



**Agenda Item 3  
April 1, 2015**

**DATE:** March 19, 2015

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

**FROM:** Christina Altmayer, Executive Director 

**SUBJECT:** Long-Term Financial Plan and Fiscal Year 2015/16 Budget Assumptions

**ACTION:** Approve Assumptions for Fiscal Year 2015/16 Proposed Budget

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**SUMMARY:**

Proposition 10 and subsequent legislation establish annual fiscal and audit requirements that must be satisfied in order for a county commission to continue to receive its allocation of tax revenues. One requirement is the adoption of an annual budget including assumptions regarding revenue, expenditures and fund balance. This report presents an update on the Long Term Financial Plan and an overview of the financial and operating assumptions that will guide development of the FY 2015/16 annual operating and program budget. The FY 2015/16 updated Strategic Plan, Business and Proposed Budget will be presented to the Commission at the May meeting.

**DISCUSSION:**

The Long-Term Financial Plan has been used by the Children and Families Commission since 2000 as a tool to mitigate the projected decline of Proposition 10 revenues, while providing sustainable program funding. While no specific funding decisions or allocations are included in the Long-Term Financial Plan, it is updated annually and used to monitor and forecast revenue trends and program funding over a 10-year period. The financial plan was last updated and presented to the Commission in December 2014.

**Multi-Year Forecasts and Current-Year Revenue Update**

Orange County Proposition 10 revenue is projected to continue declining, consistent with declining rates of smoking. The Long-Term Financial Plan estimates a 3.50% to 4.00% decline for each year through FY 2023/24. Orange County’s FY 2013/14 actual Proposition 10 revenue was 2.33% below the prior year. The FY 2014/15 Approved Budget assumes a 4.41% decline from the FY 2013/14 actual revenue or \$1.16 million less in tobacco tax revenue at \$25.23 million (see table below).

**Long-Term Financial Plan Revenue Projections**

	FY 2013/14 Actual	FY 2014/15 Budget	Long-Term Financial Plan Projection			
			FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Tobacco Tax Revenue	26,395,725	25,230,800	24,284,600	23,434,639	22,497,253	21,597,363
Year-to-year decline	-2.33%	-4.41%	3.75%	-3.50%	-4.00%	-4.00%

The Commission's FY 2014/15 tobacco tax revenue was \$15.29 million through January 31, 2015. Actual revenue is currently 1.04% below the same period in the prior-year compared to a budgeted decline of 4.41%. Revenue is currently projected to end slightly above budget, but staff will continue to monitor monthly revenue. Adjusting the FY 2014/15 revenue is not recommended at this time based on the first seven months of revenue. Consistent with Commission practice, revenue receipts higher than budgeted will be directed to the Catalytic Fund for future program allocations, unless otherwise directed by your Commission.

### **Fund Balance**

The Long-Term Financial Plans projects fund balance through FY 2023/24. Fund balance is used as a long term commitments account to mitigate declining tobacco tax and provide consistent and sustainable funding levels throughout the ten-year plan. Fund balance is projected to be \$14.1 million on June 30, 2015 excluding funds previously allocated for Catalytic programs. This projection is consistent with the Commission's policy of maintaining 25% of the annual operating budget in reserve.

### **Fiscal Year 2015/16 Program Budget**

The FY 2015/16 Program Budget is consistent with year two of the funding renewal actions approved by the Commission in February 2014. Total program funding was reduced by 25% with the greatest reduction realized in FY 2014/15. Fiscal Year 2015/16 is the second year of the three-year renewals. Given the annual decline in tobacco tax revenue, the Commission directed staff to develop three-year funding renewal recommendations under the direction of Commissioner-led renewal panels. The program renewal strategy approved in February 2014 focused on opportunities for lowering costs based on prior catalytic investments, changes in external funding environment, and achievement of further program efficiencies. The reduction strategy will continue with increased and ongoing efforts to better leverage local, regional, state, and federal opportunities.

