Children & Families
Commission of Orange County

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Agenda Item No. 5 A
March 5, 2008 Meeting

DATE: February 25, 2008

TO: Children and Families Commission of Orange County

FROM: Michael M. Ruane, Executive Director

SUBJECT: **The Bridgespan Group Strategic Assessment - Final Recommendations**

SUMMARY:
The Bridgespan Group is completing their Strategic Assessment of the Children and Families Commission of Orange County. The final recommendations address Commissioner input from the February 2008 workshop in which preliminary recommendations were presented by The Bridgespan Group. Commission approval of the final recommendations and direction for implementation is recommended.

Strategic Assessment Process
In October 2007 The Bridgespan Group began an independent assessment of the Commission that included interviews with experts, program staff and Commissioners; a review of commission documents and reports; and focus group meetings with grantees. A workshop was held in February 2008 for The Bridgespan Group to present preliminary recommendations to the Commissioners for your review and input. The recommendations included prioritizing those most in need, directing more resources to support children's early learning needs, enhancing the evaluation system to emphasize improved outcomes for children, and investing in catalytic activities to attract additional resources and sustain growth. The recommendations will be presented at the March 2008 Commission meeting. The final Strategic Assessment report is scheduled for completion on March 15, 2008.

PRIOR COMMISSION ACTIONS:
1. February 2008 – Workshop on the preliminary recommendations presented by The Bridgespan Group
2. January 2008 & December 2007 - Received status report presentation from The Bridgespan Group.
3. August 2007 – Adopted agreement with The Bridgespan Group to conduct a strategic assessment of the Children and Families Commission of Orange County and provide an implementation plan.

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RECOMMENDED ACTIONS:

1. Receive report and presentation from The Bridgespan Group.
2. Provide direction to staff on implementation plan.

ATTACHMENTS:

The Bridgespan Group Summary of Final Recommendations

Contact: Michael M. Ruane, Executive Director

Children & Families
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The Bridgespan Group

Children and Families Commission of Orange County

Summary of Recommendations

March 5, 2008

This information is confidential and was prepared by The Bridgespan Group solely for the use of our client; it is not to be relied on by any 3rd party without The Bridgespan Group's prior written consent.

Objectives

- Share and discuss final recommendations
- Identify any outstanding questions in preparation for 3/15 report

Contents

- Assessment and recommendations summary (p. 4-6)
- Appendix A: Assessment and recommendations detail (p. 8-17)
- Appendix B: Project overview (p. 19-21)

Summary of our assessment

- **Health outcomes** for children birth to five in Orange County **are generally quite strong**, with some gaps
- **Education outcomes are poor for significant numbers** of children. By 2nd grade, nearly half of all students are not performing adequately on state tests
- The **Commission has achieved great success to date** in improving outcomes for children, particularly in health. It is viewed by stakeholders as a leader among First 5 organizations due to its strong Executive Director and staff, and its ability to foster innovation and partnerships
- However, **there is pressure to become increasingly strategic with each dollar** given projected declines in funding and the state budget crisis. All stakeholders emphasize the importance of focusing to maximize impact and sustainability
- **CFCOC has the opportunity to increase its impact** by focusing on children most at risk of poor health and education outcomes, investing in more catalytic activities, and evaluating and communicating children's outcomes versus program outputs
- The strength of CFCOC's brand and regard among its peers indicates that, if CFCOC wished to, **it could do even more to lead First 5s** regionally and at the state level
- **To realize these opportunities, the Commission will need to make changes** across the organization, within its programs, strengthen its staff and key processes, and refine its resource allocation across goal areas

Source: Bridgespan assessment. See final recommendation document for additional detail.

