plan goals and objectives.

### A. Funding

The Proposition 10 initiative specifies that revenue allocations from the tobacco tax “shall be used only to supplement existing levels of service and not fund existing levels of service. No moneys in the California Children and Families Trust Fund shall be used to supplant state or local General Fund money for any purpose.”

The Ten Year Financial Planning document guides the Commission’s long-term funding strategies and included plans to develop a sustainability fund to allow for continued program funding, despite declining revenues.

Four strategies are authorized by this Strategic Plan to direct Commission funding for programs benefiting the health and early education of young children:

#### 1. Commission Directed Initiatives

Commission directed initiatives reflect programs that community based and public agencies in partnership with the Commission use to design and implement new countywide programs to improve the outcomes for children 0-5 and their families. These may include capital projects, statewide initiatives, health and safety programs, school readiness programs, and others.

#### 2. Program Grants

Program grants are competitive grants or grant renewals in which agencies design programs they believe will serve a specific need either in a geographic or demographic segment of the 0-5 population and their families. Agencies apply for funding to execute proven and promising interventions within a targeted geographic area or population. This competitive process is used to fund organizations that establish essential new programs or services to meet the identified needs of young children and their families. The programs and strategies funded and contained in the Commission’s budget link directly back to the stated goals contained in this Strategic Plan. Funds are distributed through grants related to the Commission goals of Healthy Children, Strong Families, Early Learning, and Capacity Building.

3. Capital Improvement Projects

The Commission has used its funding authority to fill gaps in project needs. Gaps often arise because existing funders do not have flexibility to provide the necessary resources for a program to get started. The Commission will carefully balance its funding investments. As situations warrant, the Commission will also invest, but not be limited to capital improvement projects, human resources, planning grants, and consulting services to support program success. It is the Commission's intention to utilize the flexibility within Proposition 10 to maximize the potential for fund leveraging and available matching funds.

4. Capacity Building Grants

The Commission recognizes that some of the most innovative programs for children and families start as pilot efforts and that there continues to be tremendous gaps in providers that can adequately address the needs of young children. Capacity Building grants are designed to usually provide a one-time grant to agencies or collaboratives attempting to develop the organizational or service capacity to provide services to the 0-5 population in Orange County. Agencies eligible to apply have either (1) limited resources and need assistance in developing the organizational and institutional capacity to effectively plan for services or (2) are initiating a new needed service and require assistance to plan for service deployment, develop agency partners, or refine a service deployment plan. Agencies receiving these funds are required to prepare either a service or business plan.

**B. Performance Outcome Measurement System: The Evaluation Framework**

The Commission adopted an overall approach to evaluation which includes evaluating both the impact of the services funded on the clients served and the method for providing those services to the community. This evaluation approach considers the results of services from the client perspective (outcome measures) and how services were provided (process measures) in terms of number of clients served, accessibility, quality, and cost-effectiveness of services. The purpose of the Commission-wide evaluation is to provide an overall picture of the Commission's accomplishments and progress toward achievement of their goals and objectives.

The Performance Outcome Measurement System (POMS) Evaluation Framework is presented in a matrix of the specific outcomes, indicators and measures that the Commission will track for evaluation purposes. This POMS Evaluation Framework includes (Appendix B) both Commission-wide and initiative-specific evaluations. In addition, the Commission participates in the development of community-wide indicator data. Evaluation results are communicated through reports that are presented to the Commission.

The annual POMS reports describe the major projects for the Commission and the progress made that year, followed by the plans for the next year. The report focuses first on Commission-wide evaluation activities, then describes initiative-specific evaluations, and closes with a description of Commission participation in county, regional, and state evaluation efforts.

1. Process Measures

- *Aggregate Data* – Basic counts of how many children, families, and providers receive services funded by the Commission and how many services are provided to individuals by Commission funded programs.
- *Grantee Milestones* – Specific information about the accomplishments of individual grantees, which can be tabulated across grantees to provide more detail about the services provided by Commission funded programs (e.g. how many children received assistance with health insurance enrollment).

2. Outcome Measures

- *Core Data Elements* – A questionnaire covering the major goals and outcomes in the Commission’s Strategic Plan. All clients receiving Commission funded services are asked to complete this questionnaire when they begin to receive services and every six months as long as they continue to receive services.
- *Project Level Questions* – A series of questions that are directly linked to the objectives in the Commission’s Strategic Plan. These questions are asked about a client when service to the client ends to assess whether the client’s condition changed as a result of Commission funded services.

3. Client Based Outcomes Reporting Program

The Commission relies on a client based outcomes reporting program to collect, compile and maintain client and program data. The internet-based data system facilitates monitoring and reporting on project milestones and the Commission’s progress toward achieving its Strategic Plan objectives. All grantees report their progress toward achieving their project milestones, and only grantees providing service directly to clients track data collected on clients who have received services.

The system provides a way for grantees to link their project with the Commission’s Strategic Plan, define the major milestones of their project, monitor their progress with accomplishing their major milestones, and report on the number of services provided and clients served by their project. The program allows Commission staff to easily evaluate contract compliance, review progress with achieving milestones, identify grantees that may need technical assistance, and identify grantees who are implementing successful strategies.

4. Program-Specific Evaluation

The Commission also evaluates specific programs or Commission-funded initiatives to learn more detailed information about the operations and outcomes of these initiatives and to guide program design. Typically, these evaluations are across several agencies participating in a single initiative.

5. State Commission Annual Report to the Legislature

On or before October 15 of each year the Children and Families Commission of Orange County is required to prepare and adopt an annual audit and report on the implementation and performance of its functions during the preceding fiscal year. This report includes the manner in which funds were expended, the progress toward and achievement of program goals and objectives, and measurement of specific outcomes through appropriate and reliable indicators. The Orange County Commission meets these requirements through the submission of a report that is included in First 5 California's annual report to the legislature.

**C. Successful Partnerships**

The Commission continues to develop and nurture key community partnerships in order to build upon and not replicate existing systems of care. The Commission has developed several key partnerships:

1. Orange County Health Care System

The Commission has partnered with birthing hospitals in Orange County as part of the Bridges Maternal Child Health Network program. This partnership allows the Commission to make initial contact with newborns and families in Orange County annually. The Commission also partners with the leading pediatric hospitals to provide pediatric and specialty care programs.

2. Orange County School Districts

A primary program initiative of the Commission is school readiness. This includes working with children prior to kindergarten entry, and working with schools to develop a successful transition path from early care programs into elementary school.

3. Media Outlets

The Commission recognizes the importance of strong media partnership to promote community awareness and education on the importance of the first five years of life. The Commission has developed successful partnerships with Orange County media outlets.

4. Business Community

The Commission is on the forefront of working with business leaders to promote the importance of school readiness for workforce development. The Commission maintains active involvement with the business community through participation in the Orange County Forum and working with business support groups, such as the Orange County Business Council.

5. Community Based Organizations

Local health and human service organizations throughout Orange County administer and execute the programs funded by the Commissions. Partnerships with these organizations are essential to reaching the diverse ethnic and geographic populations in Orange County.

6. Statewide Partnerships

Achievement of the goals and objectives set forth in this Strategic Plan requires statewide and regional partnerships with other county commissions or the state commission. The opportunity for multi-county plans and programs is specifically authorized in Proposition 10 and has been successfully utilized by Orange County. Authorized activities include multi-county programs, technical assistance activities, legislative and policy advocacy, and serving as fiscal sponsor for statewide programs such as AmeriCorps/VISTA which include activities that benefit Orange County.

Commission partnerships avoid duplication of effort and provide more efficient and targeted service delivery. Commission supported partnerships among health care providers, family resource centers, clinics, schools districts, and early childhood education providers form the foundation for service delivery to families with young children.

## **D. Commission Organization**

The Orange County Commission is comprised of nine representatives from public and private organizations with leadership and professional experience in the areas of health and education. Strong and consistent leadership combined with extensive knowledge and expertise are valuable for the success of the Commission.

The Commission benefits from the expertise of committees to provide input or in-depth review of specific issues as delegated by the Commission. The Community Advisory Committee provides input and recommendations on programs and issues as directed by the Commission.

The Commission relies on an efficient and knowledgeable core staff to carry out its directives. The Commission contracts with independent consultants or firms for projects that require specialized skills or expertise.

The Commission develops an annual business plan which sets forth organizational and operational strategies for the upcoming fiscal year. The business plan is considered a part of the annual budget process.

## **E. Community Engagement**

Review of the Strategic Plan has been an ongoing process since the Commission's adoption of the First Strategic Plan in February 2000. Input to develop recommended changes has been received over the term of the Commission from:

- Commission grantees as they have developed their program work plans and program evaluation programs.
- Commission representatives and technical experts who have contributed new knowledge related to outcomes evaluation as standards are developed in specialized areas such as in the early care and education arena.
- Commissioners, Community Advisory Committee, and community members who have refined priorities through the development of program specific strategic plans.

## **F. Leveraging Existing Community Resources and Infrastructure**

The Commission works within the existing landscape to leverage services and resources. Following are the key ways in which the Commission leverages community assets and fills service gaps.