### **Fiscal Year 2015/16 Budget Assumptions**

Based on Commission feedback, staff will return at the May meeting with the proposed FY 2015/16 Program and Operating Budget consistent with the requirement that the budget be adopted by June 30<sup>th</sup> of the preceding year. The following list outlines the major assumptions used for budget development, including:

- Revenue - FY 2015/16 tobacco tax revenue is projected to decline by 3.75% from the FY 2014/15 budgeted revenue. Any adjustments to the revenue forecast may occur in October as part of the year-end financial report. Other significant revenue includes anticipated federal and state grants, primarily grants from First 5 California. Revenue from these grants is generally restricted to the specific approved uses of the funds. The budget assumes continued funding from First 5 California at a 50% reduction and discontinuation of the VISTA program, as previously reported.
- Program Budget – The program budget will be consistent with Commission action, specifically program renewal actions approved in February 2014. Staff resources will be charged against the program where consistent with costing accounting policies and as determined by a four-week time survey conducted during the current fiscal year.

- Administration – Administration is limited to 10% of total operating budget, and Commission staff will continue ongoing work to reduce administrative and program management costs. Administrative costs are calculated consistent with government accounting standards and the First 5 Association Financial Management Guide.
- Catalytic Funds - Catalytic expenses are estimated and budgeted for the fiscal year in which they are expensed. Current estimation of Catalytic Round 2 expenses will be included in the scope of the program budget against which administrative costs are calculated, as approved by the Commission in December 2014.
- Fund Balance - Fund balance is required to be maintained at 25% of the FY operating budget throughout the course of the Long Term Financial Plan. The annual draw of long-term commitments account is used as planned to supplement annual revenue decline and sustain program funding. The fund balance is maintained throughout the plan with the exception of the final year in the ten year horizon (FY 2023/24). This will be monitored and adjusted as necessary based on actual revenue and expense experience.

### **FY 2015/16 Strategic Plan and Business Plan Update**

As required by Proposition 10 legislation, the Commission is required to annually review and as necessary update the adopted Strategic Plan. The Commission completed a comprehensive review of the Vision, Mission and Goals in FY 2013/14. Commission staff is now in the process of reviewing and updating the evaluation component of the Strategic Plan which was last updated in 2005. The four goal areas of Healthy Children, Early Learning, Strong Families and Capacity Building are being reviewed and revised, if necessary, by program staff and consultants to reflect the current program portfolio of the Commission and in terms of the desired Goals, Outcomes, Indicators and Objectives to be reported by Commission-funded programs. This update will be included in the May agenda item.

Consistent with the Strategic Plan, the Commission annually approves an operating plan. The Business Plan will reflect the planned work to be undertaken by staff in FY 2015/16. It includes all Proposition 10 mandated work, including activities stipulated in the Proposition 10 legislation and subsequent statutory requirements. The Commission's Business Plan for FY 2015/16 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. A continued focus on the FY 2015/16 will be on developing strategies to sustain Commission's programs and the impact on young children in Orange County.

### **Catalytic Funding Update**

A summary status report on the catalytic funding awards approved at the February and March 2012 Commission meetings is included as Attachment 2. The Commission approved two rounds of allocations for catalytic investments for a total investment of \$54,950,000. The catalytic investments were intended to sustain and grow major Commission initiatives, despite declining revenues, reduce ongoing demand on the Commission budget, and make system impacts with one-time funding. In sum, over 87% of the funding allocated by the Commission has been executed in agreements, 15% is allocated for specific purposes but does not have an executed agreement, and 3% is unallocated (Attachment 2). Attachment 3 includes a narrative progress report on each of the catalytic investments.

**STRATEGIC PLAN & FISCAL SUMMARY:**

The fiscal presentation 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 and outcomes.