Recommendations summary

Objectives and principles

1. Prioritize serving the most at risk of poor outcomes
2. Direct more resources to support children's early learning needs
3. Enhance evaluation system to focus on select children's outcomes data
4. Shift a greater percentage of funding to catalytic (versus sustaining) activities

Portfolio goal area invest-ments

Healthy Children

1. Define primary beneficiary as those with no access to critical services
2. Align programs to prioritize children with no access; support programs for all children only under three specific conditions
3. Invest more in catalytic activities via charging fee for services and developing cost sharing plans with grantees and other funding partners

Ready to Learn

1. Define primary beneficiary as those at most risk for poor education outcomes
2. Expand home-based pre-literacy programs significantly
3. Align State and Local School Readiness funds to support children with greatest needs
4. Promote and reward quality by measuring outcomes for children in CFCOC-supported programs, and providing funding only to those that meet quality thresholds
5. Promote common "ready to learn" assessment at Kindergarten

Staff

1. Strengthen the leadership team by identifying a Chief Program Officer and Performance Management and Evaluation Director

Next steps

- Hold update session with staff and consultants on 3/11 to begin sharing findings
- Submit final assessment and recommendation by March 15th
- CFCOC staff to develop programmatic recommendations and detailed implementation plan by June

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Assessments and recommendations focus on three areas

Objectives and principles

- Changes CFCOC should consider across the organization as a whole (we shared a preliminary version of these recommendations on 2/6)

Portfolio goal area investments

- Changes the Commission should consider to its Healthy Children and Ready to Learn goal areas. These changes would align CFCOC's portfolio with the objectives and principles
  - We focus on these areas as they represent 75% of CFCOC's program expenditures
  - As a next step, CFCOC should investigate Strong Families and Capacity Building goal areas

Staff

- Changes CFCOC should consider to key staff positions to most effectively implement the objectives and principles and portfolio recommendations

Objectives and principles recommendations

Recommendation 1: Target program investments to prioritize serving those most at risk of poor outcomes

- Provide more services for children at risk of poor outcomes rather than all children, particularly in Ready to Learn goal area
- Provide services to all children only where serving all is required to achieve outcomes or where program is critical to building community support (this applies to several programs in Healthy Children, for example)
- Concentrate funds increasingly (though not exclusively) in the most needy communities

Recommendation 2: Direct more resources to support children's early learning needs

- Expand programs in the Ready to Learn goal area
- Increase funding for Ready to Learn drawing from long term sustainability fund or unspent cash in the short term, and from current programs based on staff recommendations in the long term

Recommendation 3: Enhance evaluation system to focus on select children's outcomes data

- Orient systems to track children's outcomes across programs
- Streamline data collection, balancing decision-making needs and data consistency needs
- Use data dashboards at the Commission, portfolio and program level to monitor effectiveness and inform decision-making

Recommendation 4: Shift a greater percentage of funding to catalytic (versus sustaining) activities

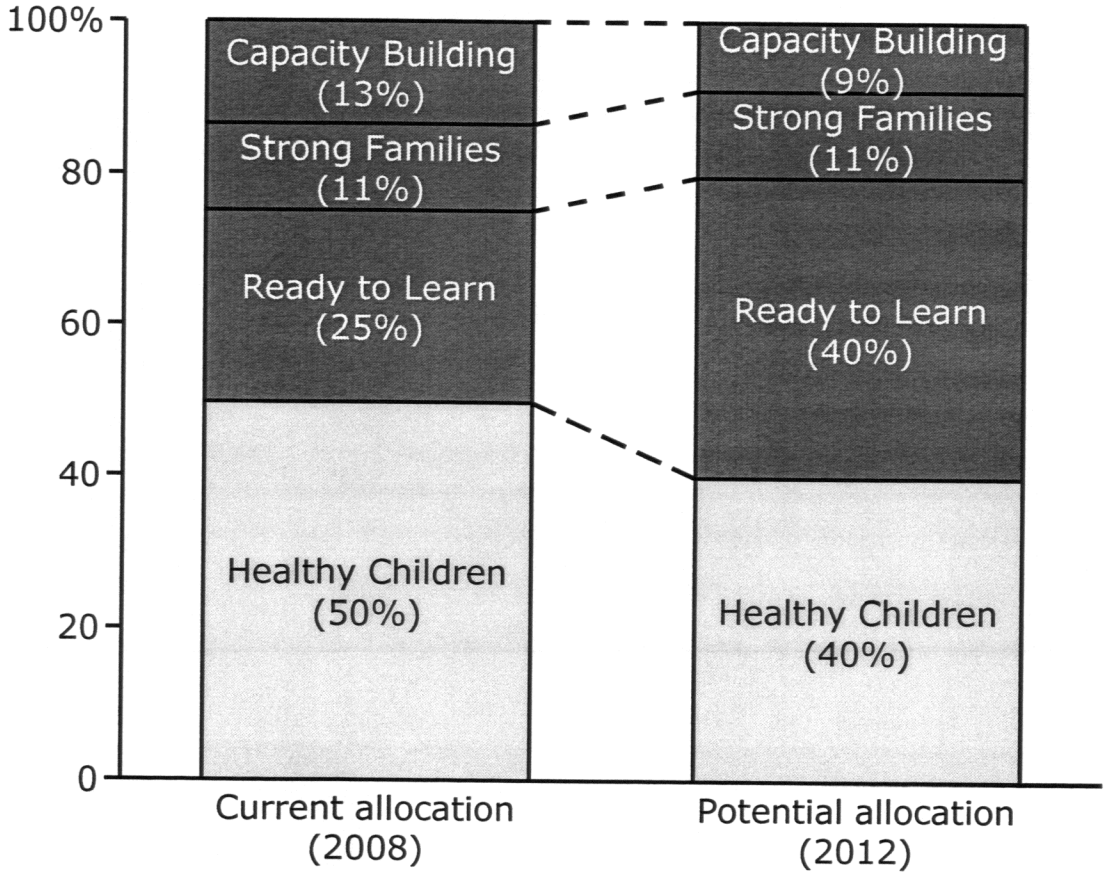
- Aggressively seek to share funding via funding partners or fees for service where appropriate
- Increase best practice sharing across similar grantees to increase impact