1. Funding Mechanism for Capacity Building and New Programs  
Through the funding and development of new programs, the Commission seeks to expand the scope and quality of the existing services and increase the numbers served. Capacity Building grants seek to achieve similar objectives by strengthening and supporting service providers.
2. Ensure Services are Available and Accessible through Commission-Directed Initiatives  
Where significant gaps are observed in the service landscape, the Commission spearheads the development of initiatives to begin filling the gaps.
3. Policy Advocate and Convener  
Within Orange County as well as statewide, the Commission furthers the welfare of children 0-5 by advocating for policies that benefit young children and their

families and forming strategic partnerships with service providers, community indicator or evaluation efforts, and experts working to improve the wellbeing of young children.

4. Source of Information

The Commission has become a valued resource for information on the service needs of young children in Orange County and a conduit through which families can learn about and access services.

5. Fiscal Leveraging

A strategic operating principle is to focus on sustainability and fund leveraging to maximize community resources and sustain programs. Fiscal leveraging is the process of using Proposition 10 funds to match available Federal, State or grant funding. The entitlement to these funds is based on strict requirements, and administrative procedures, and is unique to each funding stream. To access these funds, a Fiscal Leveraging Plan has been developed through interagency cooperation. The Strategic Plan identifies a framework for implementation including resources and processes for developing key policy required for initial and future implementation. Current leveraging strategies include:

- Medi-Cal Administrative Activities (MAA)
- Targeted Case Management (TCM)
- Early and Periodic Screening, Diagnosis and Treatment
- California First 5 Commission Matching Fund Programs
- AmeriCorps/VISTA Service Corp
- Foundation Grants

## List of Appendices

Appendix A: Community Indicators Resource List

Appendix B: Performance Outcome Measurement System (POMS): The Evaluation Framework

Appendix C: Commission Resolution Adopting the Strategic Plan Update

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY**

**RESOLUTION NO. \_\_\_-13-C&FC**

**April 3, 2013**

**A RESOLUTION OF THE CHILDREN AND FAMILIES  
COMMISSION OF ORANGE COUNTY CONFIRMING ITS  
ANNUAL REVIEW OF THE STRATEGIC PLAN**

**WHEREAS**, the Children and Families Act of 1998 requires the Children and Families Commission of Orange County (“Commission”) to adopt and annually review its Strategic Plan in order to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

**WHEREAS**, the Act requires the Commission to conduct a public hearing with respect to its annual review of the Strategic Plan; and

**WHEREAS**, at its meeting of April 3, 2013, the Commission conducted a public hearing and reviewed the following documents prepared and recommended by staff and identified in the staff report for the April 3, 2013 Commission meeting with the Attachment number set forth herein: The Strategic Plan (Attachment 1).

**NOW, THEREFORE BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:**

**Section 1** The Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

**Section 2** The Commission hereby confirms its annual review of the Strategic Plan, exclusive of the Strategic Plan Appendices, which serve only as administrative tools that link to the Performance Outcome Measurement System.

**Section 3** The Clerk of the Commission shall append to this Resolution a copy of the Strategic Plan set forth in Section 2, as Exhibit A (which shall correspond to Attachment 1 of the April 3, 2013 staff report). Exhibit A is hereby fully incorporated as part of this Resolution by this reference and made a part hereof as though fully set forth herein.

**Section 4** **Severability.** If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this resolution or any part thereof. The Commission Board hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one (1) or more subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, or invalid, or ineffective.

**Section 5** The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on April 3, 2013 to wit:

AYES: Commissioners: \_\_\_\_\_

NOES: Commissioner(s): \_\_\_\_\_

EXCUSED: Commissioner(s): \_\_\_\_\_

ABSTAINED: Commissioner(s) \_\_\_\_\_

\_\_\_\_\_  
CHAIR

STATE OF CALIFORNIA    )  
  )  
COUNTY OF ORANGE    )

I, SUSAN NOVAK, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

**IN WITNESS WHEREOF**, I have hereto set my hand and seal.

\_\_\_\_\_  
SUSAN NOVAK  
Clerk of the Commission, Children and Families Commission of  
Orange County, County of Orange, State of California

Resolution No: \_\_-13-C&FC

Agenda Date: April 3, 2013

Item No. \_\_\_\_



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

SUSAN NOVAK, Clerk of the Commission

By: \_\_\_\_\_  
Deputy

**EXHIBIT A TO RESOLUTION OF COMMISSION  
STRATEGIC PLAN (FISCAL YEAR 2013-14 REVIEW)  
(attached)**

# Business Plan for FY 2013/14

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Children & Families  
Commission of Orange County

*April 3, 2013*

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## Executive Summary

The Commission's Strategic Plan is the overall guiding document, several related plans and documents support the implementation of the goals and strategies identified in the Strategic Plan. The Business Plan is primarily an internal document geared to informing the Commissioners on how management will direct and deploy operational resources in the coming year. It is intended to provide insight to other stakeholders, such as funded agencies and collaborative partners, on how the Commission will operate and carry out its mission and goals in the coming Fiscal Year.

The FY 2013/14 Business Plan highlights five operational goals that management and staff have prioritized:

- 1. Continue to Implement the Long Term Financial Plan and Sustainability Strategies** - Consistent with prior practices, the Commission's relies on the Long Term Financial Plan (LTFP) to drive the budget planning process. The LTFP is reviewed, updated, and presented to the Commission prior to consideration of the annual budget. As Proposition 10 tobacco tax revenue continues to decline, program sustainability becomes an increasingly important issue for the Commission-supported programs.
- 2. Monitor and Address Grantee and Catalytic Funding Compliance** - The Commission's contract and administrative staff oversee a total of 201 service agreements with 161 unique agencies processing over 800 invoices annually. Commission staff and consultants engage in a variety of activities annually that safeguarding resources, support and monitor program performance, and identify and manage risk to the Commission.
- 3. Develop Strategies to Reduce/Contain Ongoing Administrative Costs** – Commission policy dictates that administrative costs are limited to 10% of the annual budget. In this past year, management has worked to implement numerous cost reduction strategies to reduce operating costs including lease costs, and staff and consultant resources. This will continue to be a priority for Commission management to develop efficient administrative operations, while ensuring that program and collaborative planning, sustainability efforts and grantee oversight is not diminished or impacted.
- 4. Refine Operational Indicators and Establish a Management Review Process to Evaluate Performance** –Commission staff and management are in the process of developing a set of key performance indicators (KPIs) that will be used to track, review, and evaluate operational performance. It will be informed by the Business Plan and the Performance Outcome Management System (POMS) workplan deliverables.
- 5. Review and Update the Strategic Plan** – The Commission's Strategic Plan has provided an effective framework for Commission's investment since its initial adoption in 2000. As the Commission approaches the 15<sup>th</sup> anniversary of the passage of Prop 10, staff proposes to conduct a community outreach effort to receive feedback and input on the success of the plan implementation and identify areas for expansion or improvement within the plan.

In addition, the Business Plan highlights efforts that staff will undertake in the next fiscal year to support program sustainability, improve program quality, and implement the Commission's policy direction. Section IV provides the specific program priorities that staff will coordinate or lead in FY 2013/14 for each goal area. Examples include our planning work related to obesity and homeless services; evaluation efforts for the Bridges Maternal Child Health Network programs, children's access to health care, the early math investments, and ongoing sustainability efforts for early literacy and clinical services.

## **I. Introduction**

### **A. History and Background**

California voters passed Proposition 10, the California Children and Families First Act (the Act) in 1998. The Act provided for a 50 cent per pack excise tax on cigarettes. The monies collected are restricted to funding parent education, health and early care programs that promote early childhood development from the prenatal stage through age five.

The Act enabled the Board of Supervisors for each county to establish a Commission for its county. On December 15, 1998, the Orange County Board of Supervisors adopted County Ordinance No. 98-18, establishing the Children and Families Commission of Orange County.

In February 2000, the Children and Families Commission of Orange County adopted its first Strategic Plan to become eligible for Proposition 10 tobacco tax revenue allocations. Annual review of the Strategic Plan is required by the Act to maintain the Commission's eligibility to receive Proposition 10 tobacco tax revenue. In July 2005, the Commission adopted an update to the Strategic Plan, which reflected the Commission's new initiatives for children's programs, successful partnerships with other agencies in the community to provide children's services, results of the Commission's efforts to leverage existing community resources to provide additional children's services, and other updated program information.

The key components of the Strategic Plan are the Commission's vision, mission and goals. Collectively, they demonstrate the commitment to support Orange County's children to be healthy and ready to succeed in life and develop in safe supportive and nurturing environments.

***VISION: All children are healthy and ready to learn when they enter school.***

**Mission Statement - Provide leadership, funding and support for programs that achieve the vision that all children are healthy and ready to succeed when they enter school.**

***Healthy Children*** - Ensure the overall physical, social, emotional, and intellectual health of children during the prenatal period through age five.

***Early Learning*** - Provide early care and education opportunities for young children to maximize their potential to succeed in school.

***Strong Families*** - Support and strengthen families in ways that promote good parenting for the optimal development of young children.