**PRIOR COMMISSION ACTIONS:**

- December 2014 - Received the Long-Term Financial Plan and Program Update
- October 2014 - Adopted resolution approving the Fiscal Year 2013/14 Annual Report, Comprehensive Annual Financial Report and Single Audit Report, approved amendments to FY 2014/15 Operating Budget, and adopted resolution approving the Amended Annual Operating Budget for FY 2014/15
- February 2014 - Approved Proposed Funding Renewal Actions for Program Agreements for FY 2014/15 through FY 2016/17

**RECOMMENDED ACTIONS:**

1. Receive Long Term Financial Plan and Catalytic Funding updates and provide direction to staff.
2. Approve assumptions for development of the Proposed FY 2015/16 Budget.

**ATTACHMENTS:**

1. Long-Term Financial Plan and FY 2015/16 Budget Assumptions Presentation
2. Catalytic Funding Summary
3. Status Report on Catalytic Funding

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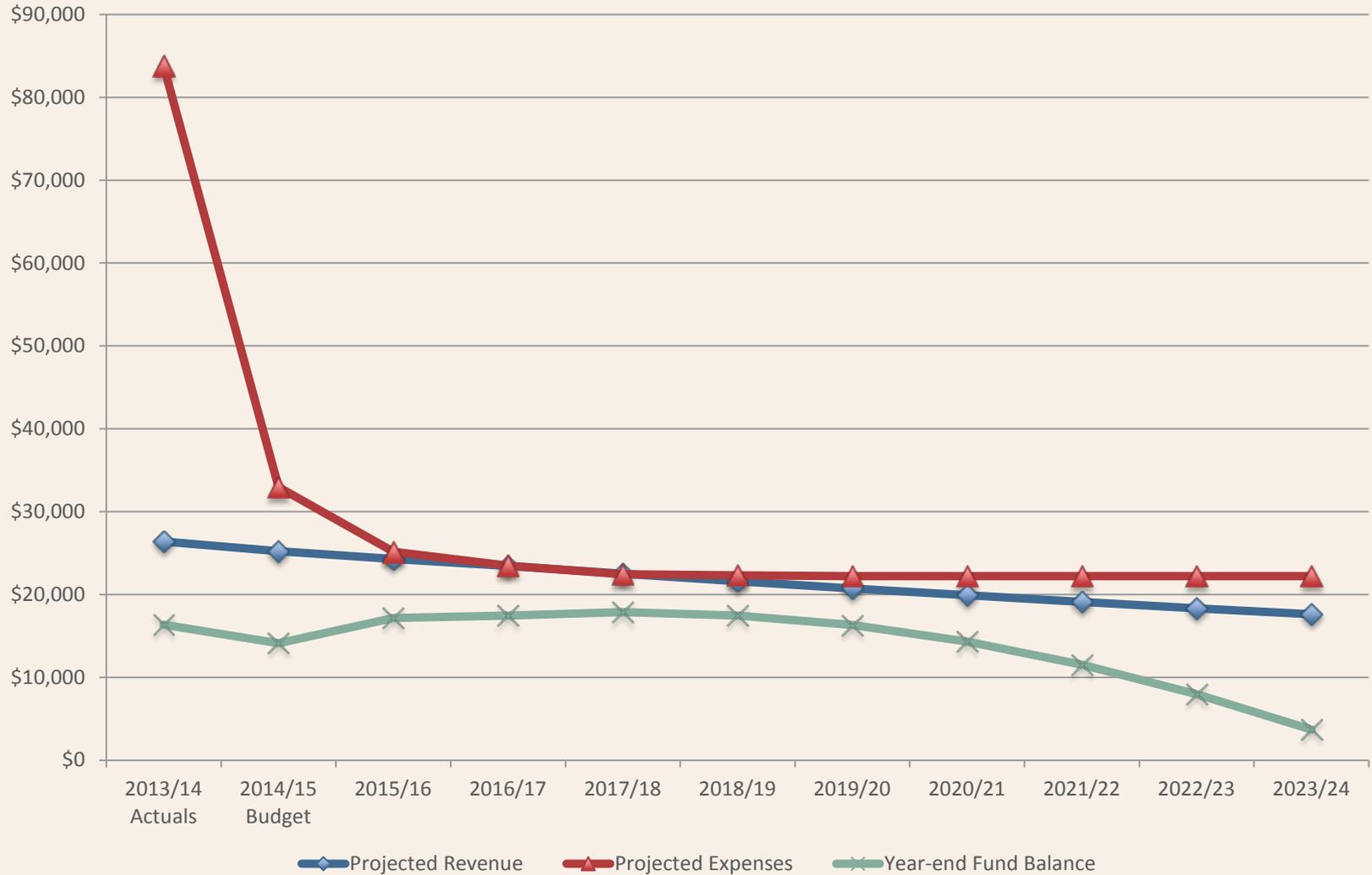
# Long-Term Financial Plan and FY 2015/16 Budget Assumptions