ILLUSTRATIVE

To direct more resources to early learning CFCOC could fund Ready to Learn and Health Children goal areas equally

By 2012 CFCOC could rebalance some funds from Healthy Children and Capacity Building to the Ready to Learn goal area*

Potential shift in portfolio



Key assumptions

- Revenue and cost-sharing opportunities exist in Healthy Children goal area
- Capacity Building goal area aligned to support investment in select key communities

* CFCOC staff will finalize financial analysis and make final proposal to Commissioners
Source: CFCOC FY08 adopted annual operating budget; Ten year financial plan May 07; Bridgespan analysis

Healthy Children: Assessment summary and what we've heard from the Commission

Our assessment indicates

- **Health outcomes in Orange County are generally quite strong**. For example, the percent of low birth weight babies and infant mortality rates in Orange County are lower than both California and US averages. Over 95% of Orange County parents report that their children are in good or excellent health
- **There are some health gaps**. For example, almost 20% of Orange County children from birth to four were overweight in 2005, and these rates are increasing rapidly
- The **funding environment for healthcare services is challenging** and is likely to worsen given California's budget crisis
- **Healthy Children targets children that are "under-served"** by the current healthcare system with the goal to ensure families have access to a medical care system that is of high quality and with sufficient capacity to meet their children's health needs
- **Healthy Children programs strive to fill gaps in the medical care system**, by providing screenings, referrals and direct services where these services do not exist or where the Commission believes they do not exist in sufficient quantity

We've heard from you that

- The Commission believes **health is foundational**. A child must be healthy in order to thrive and learn
- The Commission believes that **prevention is critical**. Healthy Children services often focus on early identification of risks such as screening for developmental delays
- Because many services are relatively easy to measure (e.g., number of children immunized), and are delivered by healthcare professionals, the Commission is **fairly confident that funding in this area is not wasted**
- However, the **Commission recognizes its resources are limited and wishes to be sure it is maximizing the impact of every dollar** spent in Healthy Children

Source: Bridgespan assessment. See final recommendation document for additional detail

Healthy Children recommendations (1 of 2)

While Healthy Children programs are strong, there is room to increase impact by prioritizing services to those most at risk of poor outcomes and by funding more catalytic activities.