***Capacity Building*** - Promote an effective delivery system for child and family services.

## **B. Governance Structure**

The Commission is governed by a nine-member board appointed by the Orange County Board of Supervisors. Six at-large Commissioners are appointed to a two-year term with expertise in health and/or early education and may be reappointed. The remaining three Commissioners are designated by Proposition 10 legislation. In Orange County, this includes a representative of the Board of Supervisors and the department heads of the Health Care and Social Services Agencies.

Consistent with the Proposition 10 enacting legislation, the Commission has established two committees to inform and support the full Commission's decision-making:

- ◆ **Community Advisory Committee** is comprised of experts and community leaders to advise the Commission regarding emerging research and issues pertinent to the health and development of young children. The Committee considers best practices and catalytic investments and provides high quality, strategic advice on priority programs and issues. The restructured Committee began operation in FY 2011/12.
- ◆ **Pediatric Health Services Committee** oversees Commission investments in pediatric health services. In addition, this Committee identifies priority pediatric health needs in Orange County and develops recommended programs to improve children's health.

## **C. Strategic Plan and Annual Business Plan**

Since its inception, the Commission and staff have worked diligently to develop and refine the organizational and operational infrastructure to achieve its stated mission and goals. The three main tools that the Commission relies upon to plan and manage its funding and operations are:

- Strategic Plan
- Long Term Financial Plan
- Annual Business Plan

The graphic below shows how these plans inter-relate and inform Commission decisions.

**Children and Families Commission of Orange County  
Strategic Planning Process**

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While the Commission’s Strategic Plan is the overall guiding document, several related plans and documents support the implementation of the goals and strategies identified in the Strategic Plan. The Business Plan is primarily an internal document geared to informing the Commissioners on how management will direct and deploy operational resources in the coming year. It is intended to provide insight to other stakeholders, such as funded agencies and collaborative partners, on how the Commission will operate and carry out its mission and goals in the coming Fiscal Year.

The Business Plan is an operational document and may be amended and adjusted during the year based on emerging priorities of the Commission that may be identified at the annual planning meeting or subsequent workshops throughout the year.

Two supporting documents include:

- Annual Budget – The Annual Budget is integral to the successful implementation of the Business Plan. Although developed consistent with the Business Plan, it is approved as a separate document.
- POMS Work Plan – The Performance Outcomes Measurement System (POMS) annual work plan is developed annually in furtherance of the Strategic Plan and operational Business Plan. The FY 2013/14 POMS Work Plan was received and approved at the February 2013 Commission meeting.

This Business Plan contains three main components for FY 2013/14:

- Organizational and operational approach – This section describes how the Commission will work in partnership with other organizations and deploy its resources in FY 2013/14.
- Operational goals for FY 2013/14
- Program accomplishments and priorities for each of the four goals: Healthy Children, Early Learning, Strong Families and Capacity Building.

Finally, the Business Plan was developed to ensure responsiveness to requirements of Proposition 10 – The Children and Families Act of 1998 and related statutory policies enacted by the State Legislature. The Business Plan ensures consistency with First 5 California Guidelines for County Commissions. The table on the following page summarizes the statutory and legislative requirements of Proposition 10.

As a public entity, the Commission’s financial management practices are fully compliant with all applicable Generally Accepted Accounting Principles for government and will be updated as the Governmental Accounting Standards Board (GASB) issues any new guidance or reporting requirements. The Governmental Accounting Standards Board issues accounting standards that ensure governmental accounting and reporting is conducted effectively and in the public interest. The Commission manages its financial responsibility in accordance with best practices and relies on the Government Finance Officers Association (GFOA) Financial Management Guide for First 5 Commissions as guidance for all financial policies and procedures.

## Statutory and Legislative Mandates

<b>Proposition 10 – The Children and Families Act of 1998 (H &amp; S Code 130140)</b>	<b>First 5 California Guidelines for County Commissions</b>	<b>Statutory Policies Enacted by State Legislature</b>
<ul style="list-style-type: none"> <li>• Adopt an adequate and complete county strategic plan for the support and improvement of early childhood development within county, as well as for implementation of programs. Minimum requirements contained in H&amp;S Code, section 130140(a)(1)(C)(ii).</li> <li>• At least annually, review county strategic plan and revise the plan as necessary/appropriate.</li> <li>• Conduct at least one public hearing before the plan is adopted, and before any revisions to the plan are adopted.</li> <li>• Submit adopted plans and any subsequent revisions to the State Commission.</li> </ul>	<p>The State will adopt guidelines for an integrated and comprehensive statewide program, define the results to be achieved by the adopted guidelines, and collect and analyze data to measure progress toward attaining such results. According to state level guidelines that have been established, four strategic results should be pursued:</p> <ol style="list-style-type: none"> <li>1. Improved Child Health: Healthy Children</li> <li>2. Improved Child Development: Children Learning and Ready for School</li> <li>3. Improved Family Functioning: Strong Families</li> <li>4. Improved Systems: Integrated, Consumer-Oriented, Accessible Services</li> </ol> <p>These four strategic results served as the initial basis for strategic plans developed at both the state and county levels.</p>	<ul style="list-style-type: none"> <li>• <b>AB 109</b> (Chapter 284, Statutes of 2005) - requires county commissions to adopt policies on employee salaries and benefits, conflict of interest, procurement and contracting, and define the percent of the commission’s operating budget that may be spent on administrative functions.</li> <li>• <b>AB 2932</b> (Chapter 111, Statutes of 2006) specifies the conflict of interest and contracting/procurement statutes with which commission policies must comply.</li> <li>• <b>SB 35</b> (Chapter 243, Statutes of 2005) requires every commission to be audited to determine whether it has adopted the required policies and is applying them appropriately, is adhering to the county ordinance that established it, is operating consistently with its strategic plan, and has a long-range financial plan. This “expanded audit” must also indicate the commission's financial condition, the amount it expends on evaluation, and the documented results of that evaluation.</li> </ul>

## II. ORGANIZATIONAL AND OPERATIONAL APPROACH

### A. Operating Model

Commission staff employ a collaborative, dynamic model to execute the policy direction provided by the Commission. Staff work collaboratively with other public and private agencies to accomplish the Strategic Plan and regularly participates in planning and evaluation efforts to insure that Commission's strategies are informed by a robust evaluation, lessons learned from partners in the community, and emerging knowledge around child development. The collaborative model, as outlined below, allows the Commission to keep abreast of local, statewide, and national issues and trends as well proactively address long-term sustainability challenges for programs and grantees.

**Innovative Sustainability Strategies** - Since its inception, the Commission has been deliberate and intentional to ensure that effective, proven strategies that have been created through the Commission's funding are sustained beyond the cycle of direct funding. Examples of these strategies include the following:

- Transitioning an increasing portion of funding portfolio from sustaining to catalytic investments.
- Pursuing federal and state leveraging opportunities such as Medi-Cal Administrative Activities (MAA), Targeted Case Management (TCM), Early and Periodic Screening, Diagnosis and Treatment (EPSDT) and AmeriCorps/AmeriCorps VISTA. Since inception, for example, the Commission and funded programs have increased local budgets by close to \$42 million through the leverage of Commission dollars with federal programs such as: MAA, TCM, EPSDT.
- Ensuring that the organizations that receive Commission grants are fiscally and administratively sound. Fund development, business planning, and sustainability efforts are supported through technical assistance offered to grantees.

In the last year, the Commission has worked to transition its portfolio from sustaining to catalytic funding. Catalytic investments are one-time funding investments, which achieve one or more of the following outcomes: 1) reduce or eliminate ongoing funding allocations from the Commission; 2) innovative, high-impact projects that yield multi-year services with no additional funding from the Commission; or 3) provide the necessary infrastructure or start-up funding to allow for sustainability through external funding sources. Some of the most significant catalytic investments to date include allocations to emergency shelter, services to children with autism, early literacy, community clinics, Pretend City (healthy child development), and oral health.

**Public/Private Partnerships** - The Commission is increasingly working to bring together public and private philanthropy to support the health and development of young children. This partnership strategy was most recently exemplified by the \$7 million match to the Commission's investment in autism. Additionally, the Commission has been very successful in developing partnerships with the Early Literacy Program. The Commission funds the Early Literacy Program (ELP) that supports the implementation of early literacy activities throughout the County including Reach Out and Read, Raising a Reader, and Read for the Record. The ELP has

received grants to support the program from various foundations and community organizations. The Commission collaborated with the Samueli Foundation as co-founders of the OC STEM Initiative to promote STEM (Science, Technology, Engineering and Math) education. The Initiative is supported by over 13 community and business foundations that are committed to improving STEM education, and ensuring students are college and career ready in the STEM fields.

**Participation in National Networks Related to Innovative Programs** – It has been the Commission’s belief that the successful programs developed and implemented in Orange County serve as a model that can be brought to scale at the state and/or national level. Participation in these national networks benefits both our funding strategies and the broader national landscape of funders working to improve child outcomes. One example has been the Commission’s selection to participate in the national “Children’s Outcome Project” learning community that promotes multi-sector, place-based initiatives on behalf of children. Sponsored by the Nemours Foundation, The California Endowment, and an anonymous donor, the select state and local teams, along with national program experts, share their work to improve the health and well-being of children and inform federal policy to better support this work. Implementation of the Partnership for Children’s Health catalytic strategy will directly benefit from our participation and recognition in national networks.