- Commission has reviewed and updated its long term revenue and program projections annually since 2000.
- Long-Term Financial Plan provides:
  - A ten year outlook of anticipated revenue
  - A forecast of funding capacity to sustain programmatic funding
  - A framework for evaluating annual budget decisions
- Long-Term Financial Plan does not:
  - Authorize any specific funding actions
  - Obligate the total pool of program funding to any specific programs or projects

# Long-Term Financial Plan





- FY 2014/15 Tobacco Tax Revenue:
  - FY 2014/15 Amended Budget assumes 4.41% decline
  - Staff will continue to monitor revenue, and excess revenue above budget will be added to the unallocated Catalytic fund
- Projected revenue amounts were originally based on First 5 California estimates, but are more conservative as recommended by Commission staff.

	FY 2013/14 Actual	FY 2014/15 Budget	FY 2015/16 LTFP Projection	FY 2016/17 LTFP Projection	FY 2017/18 LTFP Projection	FY 2018/19 LTFP Projection
Tobacco Tax Revenue	\$26,395,725	\$25,230,753	\$24,284,600	\$23,434,639	\$22,497,253	\$21,597,363
% change from Prior Year	-2.33%	-4.41%	-3.75%	-3.50%	-4.00%	-4.00%

# FY 2015-16 Budget Assumptions



- Revenue
  - Budgeted tobacco tax revenue will decline 3.75% from the prior year.
  - Other Revenue – First 5 California, AmeriCorps VISTA
- Program Budget
  - Program budget will be consistent with February 2014 Commission action.
  - FY 2015/16 is the second year of the three-year renewal cycle
  - Program budget will include allocation of staffing resources.
- Administration
  - Limited to 10% of operating budget.
  - Determinations consistent with Long Term Financial Plan
- Fund balance required to be maintained at 25% of current year operating budget.
  - Fund balance may be assigned for future-year budgets and financial planning.
  - Minimum fund balance is maintained through FY 2022/23 in current plan.
  - Annual draw of long-term commitments account is used as planned to supplement annual revenue decline



- Since 2012, Commission has allocated over \$54 million to catalytic projects
  - Focused on one-time investments to yield a systems change
  - Reduce reliance on Commission funding
  - Significantly impact a Commission priority area
- Status
  - Attachment 2 provides a narrative update for all projects
  - Contracts have been executed for 87% of all Catalytic Investments
  - Commission staff monitors the progress made against the catalytic deliverables
- Future Catalytic Awards
  - \$3.3 million is available to support future Catalytic projects
    - \$1.6 million to support local leveraging opportunities
    - \$1.675 million for new Catalytic Investments



- Receive Updated Revenue Forecast
  - No change proposed for current year revenue
- Review current FY 2015/16 Assumptions and provide direction to staff
- Next Steps
  - Present FY 2015/16 Proposed Budget, Business Plan and Strategic Plan at May Commission Meeting
  - Long-Term Financial Plan will be updated in late fall with FY 2014/15 actual revenue and expenses
  - Recommendations for adjusting revenue or expenses will be presented at that time