Recommendation 1: Define the primary beneficiary as those with no access to critical services

- Today, **Healthy Children serves both those who have no access to health care and those who have limited access** (an example of limited access is families who face long wait times or who would otherwise seek services in other counties)
- CFCOC should **define the primary Healthy Children beneficiary as children with no access to critical services.** No access means that without CFCOC's intervention it is probable that these children would not receive critical health care services and would be at high risk of negative health outcomes
  - This group would include low income children and children with special needs or a chronic medical condition without the ability to access adequate care
  - CFCOC should serve individuals with limited access only where doing so is critical to ensuring health outcomes
  - If services are made available to families that have the means to pay for them, CFCOC should ensure these families pay for service

Recommendation 2: Align programs to prioritize children with no access; support programs for all children only under three specific conditions

- The **Commission should support services for all children only under three conditions**:
  - The intervention is critical to strong health outcomes and the children served would not otherwise receive the intervention (an example is areas where there are major gaps in critical healthcare services such as developmental screenings)
  - The Commission believes providing the service to all is critical to maintain community support (e.g., School Readiness Nurses)
  - Data is required from all children to effectively evaluate outcomes
- **Where these two conditions are not met, we recommend CFCOC should align services to prioritize the most vulnerable**
  - For example, Bridges for Newborns provides socio-economic screenings to all children at birth, regardless of income. CFCOC should focus these screenings on the most vulnerable, those families that earn less than 200% of the Federal Poverty Line. These low income families make up nearly 100% of those that are identified as high risk. The Commission should continue providing new parent kits for all assuming these kits provide critical information that every family needs, and families would not have access to the information otherwise

Source: Bridgespan assessment. See final recommendation document for additional detail.

Healthy Children recommendations (2 of 2)

While Healthy Children programs are strong, there is room to increase impact by prioritizing services to those most at risk of poor outcomes and by funding more catalytic activities.

Recommendation 3: Invest more in catalytic activities via charging fees for services and developing cost sharing partnerships with grantees and other funding partners

- Healthy Children has some promising examples of catalytic activities that the Commission can build from (e.g., PHS Developmental Services partnerships)
- However, the assessment suggests that the Commission pays ongoing salaries and operating expenses for some grantees without a clear exit plan or a compelling demonstration that the grantee has been able to increase its impact over time
- Given limited resources, the Commission should seek opportunities to share costs
  - The Commission should price the direct services it supports, charging those who can pay and giving scholarships to those who can't afford it. This will ensure that for those programs made available to all, those families with the means to pay for care share the cost burden with the Commission
  - Develop program sustainability plans to increase cost sharing. Build funding partners into the program planning and implementation process. For example, there may be opportunities to share costs with school district and hospital partners
- Where feasible, the Commission should seek opportunities to move "upstream" to build provider capacity rather than fund ongoing services indefinitely

Source: Bridgespan assessment. See final recommendation document for additional detail.

Ready to Learn: Assessment summary and what we've heard from the Commission

Our assessment indicates

- **Education outcomes are poor for significant numbers of Orange County children**. By second grade, 47% of students are not advanced or proficient on state English Language Arts tests. This achievement gap would affect over 100K Orange County children (47% of the 265K children birth to five)
- **Most of the children that are behind are low income and / or Latino students, and these students cluster** in a limited number of schools and communities. They are less likely than their more advantaged peers to be in formal care settings such as preschool or childcare centers
- Research shows that **children who start school behind struggle to catch up to their peers**. One critical element of school readiness is pre-literacy. Pre-literacy abilities can predict later school and life outcomes
- Data show that **quality early learning interventions can make a marked difference in a child's long term outcomes.** Quality interventions that work share common characteristics like program durations of one or more years, culturally relevant approaches and age-appropriate curricula, deep parent engagement, highly skilled service providers, and small numbers of children per provider
- **Early learning interventions that are low quality do not improve children's outcomes**
- There are **emerging promising early literacy programs specific to Hispanic children,** such as the Commission's HABLA program
- Because there is no uniformly accepted way to measure "readiness to learn" in California nor a standard test administered at Kindergarten, **the Commission does not know how well it is achieving its goal of all children beginning school "ready to learn."** There are emerging promising assessment tools
- While CFCOC has established a strong set of programs, **Ready to Learn services are not fully focused on the most needy and appear to be spread thinly** across a wide variety of issues

We've heard from you that

- The **Commission is supportive of serving early learning needs**
- The Commission could never reach every needy child, therefore the **Commission wishes to invest in programs that will have maximum impact, and leverage other funding sources** wherever possible

Source: Bridgespan assessment. See final recommendation document for additional detail.

Ready to Learn recommendations (1 of 2)

CFCOC can maximize the impact of Ready to Learn by prioritizing those most in need, expanding home-based pre-literacy programs, aligning State and Local School Readiness dollars to the most needy schools, rewarding quality, and promoting a common assessment at Kindergarten.