**Local and Regional Funding Collaboratives** – The Commission also participates in and helped launch several local and regional efforts with other grant makers to develop joint matching fund opportunities and sharing of best practices. The Commission participates in several local planning and evaluation groups including OC Funders Roundtable, Health Funders Partnership, and the OC STEM Initiative. Working with the County, the Commission participates in The Orange County Children’s Partnership, made up of public agencies and representative community agencies, focused on common goals related to improving the conditions of Orange County’s children, and the Ten Year Board to End Homelessness. The Commission has also been an active participant on the Blue Ribbon Commission on Children in Foster Care with the Superior Court and other local initiatives with the Health Care Agency and Social Services Agency.

**Strategic Communications** – Generating national, regional and local support for Commission investments requires a proactive strategy to inform policymakers, local funders, and the public about the impact of Commission investments on the lives of children and families in Orange County. Through a combination of staff and professional services, the communication services focus on three strategies:

*Community Partnerships*

Develop and maintain relationships and support with key organizations, local elected officials, and community leaders. Provides information on the programs supported by the Orange County Commission and the impact of the programs to the overall health and education to young children and families. The objective is to create a broad awareness among Orange County leaders regarding the programs and services funded with local Proposition 10 revenues.

### *Public Awareness*

Manage and promote events and activities supported by the Commission, such as the *Essentials for Young Lives* donation drive that promotes public awareness of the partnership with HomeAid Orange County. The objective is to broaden the base of support for critical programs through additional direct funding support, individual donations and in-kind corporate support. A key focus of the current fiscal year and next year is awareness of the center for Autism and Neurodevelopmental Disorders.

### *Legislative Outreach*

Outreach activities with the Orange County State Legislative Delegation both in Sacramento and at the local district offices, including activities related to the State Budget or other legislative actions that may have a potential impact to Proposition 10. Legislative outreach also includes informational briefings and site visits to Commission funded programs. The objective is to protect local funding and decision making to Proposition 10 investments.

## **B. Organizational Approach**

Three operating principles have guided the Commission's organizational structure and budget planning since its inception:

- ◆ *Maintain a core internal staff of limited size, made up of experienced and dedicated personnel.* This structure is intended to be flexible and responsive to issues and challenges as they arise and change overtime.
- ◆ *Leverage consultants to provide specialized technical expertise to the Commission and assist with implementation of certain programs.* Three types of consultants are engaged to support the Commission operations:
  - Project managers –supplement staff and assist in reviewing funded programs for compliance with approved scope of work, budget and all Commission contract requirements.
  - Special technical consultants - provide short-term or one-time needed expertise on a particular matter before the Commission.
  - Professional services consultants - provide financial planning, strategic communications, administrative, and legal counsel services.
- ◆ *Utilize County Support and Fiscal Services as needed.* The Commission has a standing agreement with the County of Orange whereby the County provides critical, required services such as treasury/investment management, general accounting, purchasing, risk management, information technology, and other support services. The agreement with the County Health Care Agency provides for a full-time evaluation manager dedicated to the Commission.

The Commission also has the ability to use other County staff resources, as needed, on a fee-for-service basis to supplement workload peaks and balance the availability of the core internal staff. In FY 2013/14, for example, the Commission will be working with the County Human Resources Department to provide technical support and review of related processes and procedures.

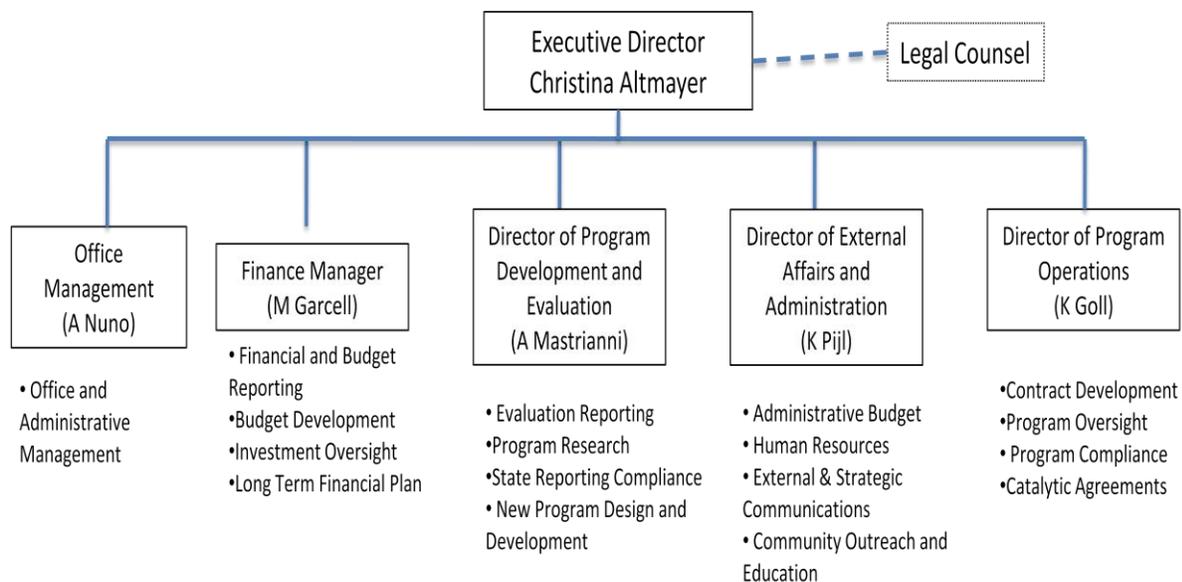
The Commission’s organization chart included in this document presents the proposed organization for Commission staff. The proposed staffing plan for FY 2013/14 includes:

- ◆ Twelve regular staff positions. This is a net reduction of two positions from the FY 2012/13 approved budget.
- ◆ One dedicated staff person on loan from HCA (Evaluation Manager).

Extra help and limited term positions will be used to support core staff and address peaks in workload requirements, as needed. These positions are not included on the organization chart. The proposed FY 2013/14 Administrative Budget includes a reduction in professional service contracts.

The FY 2013/14 proposed budget continues the trend in the reduction of staff and consultant support. Since FY 2009/10, total staffing has decreased by approximately 24 percent. Overall, consulting support has decreased by 21 percent from the FY 2011/12 Approved Budget to the FY 2013/14 Proposed Budget. Specifically within administrative services, consulting support has declined by 37 percent from the FY 2011/12 Approved Budget to FY 2013/14 Proposed Budget.

While the Commission’s total program budget has declined, catalytic funding has created a new demand on staff resources. Additionally, the reduction in staff and consulting report has required management and staff to increase their scope of responsibilities. Ongoing work has continued and the management team members have increased their scope of responsibilities and expectations. The Executive Director will be reviewing compensation in light of these expanded responsibilities and functions and will make adjustments as appropriate, within budgetary limits.



### III. FY 2013/14 OPERATIONAL GOALS

This section describes staff's operational goals for FY 2013/14. While the Strategic Plan defines the programmatic and outcome goals for the Commission's funding and investments to improve the lives of children and families, the Business Plan specifically relates to how staff will work in partnership with grantees and other funding partners to execute the mission. Annually, Commission management refines and updates its operational goals. In Section IV, staff identifies the specific program priorities that will be undertaken or led by staff in for each of the programmatic goals. The six operational goals outlined provide a framework for the program priorities; each program priority relates to accomplishment of one or more of the operational goals.

For FY 2013/14, the management team has identified five operational goals:

#### **1. Continue to Implement Long Term Financial Plan and Sustainability Strategies -**

The Long Term Financial Plan (LTFP) has been used by the Commission over the past 12 years as a tool to balance the projected declines of Proposition 10 revenues with the needs sustainable program funding. While no specific funding decisions or allocations are included in the LTFP, it is used to monitor and predict revenue trends and program funding over a 10-year period. The Long Term Financial Plan has evolved over the past several years to incorporate the Commission's increased funding in catalytic projects as recommended by the Bridgespan Group assessment. Consistent with prior practices, the Commission's relies on the LTFP to drive the budget planning process. The LTFP is reviewed, updated, and presented to the Commission prior to consideration of the annual budget.

As Proposition 10 tobacco tax revenue continues to decline, program sustainability becomes an increasingly important issue for the Commission-supported programs. Key to the Commission's capacity to adhere to the LTFP strategies is to aggressively pursue sustainability strategies with our grantees. Multiple efforts will continue to be taken in FY 2013/14 including:

- Implementation of catalytic funding strategies
- Pursuing match funds with foundations and other funding partners
- Supporting grantees in developing technical capacity for federal and/or state reimbursement of services.