**Children and Families Commission of Orange County  
Catalytic Funding Summary**

<b>Catalytic Funding</b>		<b>Total Program Allocations</b>	<b>Disbursed / Under Contract</b>	<b>Designated</b>	<b>Remaining Funding</b>
<b>Round 1 (Feb. 2012)</b>	Children's Dental	20,000,000	20,000,000		
	Early Developmental Services/Autism	7,000,000	7,000,000		
	Year Round Emergency Shelter	7,000,000	7,000,000		
	Early Learning and Math	5,000,000	5,000,000		
	Healthy Child Development/Pretend City	5,500,000	500,000	5,000,000	
	VISTA/AmeriCorps <sup>1</sup>	25,000	25,000		
<b>Round 1 Total</b>		<b>\$ 44,525,000</b>	<b>\$ 39,525,000</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>
<b>Round 2 (Mar. 2012)</b>	Capacity Building Grant Program <sup>2</sup>	3,250,000	3,140,000	110,000	
	Partnership for Children's Health <sup>3</sup>	3,000,000	322,260	990,000	1,687,740
	Prevention Services	500,000	40,000	460,000	
	Nutrition and Fitness	500,000	175,000	200,000	125,000
	Vision	1,500,000	1,500,000		
	Unallocated Catalytic Funding <sup>4</sup>	1,675,000			1,675,000
<b>Round 2 Total</b>		<b>\$ 10,425,000</b>	<b>\$ 5,177,260</b>	<b>\$ 1,760,000</b>	<b>\$ 3,487,740</b>
<b>Catalytic Funding Total</b>		<b>\$ 54,950,000</b>	<b>\$ 44,702,260</b>	<b>\$ 6,760,000</b>	<b>\$ 3,487,740</b>

## Notes:

1. \$475,000 of funding originally allocated for VISTA/AmeriCorps has been transferred to Unallocated Catalytic Funding approved October 2014.
2. Capacity Building Funding of \$110,000 has been designated for evaluation.
3. Partnership for Children's Health Reserved Funding includes \$990,000 as match for the Social Innovation Fund grant application approved in March 2014.
4. Unallocated Catalytic Funding includes the additional allocation of \$200,000 FY 2013/14 revenue surplus approved December 2014.

## Status Report Catalytic Funding

### Round 1 Projects

#### **Children's Dental Health (Healthy Smiles)**

**Total Dollars Allocated: \$20,000,000**

**Overall Status: On Target**

Healthy Smiles for Kids of Orange County was founded in 2003 as a collaborative venture of the Commission to improve the oral health of children in Orange County. In Fiscal Year 2012/13, the Commission approved a \$20 million/10 year catalytic investment focused on sustaining Healthy Smiles current services as well as expansion into two key areas: increasing access to services in South Orange County; and, increasing public awareness about the importance of oral health. The Nonprofit Finance Fund recently conducted a Nonprofit Business Analysis of Healthy Smiles, including an examination of profitability and savings, revenue dynamics, expense dynamics, the health of the balance sheet, and liquidity. Observations included that leadership has identified several priorities that will be critical to the organization's financial strategy going forward: 1) understanding Healthy Smiles' full cost of business; and 2) determining product program line profitability and related scenarios.

At the February 2015 meeting, Ria Berger, Chief Executive Officer of Healthy Smiles, provided an update to the Commission on her first year of leadership focusing on the strategic, operational, and sustainability priorities that the Healthy Smiles Board has endorsed. Ms. Berger focused her presentation on the bench strength of the organization including the addition of five new Board members who provide significant leadership in clinical and advocacy, legal, network, marketing and pediatrics. Also, a leading cloud-based practice and revenue cycle management system has been implemented with a leading dental industry product provider. This technology will be an asset in supporting Healthy Smiles' focus on restructuring clinical operations including optimizing efficiencies, expanding general anesthesia services, and expanding the facility.

The Commission has been proactive in providing leadership and support of oral health advocacy efforts statewide through its partnership with Healthy Smiles. An Oral Health policy brief was developed to support the legislative advocacy efforts including policy recommendations to: build the local workforce through an increase in the number of qualified general and pediatric dentists providing services to young children; serve low-income children to reduce disparities in oral health care; and address family barriers to accessing dental services.

