

APR 29 2009



Children & Families
Commission of Orange County

**Agenda Item No. 2
May 6, 2009 Meeting**

DATE: April 24, 2009

TO: Children and Families Commission of Orange County

FROM: Michael M. Ruane, Executive Director

SUBJECT: Long-Term Financial Plan – Program Assessment Criteria

SUMMARY:

At your April meeting, your Commission received an update on the Long-Term Financial Plan. This plan identified both known and projected impacts of recent tobacco tax changes and the immediate and long-term impacts of the financial capacity of the Commission to sustain funded services in the community. The previously anticipated annual reduction in Prop 10 revenue, the recent federal tax increase on tobacco tax and the potential impact of the pending Proposition 1D, will significantly impact the financial capacity of the Commission to sustain the current programs that support children and families. Consistent with Commission direction at the April meeting, staff is evaluating the current portfolio of Commission funded programs to provide alternative scenarios in anticipation of the Commission's consideration of potential reductions.

The upcoming assessment will examine programs against key criteria that reflect Commission priorities. Listed below is a detailed explanation of each of these review criteria:

- **Safety Net Programs** – A major program area within the Commission's portfolio is safety net services to children and families most at risk. This includes our homeless prevention services, school nurses, community clinics, pediatric dental services and prenatal services. Safety net services currently comprise about \$12 million of the Commission's annual funding.
- **Programs Dependent on Commission Funding** – The Commission has been innovative in creating programs to address major gaps in community services. For example, the Commission supported the creation of Healthy Smiles for Kids of Orange County in 2004 to address the lack of oral health care treatment, education and prevention services for children under 5. While Healthy Smiles continues to work on its sustainability, the Commission remains a significant source of funding, roughly 45% of their annual budget and loss of Commission funding would jeopardize the organization's capacity to survive. The assessment also would identify similar programs most at risk with the loss of the Commission funding.

- **Bridgespan Strategic Assessment Recommendations-** In summary the Bridgespan Group recommendations focus on those most in need and in targeted communities, looking at ways to optimize programs, and making investments that are catalytic in nature. The Bridgespan recommendations focused on priorities serving the neediest children and directing more resources to children's early learning needs. Staff will analyze the current portfolio with regard to these recommendations to determine: (1) services in high need communities; and (2) services that are focused on supporting early literacy and school readiness.
- **Other Criteria** – Staff will conduct additional reviews of programs from other analytical perspectives based on direction from your Commission. This may include: length of funding, ability to leverage other funds (including federal stimulus funding) and geographical reach.

Commission staff has initiated the assessment process and will provide a report at your next meeting.

STRATEGIC PLAN & FISCAL SUMMARY:

The proposed assessment criteria presented in this staff report have been reviewed in relation to the Commission's Strategic Plan and are consistent with applicable outcome goals.

RECOMMENDED ACTIONS:

1. Receive report.