#### **2. Monitor and Address Grantee and Catalytic Funding Compliance -**

The Commission's contract and administrative staff oversees a total of 201 service agreements with 161 unique agencies processing over 800 invoices annually. Commission staff and consultants engage in a variety of activities annually that safeguard resources, support and monitor program performance, and identify and manage risk to the Commission. The intent is to ensure the Commission's programmatic goals are achieved through a variety of Contract Management processes that provide programmatic oversight and support for the agencies that provide the direct services.

In addition to standard grant agreements, the Commission has entered into multiple catalytic agreements with unique provisions related to long-term services provisions and catalytic funding. Contracts staff has absorbed this additional workload and has tailored our general monitoring

and compliance to meet the unique requirements of catalytic agreements. Key aspects of the compliance monitoring oversight includes the following:

- Program Lead Oversight A Program Lead reviews project progress toward meeting work plan and scope of work objectives.
- Contract Administrator Monitoring The Contract Administrator monitors overall compliance with the terms and conditions of the contract and processes invoices for payment based on project progress.
- Risk Assessment Staff or consultant performs a risk assessment. The risk assessment includes a document review and/or discussions with the organization's management.
- End-of-Contract Audit Grantees are required to submit a fiscal audit performed by a Certified Public Accountant (CPA) for each contract within 60-days of the termination date of the contract.

The activities listed above are managed by the Compliance Team, which consists of management members. Additional participants may include members assigned by the Commission's Executive Director. The Team meets regularly to review the work plan for each of these activities, the tools used, the results, evaluates and prioritizes areas of risk, and determines next steps as appropriate.

**3. Develop Strategies to Reduce/Contain Ongoing Administrative Costs** – Commission policy dictates that administrative costs are limited to 10 percent of the annual budget. In this past year, management has worked to implement numerous cost reduction strategies to reduce operating costs including lease costs, and staff and consultant resources. This will continue to be a priority for Commission management to develop an efficient administrative operations, while ensuring that program and collaborative planning, sustainability efforts and grantee oversight is not diminished or impacted.

Three strategies have been employed in the current year and will continue to be implemented in FY 2013/14:

- Implement staff and consultant reductions as feasible and prudent - Total staffing was reduced by one position during FY 2012/13 to control administrative costs in the current year as well as FY 2013/14 and beyond. Consultant contracts were also reduced in FY 2012/13 while maintaining the service levels necessary to support Commission programs and priorities. Staff will continue to use consulting services along with services provided by the County of Orange in an efficient and cost effective manner to support the Commission without adding staff positions
- Reduce office space and leasing costs - Office lease options will be explored by staff to either reduce the monthly rate at the current space or explore opportunities to reduce office space by renegotiating the lease or possible relocation.
- Appropriately cost staff time to program, administration and evaluation – Historically, Commission staff costs, regardless of function or duties were billed 100 percent to administrative costs (with the exception of evaluation). As staffing and consultants are reduced, staff has assumed more direct program management duties and responsibilities. In FY 2013/14, a portion of staff costs will be allocated to programs for which they have direct management responsibilities. This cost assignment is consistent with the GFOA

Financial Management Guide and statutory requirements is based on verifiable time studies conducted by staff.

Time studies, direct charges, and job coding will be used to properly allocate salary and benefit costs in FY 2013/14. In FY 2012/13, certain Commission staff conducted time studies to determine personnel costs readily assignable to specific programs. The time study will continue to occur annually covering two pay periods. The allocation percentages resulting from the time study will provide a basis the following year to charge personnel time to specific programs. Staff positions to be included in the time study for FY 2013-14 include the Director of External Affairs, Director of Program Development and Evaluation, and the Director of Program Operations. Given the reduction in staff and consultant resources, managers have assumed increasing responsibility for direct program management. The FY 2013/14 proposed budget assumes a portion of staff costs are directly billed to programs. Additional staff costs will be directly billed to programs based on job duties and responsibilities, consistent with the First 5 Financial Management Guide, including contracts staff.

The Commission relies on the First 5 Financial Management Guide, developed as a compendium of best practices in financial management for all county commissions by the Government Finance Officers Association (GFOA), to guide its financial operations, reporting and related practices. The Financial Management Guide identifies three types of cost as defined in the following table: administrative, program and evaluation costs. The Definition of Costs, per the GFOA Financial Management will be used for all cost determinations and is included as an appendix to this report.

**4. Refine Operational Indicators and Establish a Management Review Process to Evaluate Performance** – Commission staff and management are in the process of developing a set of key performance indicators (KPIs) that will be used to track to review and evaluate operational performance. It will be informed by the Business Plan and the Performance Outcome Management System (POMS) workplan deliverables. These KPIs will be reviewed regularly by management to ensure that performance is meeting target and will address such issues as:

- Financial management
- Grantee compliance and reporting
- Data collection and evaluation
- Completion of business plan targets

**5. Review and Update the Strategic Plan** – The Commission’s Strategic Plan has provided an effective framework for Commission’s investment since its initial adoption in 2000. As the Commission approaches the 15<sup>th</sup> anniversary of the passage of Proposition 10, staff proposes to conduct a community outreach effort to receive feedback and input on the success of the plan implementation and identify areas for expansion or improvement within the plan. This will provide an opportunity to evaluate areas of progress, areas for further improvement, and opportunities for future collaboration. Management does not anticipate a major revision of the Plan, rather, it will be an opportunity to support ongoing community engagement on the work of

the Commission. This update will also inform the funding renewal actions that will be considered by the Commission in FY 2013/14. Most of the currently funded programs, excluding catalytic investments, are set to expire June 30, 2014. This review and renewal evaluations is reflected in the Program Work Plan presented in the next section.

#### **IV. Accomplishments and Work Plan by Programmatic Goal**

The Proposed Work Plan addresses the major actions for staff to pursue during the coming fiscal year. The framework for presenting the annual Work Plan is structured around four goals contained in Commission's Strategic Plan. It does not repeat the programmatic goals as presented in the Strategic Plan, rather, the Work Plan outlines staffs' program management and quality improvement initiatives to achieve the targeted outcomes. This approach will continue to provide a connection between the Commission's Strategic Plan goals, accomplishments, and the proposed Work Plan.

Accomplishments and program priorities are presented in the matrix that follows for:

- Healthy Children
- Early Learning
- Strong Families
- Capacity Building

## FY 2012/13 Accomplishments and FY 2013/14 Work Plan by Goal

**Goal: Healthy Children – *Ensure the overall physical, social, emotional and intellectual health of children during the prenatal period through age five.***

FY 2012/13 Priorities	FY 2012/13 Accomplishments	FY 2013/14 Priorities
<p><b>Bridges Maternal Child Health Network</b></p> <ul style="list-style-type: none"> <li>Effectively implement client information management system across Bridges Network providers to promote electronic referrals, paperless data systems, and electronic TCM billing.</li> <li>Implement study to assess the effectiveness of the redesigned Bridges Network program in achieving strong child outcomes.</li> </ul>	<p>Activities to enhance the Network information system included upgrades to the home visitation evidence-based reporting, ability for hospitals to report external referrals, Targeted Case Management (TCM) reporting/supervision upgrades and the development of ability for hospitals to refer patients to two providers.</p> <p>Evaluation questions related to program redesign features were developed including prenatal kit distribution, electronic technology, evidence-based home visitation practices, closing health access program gaps, role of centralized program management and Network identification. The Bridges Maternal Child Health Network Evaluation Report is targeted to be completed in September 2013.</p>	<ul style="list-style-type: none"> <li>Conduct and implement findings from Bridges Maternal Child Health evaluation, as authorized by the Commission.</li> </ul>
<p><b>Pediatric Health Services</b></p> <ul style="list-style-type: none"> <li>Support adoption of The Center for Autism and Neurodevelopmental Programs Business Plan catalytic project</li> </ul>	<p>In June 2012, the Commission’s one-time challenge grant of up to \$7 million was matched by The Thompson Family Foundation to accelerate the creation of a comprehensive center focused on assessment, diagnosis, and treatment for children with autism spectrum disorder, including community, provider and family education. Significant milestones accomplished in this reporting period include new physician and other technical and supportive staffing positions have been created, recruited and hired and the location for the new clinic facility is being identified.</p>	<ul style="list-style-type: none"> <li>Ensure full implementation of the Center for Autism and Neurodevelopmental Programs expansion including statewide and national recognition of the public private partnership and core components of discover, teach, heal and community.</li> <li>Implement components of the Orange County Vision Plan developed through a community collaborative process to ensure that all young children have access to vision screenings and linkages to appropriate tertiary services.</li> <li>Implement the CUIDAR / Child Behavior Pathways sustainability plan recommendations.</li> </ul>