#### **Early Developmental Services/Autism Programs (The Center for Autism and Neurodevelopmental Disorders)**

**Total Dollars Allocated: \$7,000,000 (matched by The Thompson Foundation)**

**Overall Status: On Target**

The Catalytic investment has been foundational for both clinic operations and policy advocacy. The Commission's Executive Director continues to serve on the Advisory Board. Catherine Brock was hired as the Center's Executive Director in September 2014 and has provided a 60 Day Status and Recommendations Report to the Commission's Pediatric Health Services Committee in December 2014. Key accomplishments noted:

- Significant reduction in the percent of families on the wait list (approximately 25%) and a reduction in average wait time to 10 months, as compared with the national average of 13 months.
- Significant growth in volume of patients served through clinical operations and the Wellness Program.
- Growth in financial support from individual donors and foundations including a 3-year \$750,000 grant from UniHealth Foundation.

The Center's staff continue to track and report key performance metrics to monitor service provision, operational and clinical quality improvement for the center. Implementation and management of the performance metrics system began July 1.

**Year Round Emergency Shelter (HomeAid)**

**Total Dollars Allocated: \$7,000,000**

**Overall Status: On Target**

In February 2012, the Commission approved \$7,000,000 of catalytic funding to support the construction and operation of emergency shelter projects focused on the unique needs of families with children ages 0-5. HomeAid Orange County is the administrative lead for this catalytic investment. An initial allocation of \$750,000 was made to Casa Teresa in May of 2012 to create a new emergency shelter for pregnant women. In order to identify additional projects, HomeAid conducted a Request for Applications and has identified seven potential emergency shelter projects, five of which received Commission funding allocations in May 2014 and March 2015, allocating \$3,210,000 in Commission funding. These projects represent a combined 44 unit increase to the county's emergency shelter system for families. HomeAid and Commission staff continues to work with each of these providers to satisfy the conditions of award and to develop a comprehensive business plan that focuses on sustainability and integration with other county homeless service providers, specifically the Family Redirection program. As reported in March, HomeAid is assessing the feasibility of the remaining projects and will return to the Commission no later than September 2015 with recommendations for the balance of funding.

**Healthy Child Development Resources (Pretend City)**

**Total Dollars Allocated: \$5,500,000**

**Overall Status: Pending identification of permanent site**

The Commission allocated \$5,500,000 to Pretend City to launch a capital campaign for a permanent facility that would continue to focus on the importance of comprehensive screening and link children ages 0-5 to services. In 2013, the Commission approved releasing \$500,000 of the catalytic award to support the initial stages of conducting a capital campaign feasibility study, including hiring of a capital campaign manager and a new facilities project

manager. The agreement is structured so that Pretend City is required to repay in full through development services any funding that has been expended for this scope of work. The service payback provision would also be triggered if at any point during the agreement, Pretend City determines that it is not able to move forward on a new permanent location.

Pretend City continues to work to identify a site for their permanent facility and has explored multiple options with several municipalities. In parallel, their Capital Campaign continues to identify individual donors that are willing to participate in Leadership Council that will guide the campaign through event hosting and lead donor identification. A critical and necessary next step is the identification of the physical site. Commission staff has indicated to the leadership team at Pretend City that we could not make any additional payments until a permanent site has been secured. The Commission agreement does not include specific sunset provisions.

**Early Literacy and Math (THINK Together)**

**Total Dollars Allocated: \$5,000,000**

**Overall Status: On Target**

THINK Together began managing the Commission's Early Literacy Program in Fiscal Year 2011/12. In Fiscal Year 2012/13, the program was expanded to include mathematics in addition to literacy, and THINK Together received a \$5 million catalytic grant from the Commission to sustain long-term program operations. Currently, the Early Literacy and Math Programs support young children's early learning and school readiness through direct services to children, parent engagement and education, and provider training. Key program elements include:

- A center-based early literacy and math program where children and their parents attend twice a week for 15 weeks; uses evidence based curriculum
- Raising a Reader book bags
- Waiting room readers/gently used books to support Reach Out and Read
- Read for the Record and other community events
- Book Bank (gently used book collection and distribution)
- Early Childhood STEM conference for early educators' professional development