<p><b>School Readiness Nurses</b></p> <ul style="list-style-type: none"> <li>• Outreach to children within the community including teen mother programs, homeless children and families, and local private and faith-based preschools.</li> </ul>	<p>Health Fairs, clinics, and outreach to local preschools have enabled the nurses to provide valuable resources and support to families and children in need. For example, in Santa Ana, over 600 teen mothers are enrolled in a program to support their ability to graduate from High School. The School Nurse assists the mothers in meeting the parenting needs related to the healthy development of their children. School Nurses have served as resources for the Homeless Prevention projects providing developmental screening as well as other screening resources</p>	<ul style="list-style-type: none"> <li>• Ensure school nurses are represented in Vision Screening Project planning to leverage this community resource and develop an integrated plan.</li> </ul>
<p><b>Health Access and Education</b></p>	<p>Provided leadership on the Children’s Health Initiative’s Advisory Board.</p>	<ul style="list-style-type: none"> <li>• Support the transition from Healthy Families to MediCal and implementation of Affordable Care Act in relation to children. Specifically monitoring access and utilization challenges including developmental screening, oral health, vision screening, early childhood mental health, and services for at risk populations.</li> </ul>
<p><b>Community Clinics</b></p>	<p>Completed initial stages of Community Clinic Catalytic investments including submitting for Electronic Medical Records Meaningful use, self evaluations for patient center health home accreditations, Federal qualified health center and Look Alike applications completed, and business practice revenue enhancements.</p>	<ul style="list-style-type: none"> <li>• Complete implementation of the Catalytic funding with goal of increasing community clinics capacity to draw on other state and federal funding sources and become self sustaining.</li> </ul>
<p><b>Fitness and Nutrition</b></p>	<p>Participate in countywide planning efforts and provided technical expertise to commission grantees</p>	<ul style="list-style-type: none"> <li>• Develop a obesity prevention strategy for the Commission that leverages the catalytic funding, is informed by promising practices and that leverages other community resources.</li> </ul>
<p><b>Children’s Dental</b></p>	<p>Successful transition to catalytic agreement and begin planning for service expansion.</p>	<ul style="list-style-type: none"> <li>• In collaboration with community stakeholders and Healthy Smiles develop a public education campaign for pediatric oral health.</li> <li>• In partnership with Healthy Smiles Develop service expansion plan for south county.</li> </ul>

**Goal: Early Learning – Provide early care and education opportunities for young children to maximize their potential to succeed in school.**

FY 2012/13 Priorities	FY 2012/13 Accomplishments	FY 2013/14 Priorities
<p><b>Early Learning Specialists</b></p> <ul style="list-style-type: none"> <li>Expand the Learning Link Program.</li> <li>Expand the implementation of the Early Developmental Index (EDI) program.</li> </ul>	<ul style="list-style-type: none"> <li>Expanded the Learning Link Program to over 30 new sites on school district campuses and one site at MOMS Orange County.</li> <li>Implemented EDI at 18 school districts.</li> </ul>	<ul style="list-style-type: none"> <li>Support early STEM (Science, Technology, Engineering, and Mathematics) training programs for the Early Learning Specialists and expand the quality and quantity of early STEM programs to young children.</li> <li>Expand the Learning Link Program and parent-child early learning opportunities to elementary school sites.</li> <li>Expand the implementation of EDI.</li> </ul>
<p><b>Community Based Early Learning Programs- Early Literacy Program</b></p> <ul style="list-style-type: none"> <li>Implement Read for the Record, Reach Out and Read, Raising a Readers, Book Bank, Early STEM programs.</li> </ul>	<ul style="list-style-type: none"> <li>Allocated catalytic funding of \$5 million to THINK Together to sustain and build countywide early literacy programs over the next 10 years and to expand early math as programs.</li> </ul>	<ul style="list-style-type: none"> <li>Implement countywide early literacy and STEM programs.</li> <li>Establish an Early Literacy Initiative fund development program to support the implementation and sustainability of the early literacy programs.</li> <li>Convene an early STEM training conference.</li> </ul>
<p><b>Community Based Early Learning Programs:</b></p> <ul style="list-style-type: none"> <li>Train and support para-professionals to serve children with speech and language delays.</li> <li>Complete MIND Research Institute Early Math Program.</li> <li>Increase quality programming of licensed family child care providers.</li> </ul>	<ul style="list-style-type: none"> <li>Providence Speech and Hearing trained supported para-professionals to serve children with speech and language delays.</li> <li>Completed the MIND Research Institute Early Math Program.</li> <li>Children’s Home Society increased the knowledge and quality programming of licensed family child care providers and increased parent engagement in their child’s school readiness.</li> </ul>	<ul style="list-style-type: none"> <li>Establish on-line training for the <i>Building Blocks of Communication</i> speech and language program.</li> <li>Implement the MIND Research Institute Early Math Program at 10 new school sites.</li> <li>Increase quality programming of licensed family child care providers.</li> </ul>
<p><b>CARES Plus/Child Signature Program</b></p> <ul style="list-style-type: none"> <li>Collaborate with local Race to the Top/Quality Improvement System program to align with implementation of second year of CARES Plus and support quality improvement in early education settings.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented CARES Plus and the Child Signature in conjunction with the Orange County Department of Education led Race to the Top (RTT) grant. RTT provides the three to one match required for implementation of CARES Plus.</li> </ul>	<ul style="list-style-type: none"> <li>Subject to Commission approval, implement CARES plus program as directed, and in compliance with the program as funded by First 5 California.</li> </ul>

**Goal: Strong Families - Support and strengthen families in ways that promote good parenting for the optimal development of young children.**

FY 2012/13 Priorities	FY 2012/13 Accomplishments	FY 2013/14 Priorities
<p><b>Family Support Services –</b> Support the further implementation of the Developmental and Behavioral Pathways Planning Group recommendations.</p>	<ul style="list-style-type: none"> <li>Served as a member of the Statewide Screening Collaborative for the purpose to improve coordination among state agencies and programs involved in early developmental screening and referral. The Screening Collaborative and Orange and Alameda County Commissions developed an application for a California Help Me Grow replication site. The project was selected. Implementation efforts included issuing a request to participate for California counties. Eighteen counties now participate in a learning community that included one statewide conference and site visits to the Orange, Alameda and Fresno Help Me Grow programs.</li> </ul>	<ul style="list-style-type: none"> <li>Implement Partnership for Children’s Health strategy to attract national foundation and federal grants for Commission programs and initiatives.</li> <li>Review implementation of the three Prevention Services Project strategies (Emergency Intervention Services Program, Community-Strengthening in a Place-Based Model in Anaheim, and the Neighbor to Neighbor Program) to ensure that they have been developed to support the sustainability of prevention and child welfare programs and shift towards a more comprehensive delivery system; develop recommendations for remaining project funds if furtherance of the project purpose. Implement community strategies in conjunction with new Social Services Agency Chief Medical Officer position.</li> </ul>
<p><b>Homeless Prevention-</b> Expand emergency shelter beds for pregnant women and families with children ages 0-5</p> <p>Support the implementation of the County’s 10 Year Plan to End Homelessness</p>	<ul style="list-style-type: none"> <li>Provided funding and technical assistance to Casa Teresa who successfully opened a 20 bed emergency shelter for pregnant women.</li> <li>Served on the Commission to End Homelessness participated in implementing groups focused on coordinated intake, emergency and transition shelter, and data.</li> </ul>	<ul style="list-style-type: none"> <li>Lead countywide planning efforts to implement coordinated intake system for homeless families with children ages 5 or younger.</li> <li>Collaborate with HomeAid Orange County on the selection of emergency shelter providers and the identification of projects for the Commission’s catalytic emergency shelter funding.</li> </ul>

**Goal: Capacity Building - Promote an effective delivery system for child and family services.**

FY 2012/13 Priorities	FY 2012/13 Accomplishments	FY 2013/14 Priorities
<b>AmeriCorp/ VISTA</b>	Implemented statewide VISTA program and completed single audit with no findings	<ul style="list-style-type: none"> <li>• Complete feasibility study of VISTA program and initiate transition to community partner.</li> </ul>
<b>Performance Outcome Measurement System (POMS) – Implement POMS work plan.</b>	The “ <i>Performance Outcome Measurement System Annual Report for 2012</i> ”, submitted to the Commission January 2, 2013, describes each of the major projects of the POMS Team and the progress made in 2012. The report summarized evaluation activities including Commission-wide and initiative specific evaluations, development of accountability and community-wide data, and participation on work groups to share best practices and evaluation results.	<ul style="list-style-type: none"> <li>• Implement the evaluation plan as approved by the Commission in February 2013. Three priorities in coming year include to: elevate the data that is collected to better inform decision-making, build an evaluation resource that can support and enhance local, statewide and national funding partnerships, and to ensure judicious and efficient collection of data.</li> </ul>
<b>Fund Development</b>	Wrote 142 grant applications on behalf of Commission Grantees, secured \$130,000 with \$3,451,815 still pending.	<ul style="list-style-type: none"> <li>• Refine Commission grantee selection process for grant writing support and continue to achieve targeted return on Investment.</li> </ul>
<b>Capacity Building Grants</b>	Implemented request for application cycle, entered into agreements with 27 awardees.	<ul style="list-style-type: none"> <li>• As approved by the Commission, administer a request for application cycle using allocated catalytic funds and begin agreement development.</li> </ul>
<b>Fiscal Leveraging – Release reimbursements to participating grantees.</b>	During FY12/13, reimbursements released to participating providers included \$555,600 for Medi-Cal Administrative Activities (MAA), \$1,040,000 for Targeted Case Management (TCM) and \$220,000 related to Commission staff. This year, the Boys and Girls Club of Garden Grove, Mission Hospital, Help Me Grow and the CHOC/UCI Center for Autism and Neurodevelopmental Disorders of Southern California are being added as additional MAA claiming units. EPSDT revenue generated by the 3 participating agencies is estimated at \$1,883,000.	<ul style="list-style-type: none"> <li>• Implement fiscal leveraging strategies to maximize the potential for reimbursement and reinvest into Commission funded programs to lessen impact of reductions to health access programs.</li> <li>• It is anticipated that the Department of Health Care Services will release new program policies that will require program processes to be updated and that related grantee training takes place.</li> </ul>