Since the catalytic grant was awarded, THINK Together has purchased a facility, completed improvements, and consolidated and relocated staff into the space. The savings from owning rather than renting a facility in Orange County are used to sustain the Early Literacy and Math Program through 2022. THINK Together's service payback began in fiscal year 2012/13. The Commission direct operating funds decreased each year until fiscal year 2014/15 when the Commission's contribution leveled at \$250,000, while the total program budget remains at \$1 million. Due to unanticipated contract losses, THINK Together has recently had to significantly reduce its staff and is no longer fully utilizing the space and has entered into sublease agreements. Commission counsel has reviewed this change and determined that it is consistent with the agreement. THINK Together is meeting their financial obligation to the Commission and catalytic funding is secured by the building.

THINK Together completed a visioning/strategic plan process facilitated by NP Strategies, a planning group that works with nonprofit organizations, to ensure the program not only continues beyond the Commission's investment, but also expands. THINK Together also adopted an evidence based curricula that includes both early literacy, math and parent education for the center-based program, which is used at 16 classes at four school districts. In terms of professional development, THINK Together managed the implementation of the 2015 Early Childhood STEM Conference in partnership with the Children's Center at CalTech. More than 500 early childhood educators from across the nation attended the three-day conference.

*Round 2 –Round 2 projects, approved in March 2012, were anticipated to require additional staff work to move from funding allocation to program implementation.*

**Capacity Building****Total Dollars Allocated: \$3,250,000****Overall Status: On Target**

In November 2012, the Commission approved \$3.25 million for 27 Capacity Building grants that support the development of new programs or supported the expansion of existing successful programs. The agreements require the grantees to submit an implementation plan, outlining the agencies plans for management and operations of the expanded scope. Once the program has been in operation, they are required to submit a final report that includes preliminary evaluation results. The plans are reviewed and approved by the agency's board of directors then submitted to the Commission for comment. Over half of the projects have submitted, or in the processes of submitting their final reports, with the remaining reports due over the next 12 month period. As part of the Capacity Building grant awards, the Commission also approved a set aside of \$110,000 funding for evaluations, which will begin as the grantees submit their final reports. Staff will return to the Commission with the results of the program evaluation.

**Partnership for Children's Health (Sustainability Strategies & Philanthropy)****Total Dollars Allocated: \$3,000,000****Overall Status: Work Continuing**

The Commission allocated \$3,000,000 to proactively develop strategies to sustain the proven programs that are positively impacting Orange County children's health and readiness for school. The initial work focused on assessing resources to better position the Commission and Orange County to attract federal, state and local funding on identifying potential support for Commission projects. Commission action specified that this catalytic funding is available to provide technical assistance, as well as a potential match for federal and state funds. To date, this catalytic funding has provided funding to match investments in Anaheim, in support of Pay for Success grants for the Bridges Maternal Child Health Network and as part of an application for federal Social Innovation Funds in partnership with Orange County United Way and Orange County Community Foundation. To date, the Commission has been awarded \$225,000 in grants for the Pay for Success Initiative against a

pledge of \$225,000 for project management the data integration and evaluation efforts that would be needed to complete the feasibility analysis. The Commission allocated up to \$330,000 for three years for federal match funds, a maximum of \$990,000, under the Social Innovation Fund (SIF). This is the Commission's second SIF grant for the Anaheim area and awards should be public by September 2015.

**Community Based Prevention Programs**

**Total Dollars Allocated: \$500,000**

**Overall Status: Work Continuing**

At the Commission's October 2014 meeting, the Commission confirmed the allocation of the balance of this funding (\$460,000) to support early intervention prevention services for child at risk of child abuse or neglect. Staff and representatives from the Orange County Social Services Agency (SSA) have been meeting to discuss opportunities to use these funds to substantially increase prevention services offered to families that have had an initial contact with the child protective services, but whose situation does meet minimum thresholds for further mandated intervention by SSA. In December of 2014, the Commission approved a release of a Request for Response that would target these families based on a preliminary program design that included:

- The use of standardized evidence based assessment that can be used as a pre and post measurement for participant families.
- A network of community services providers that can leverage existing community resources including evidence based intervention models such as Triple P (Positive Parenting Program).
- A backbone agency that can be accountable for data collection and quality assurance among the community service providers.
- Commitment of all agencies to a rigorous evaluation that identifies the benefit to the individual family for having participated in program, reduction in the number of 0-5 children whose families have subsequent and or substantiated child abuse reports, and the potential cost savings to the system because of the voluntary intervention.
- Payment structure based on achievement of targeted milestones including engagement of families in voluntary programs and completion of services.

Agenda Item3 Staff Report provides a comprehensive report on the progress to date and requested Commission action.

**Fitness and Nutrition**

**Total Dollars Allocated: \$500,000**

**Overall Status: On Target**

The Commission allocated \$500,000 to support both breastfeeding and community based nutrition and fitness programs targeting families with children 0-5. To date, the Commission approved allocations of:

- The Commission approved \$150,000 to develop a breastfeeding plan and fund the Community Perinatal Network to improve breastfeeding rates. The Network is now

actively implementing the contract scope of work including facilitating hospital efforts to adopt the “Ten Steps to Successful Breastfeeding” as adopted by the Baby-Friendly USA, per the Baby-Friendly Hospital Initiative. The project will also develop short messages geared towards breastfeeding promotion prior to and after delivery to be used with social marketing and other venues. Messaging will include a focus on the importance breastfeeding in optimizing a baby’s oral health and mouth development.

- \$25,000 to continue the work of Arlene Turner, Commission’s fitness and nutrition consultant that focuses on the promotion of community based services that promote nutrition in fitness.
- \$200,000 as an additional match amount for the Commission’s Discovery Science Center project. Previously a \$250,000 Capacity Building grant had been approved by the Commission to support the Discovery Science Center in building out 2,500 square feet of space dedicated for children 0-5 and their caregivers. The Discovery Science Center anticipates opening the first phase of the exhibit space in July 2015. The increased funding was structured as a service pay back agreement requiring on site services targeting families with young children focused on promoting healthy eating, increased physical activity and sleep.
- The balance of \$125,000 would remain available for future Commission action with a focus on pregnant mothers and promoting healthy, active lives from birth, which builds on the recommendations presented by Dr. Candice Taylor Lucas at the December 2014 Commission meeting. The community is working with Dr. Lucas’s office to identify and pursue interdisciplinary research focused on maternal nutrition and obesity during pregnancy. Maternal health significantly impacts not only the mother but also the intrauterine environment, and subsequently, fetal development and the health of the newborn.

**Pediatric Vision**

**Total Dollars Allocated: \$1,500,000**

**Overall Status: On Target**

**Approved**

One of the Commission’s Fiscal Year 2012/13 planning priorities included a focus on pediatric vision care. At the May 2013 meeting, the Commission allocated \$1.5 million in catalytic funding for Orange County pediatric vision services and authorized a contract to implement the project; as further developed and approved by the Pediatric Health Services Committee.

The Commission’s pediatric vision services project is implemented through a contract with The Regents of the University of California [University of California, Irvine, The Gavin Herbert Eye Institute] and CHOC Children’s Hospital.

After significant recruitment, a candidate to assume the new Pediatric Vision Program Manager position was hired. In addition to having practiced optometry, Indu Vedamurthy, Ph.D. has significant experience in related clinical research management and managing cross-functional teams of professionals. After careful consideration, PlusOptix was selected as the

photoscreener to be used in Orange County's Pediatric Vision Screening project. Project funds were authorized to purchase the PlusOptix screening devices for the Commission's School Readiness Nurses. The pediatric vision bus to provide mobile screening services has been designed and ordered with an estimated delivery date of April 2015. Planning continues with the Commission's School Readiness Nurses to ensure that processes are in place to deploy the bus to the field once the bus is delivered. Efforts continue to assure that the required \$1.5 million match funds are attained, as required through the Commission contract.