## APPENDIX

### Definition of Costs

First 5 Association of California, Financial Management Guide, 3<sup>rd</sup> Edition 2010

ADMINISTRATIVE COST	PROGRAM COST	EVALUATION COST
Costs incurred in support of the general management and administration of a First 5 commission, for a common or joint purpose that benefits more than one cost objective (other than evaluation activities), and/or those costs not readily assignable to a specifically benefited cost objective.	Costs incurred by local First 5 commissions readily assignable to a program, grantee, contractor, or service provider (other than evaluation activities) and/or in the execution of direct service provision.	Costs incurred by local First 5 commissions in the evaluation of funded programs based upon their accountability framework and data collection and evaluation for required reporting to state and local stakeholders.
General accounting/financial reporting	Direct services	Evaluation
Local annual reporting activities	Program outreach and education	Evaluation technical assistance
Financial planning	Program planning	Evaluation database
Commission/association meetings and travel	Program grants and contracts	Travel and training related to evaluation
Payroll/benefits	Program/provider technical assistance and support (formerly Quality Assurance)	
Human resources services	Program database management	
Other Costs: Legal services/consulting Contract compliance Audit Strategic planning Procurement Rent and building maintenance		

**Children and Families Commission of Orange County**  
**FY 12/13 Amended Operating Budget and FY 13/14 Proposed Budget**

	<u>FY 12/13</u> <u>Amended Budget</u>	<u>FY 13/14</u> <u>Proposed Budget</u>	<u>% Variance</u>
<b><u>FINANCING</u></b>			
<b>Prop 10 Tax Allocations</b>	27,971,800	26,894,886	-3.85%
<b>Other Revenues</b>			
Investment Earnings	150,000	150,000	
MAA Revenue	220,000	220,000	
ARRA Health Research Grant	237,056	237,056	
CARES Plus Program Revenue	320,000		
First 5 Child Signature Program	105,000	105,000	
AmeriCorps VISTA Program Revenue	423,070		
AmeriCorps VISTA Program Partner Revenue	90,000		
Cal Optima Reimbursement	53,000		
	<b>\$ 29,569,926</b>	<b>\$ 27,606,942</b>	-6.64%
<b><u>PROGRAM SERVICES</u></b>			
<b>Healthy Children</b>			
Bridges: Maternal Child Health Network	6,881,000	6,495,000	-5.61%
Health Access and Education	603,000	572,995	
Community Clinics	3,300,000	2,005,000	-39.24%
Fitness/Nutrition	93,394	10,000	-89.29%
Children's Dental	-	-	
Pediatric Health Services	4,600,000	4,260,750	
School Readiness Nursing	3,020,000	2,987,000	
Healthy Children Program Support	-	209,535	
Healthy Children subtotal	<b>\$ 18,497,394</b>	<b>\$ 16,540,280</b>	-10.58%
<b>Strong Families</b>			
Family Support Services	655,000	703,000	
Homeless Prevention	2,889,500	2,175,000	-24.73%
Strong Families Program Support	-	94,091	
Strong Families subtotal	<b>\$ 3,544,500</b>	<b>\$ 2,972,091</b>	-16.15%
<b>Early Learning</b>			
Early Learning Specialists	2,485,625	2,485,625	
School District Programs	2,000,000	2,000,000	
CARES Plus Program	310,000	-	
First 5 California Child Signature Program	105,000	105,000	
Community Based Early Learning Programs	1,440,400	1,122,400	-22.08%
Early Learning Program Support	-	78,695	
Early Learning subtotal	<b>\$ 6,341,025</b>	<b>\$ 5,791,720</b>	-8.66%

<b><u>PROGRAM SERVICES continued</u></b>	<b>FY 12/13 Amended Budget</b>	<b>FY 13/14 Proposed Budget</b>	<b>% Variance</b>
<b>Capacity Building</b>			
AmeriCorps/VISTA	1,700,000	1,096,930	-35.47%
AmeriCorps/VISTA Program Support	-	5,196	
Performance Outcomes Management System	963,695	928,631	
Evaluation Program Support	-	47,141	
Technical Assistance	-	45,000	
Capacity Building Grants & Matching Funds	376,660	-	
Capacity Building Support & Fund Development	125,000	125,000	
Capacity Building Program Support	-	47,141	
Capacity Building subtotal	\$ 3,165,355	\$ 2,295,039	-27.50%
<b>Total Program</b>	<b>\$ 31,443,274</b>	<b>\$ 27,599,130</b>	<b>-12.23%</b>
<b>Administrative Functions</b>			
Commission Staffing	1,772,000	1,342,281	
Strategic Communications	205,000	190,000	
Professional and Technical Services	811,512	578,000	
Office, Training & Operating Costs	424,396	414,021	
	<b>\$ 3,212,908</b>	<b>\$ 2,524,302</b>	<b>-21.43%</b>
<b>Total Annual Operating Budget</b>	<b>\$ 34,656,182</b>	<b>\$ 30,123,432</b>	<b>-13.08%</b>
Admin. % of Budget	9.27%	8.38%	

<b>Catalytic Funding: Round 1 &amp; 2</b>	<b>Total Catalytic Allocation</b>	<b>FY 12/13 Amended Budget*</b>	<b>FY 12/13 Anticipated Disbursements</b>	<b>FY 13/14 Proposed Budget*</b>
<b>Round 1 Catalytic Funding</b>				
<b>Health Children Catalytic Funding Disbursements</b>				
Children's Dental Program	20,000,000	20,000,000	1,748,292	
For OC Kids Autism	7,000,000	7,000,000	2,000,000	
<b>Strong Families Catalytic Funding Disbursements</b>				
Healthy Child Developmental Resources	5,500,000	5,500,000	165,000	
Emergency Shelter	6,250,000	6,250,000	6,250,000	
HomeAid and Shelter projects	750,000	750,000	309,408	
<b>Early Learning Catalytic Funding Disbursements</b>				
Early Literacy & Math	5,000,000	5,000,000	5,000,000	
<b>Capacity Building Catalytic Funding Disbursements</b>				
Vista Program Transition	500,000	500,000	25,000	
<b>Round 1 Subtotal</b>	<b>45,000,000</b>	<b>45,000,000</b>	<b>15,497,700</b>	<b>-</b>
<b>Round 2 Catalytic Funding</b>				
<b>Health Children Catalytic Funding Disbursements</b>				
Partnership for Children's Health	3,000,000	3,000,000	75,000	
Fitness/Nutrition	350,000	350,000	-	
Breastfeeding Support	150,000	150,000	10,000	
<b>Strong Families Catalytic Funding Disbursements</b>				
Prevention and Child Welfare Program	500,000	500,000	25,000	
<b>Capacity Building Catalytic Funding Disbursements</b>				
New Program Expansion	1,500,000	1,500,000	1,580,000	
Capital Facility Expansion	2,000,000	2,000,000	1,810,000	
<b>Catalytic Funding pending Commission action</b>				
Pediatric Vision Program**	1,500,000			1,500,000
New Capacity Building**	500,000			500,000
Implementation for Capacity Building Projects**	500,000			500,000
<b>Round 2 Subtotal</b>	<b>10,000,000</b>	<b>7,500,000</b>	<b>3,500,000</b>	<b>2,500,000</b>
<b>Total Catalytic Funding</b>	<b>55,000,000</b>	<b>52,500,000</b>	<b>18,997,700</b>	<b>2,500,000</b>

\* The FY 2012/13 Amended Budget includes \$52.5 million in catalytic funding. Total budgeted catalytic expenditures for FY 2012/13 and FY 2013/14 will be revised once actual current year expenditures are recorded before June 30, 2013.

\*\* No specific funding allocations have been to a program provider. Any program allocations require Commission action.

**CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY**

**RESOLUTION NO. \_\_\_-13-C&FC**

**April 3, 2013**

**A RESOLUTION OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY (1) ADOPTING THE FISCAL YEAR 2013-14 OPERATING BUDGET, AND (2) CONFIRMING A 10% LIMIT ON ADMINISTRATIVE EXPENSES**

**WHEREAS**, the Children and Families Act of 1998 requires the Children and Families Commission of Orange County (“Commission”) to adopt and annually review its Strategic Plan in order to define how funds authorized under the Act and allocated to the Commission should best be used to meet the critical needs of Orange County’s children prenatal to five years of age as codified in the Act; and

**WHEREAS**, the Act requires the Commission to conduct a public hearing with respect to (1) its adoption of an Annual Operating Budget, and (2) adoption of a percentage limitation of its operating budget that may be spent on administrative functions; and

**WHEREAS**, at its meeting of April 3, 2013, the Commission conducted a public hearing and reviewed the following documents prepared and recommended by staff and identified in the staff report for the April 3, 2013 Commission meeting with the Attachment number set forth herein: The Annual Operating Budget for the Fiscal Year 2013-14 (Attachment 4).

**NOW, THEREFORE BE IT RESOLVED BY THE COMMISSIONERS OF THE CHILDREN AND FAMILIES COMMISSION OF ORANGE COUNTY AS FOLLOWS:**

**Section 1** The Commission finds and determines the foregoing Recitals are true and correct and are a substantive part of this Resolution.

**Section 2** The Commission hereby adopts the Annual Operating Budget for Fiscal Year 2013-14.

**Section 3** Pursuant to California Health and Safety Code Section 130140(d)(5), the Commission confirms a 10% of operating budget as the limit that may be expended on administrative functions.

**Section 4** Notwithstanding the approval of the budget, no expenditures from the line item categories for grant funding for Program Services (or any subcategory within such categories) is authorized or may be approved except by subsequent action of the Board of Commissioners; no category is required to be funded at any particular level; no grant funding decisions for individual applicants or types of applicant will be made except in connection with specific grant processes, and no ceiling or floor for such categories is established by this budget.

**Section 5** Approval by the Board of Commissioners is required to increase or decrease the existing total amount of budgeted appropriations, revenues, and/or reserves as adopted by the Board of Commissioners. The Executive Director, or designee, is authorized to transfer existing

budgeted appropriations mid-fiscal year between existing budget categories and accounts in order to pay for required operating expenses. In accordance with the Commission's Budgetary Control policy, the Commission renews its delegation of authority to approve budgetary transfers to the Executive Director for Fiscal Year 2013-14.

**Section 6** The Clerk of the Commission shall append to this Resolution a copy of the Annual Operating Budget for Fiscal Year 2013-14 set forth in Section 2, as Exhibit A (which shall correspond to Attachment 4 of the April 3, 2013 staff report). Exhibit A is hereby fully incorporated as part of this Resolution by this reference and made a part hereof as though fully set forth herein.

**Section 7** Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this resolution or any part thereof. The Commission Board hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one (1) or more subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, or invalid, or ineffective.

**Section 8** The Clerk of the Commission shall certify to the adoption of this Resolution.

The foregoing resolution was passed and adopted by the following vote of the Children and Families Commission of Orange County on April 3, 2013 to wit:

AYES: Commissioners: \_\_\_\_\_

NOES: Commissioner(s): \_\_\_\_\_

EXCUSED: Commissioner(s): \_\_\_\_\_

ABSTAINED: Commissioner(s) \_\_\_\_\_

\_\_\_\_\_  
CHAIR

STATE OF CALIFORNIA    )  
  )  
COUNTY OF ORANGE    )

I, SUSAN NOVAK, Clerk of the Commission of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Commission and that the above and foregoing Resolution was duly and regularly adopted by the Children and Families Commission of Orange County.

**IN WITNESS WHEREOF**, I have hereto set my hand and seal.

\_\_\_\_\_  
SUSAN NOVAK  
Clerk of the Commission, Children and Families Commission of  
Orange County, County of Orange, State of California

Resolution No: \_\_-13-C&FC

Agenda Date: April 3, 2013

Item No. \_\_\_\_



I certify that the foregoing is a true and correct copy of the Resolution adopted by the

SUSAN NOVAK, Clerk of the Commission

By: \_\_\_\_\_  
Deputy

**EXHIBIT A TO RESOLUTION OF COMMISSION  
(ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2013-14)**

**(attached)**

# **Annual Review of Commission Strategic Plan, Business Plan and Budget**

April 3, 2013  
Agenda Item No. 2



Children & Families  
Commission of Orange County

# Agenda Items

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- Public Hearing Annually to:
  - Review Strategic Plan
  - Approve FY 2013/14 Business Plan
  - Approve FY 2013/14 Budget

# Strategic Plan Annual Review

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- No changes proposed for FY 2013/14
- Required for receipt of Prop 10 revenue
- Ensure all children are healthy and ready to succeed
- Achieve vision through four established goals
  - Healthy Children
  - Early Learning
  - Strong Families
  - Capacity Building
- Business Plan Work Plan includes a review and update of the Strategic Plan

# FY 2013/14 Business Plan

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- Five Operational Goals
  - Continue to implement Long Tem Financial Plan and sustainability strategies
  - Monitor and address grantee and catalytic funding priorities
  - Develop strategies to reduce/contain ongoing administrative costs
  - Develop a set of key performance indicators
  - Review and update Strategic Plan
- Operating model
  - Innovative sustainability strategies
  - Public/private partnerships
  - Participation in national networks for innovative programs
  - Local and regional funding collaboratives
  - Strategic communications
- Limited core staff, supplemented with project managers and technical expertise

# FY 2013/14 Business Plan

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- Specific priorities linked to program goals provided in the Work Plan
  - Healthy Children
    - Implement Orange County Vision Plan developed through a community collaborative process
    - Support the transition from Healthy Families to Medi-Cal and implementation of Affordable Care Act including prevention services
    - Implement Partnership for Children’s Health to attract national foundation and federal grants for Commission programs and initiatives
  - Strong Families
    - Collaborate with HomeAid Orange County on the selection of emergency shelter providers and the identification of projects for the Commission’s catalytic emergency shelter funding
  - Early Learning
    - Implement Early STEM programs and training opportunities
    - Establish an Early Literacy Fund Development Program
    - Expand the Learning Link Program
  - Capacity Building
    - Complete feasibility study of VISTA Program and initiate transition to community partner

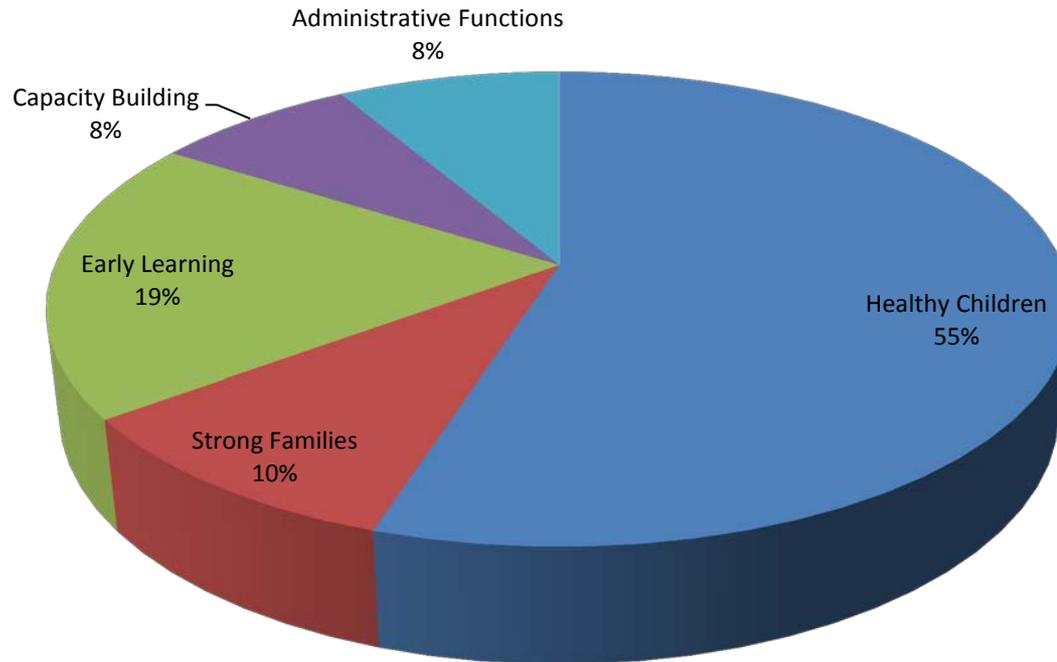
# FY 2013/14 Budget

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- Proposed FY 2013/14
  - Consistent with Long Term Financial Plan
  - Total budget of \$30.1 million compared to \$30.3 million in LTFP
  - Difference due to reductions in admin budget and other program savings, and no reductions from approved Commission funding
- Budget Assumptions
  - 3.85% decline in Prop 10 revenue (based on latest State forecast)
  - Program renewals consistent with Commission action
- Program Budget Highlights
  - Separate operating and catalytic budgets
- Administrative Budget Highlights
  - Maintain 10% cap
  - Direct billing of staff time to programs (as verifiable and appropriate)

# FY 2013/14 Total Budget

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- Healthy Children \$16,540,280

- Early Learning \$5,791,720

- Administrative Functions \$2,524,302

- Strong Families \$2,972,091

- Capacity Building \$2,295,039

# Next Steps

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- Staff will continue to monitor revenue and expenses and provide reports to the Commission
- FY 2012/13 books will close June 30, 2013 with financial statement audit work to begin week of June 17th
- FY 2013/14 Amended Budget to be presented in Fall 2013