Recommendation 1: Define the primary beneficiary as those most at risk of poor education outcomes

- Today, Ready to Learn programs serve both very needy children (e.g., HABLA and Special Needs programs), and all children (e.g., Local School Readiness and Kid Builders)
- We recommend that the Commission **define the primary beneficiary for Ready to Learn programs as those most at risk of poor education outcomes**. In Orange County, this would include low income children, many Latino children, and special needs children, among others

Recommendation 2: Expand home-based pre-literacy services significantly

- Research shows that pre-literacy skills are critical to later success and that parents are instrumental to their children's reading ability. Home-based interventions are needed since the most needy children are not in formal care settings (only 42% of all children birth to five in Orange County are in formal care settings)
- The Commission's HABLA program currently serves ~50 families from a single site. CFCOC should **expand home-based pre-literacy services to ~500 – 1000 of the most at-risk families** in a limited number of communities. At this scale the program will have sufficient numbers to demonstrate relevance
- The Commission should **rigorously evaluate program outcomes**, using pre and post intervention assessments, and track children's outcomes in Kindergarten and beyond to demonstrate long term effects
- In order to make this investment catalytic, the Commission should **aggressively seek funding partners**, **carefully select pilot sites** to be most meaningful and representative to key stakeholders, and package and **communicate outcomes and best practices**
- The Commission should consider co-locating pre-literacy programs with other CFCOC services in order to demonstrate the power of comprehensive support for children's needs

Source: Bridgespan assessment. See final recommendation document for additional detail

Ready to Learn recommendations (2 of 2)

CFCOC can maximize the impact of Ready to Learn by prioritizing those most in need, expanding home-based pre-literacy programs, aligning State and Local School Readiness dollars to the most needy children, rewarding quality, and promoting a common assessment at Kindergarten.

Recommendation 3: Align State and Local School Readiness funds to support children with greatest needs

- State and Local School Readiness funds could be more strategically allocated to the most needy. Local School Readiness dollars are distributed among all districts in Orange County. State School Readiness dollars are directed to the 13 lowest performing districts in Orange County, but within these districts there is no requirement to direct dollars to the most needy children
- We recommend the Commission **direct School Readiness funds commensurate with student need by setting an explicit allocation method** that takes into account which districts have the greatest numbers of children failing to achieve adequate outcomes and greatest numbers of disadvantaged students
- Furthermore we recommend that the Commission **set explicit guidelines for the beneficiaries in its School Readiness pre-K programs**, and require that programs report back demographics of those served

Recommendation 4: Promote and reward quality by measuring outcomes for children in CFCOC-funded programs, and providing funding only to those that meet quality thresholds

- High quality early learning interventions, particularly pre-K, have strong evidence of improving outcomes for children. The Commission can have a catalytic effect on improving provider performance in Orange County by rewarding programs that achieve strong outcomes
- We recommend the Commission work with the formal care providers it funds to **set minimum outcomes expectations and ensure providers measure outcomes using emerging assessment tools**. Provide capacity building assistance where warranted, but ultimately provide direct financial support only to those providers who meet minimum quality thresholds

Recommendation 5: Promote a common "ready to learn" assessment at Kindergarten

- A common assessment at Kindergarten will enable the Commission to monitor how well it is achieving the "ready to learn" component of its mission overall, and help determine which Commission-funded programs are most effective

Key staff recommendations

To effectively implement the strategy, the Commission should strengthen its leadership team.

Recommendation 1: Strengthen the leadership team by identifying a Chief Program Officer & Director of Performance Management and Evaluation

- The assessment revealed that program management could be strengthened, particularly strategy setting and coordination across goal areas. As the ED is focused externally and on the organization as a whole, there is the need for a role that could focus on ensuring the objectives and principles were reflected in and across goal areas. Furthermore, all stakeholders expressed concerns about succession planning for the ED. Therefore, we recommend CFCOC **identify a Chief Program Officer** reporting to the ED
- A full time staff member is required to implement and manage the changes to CFCOC's evaluation system. We recommend CFCOC **identify a full time Director of Performance Management and Evaluation** reporting to the ED

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Project focused on answering three questions and providing a recommendation for how CFCOC can maximize its impact

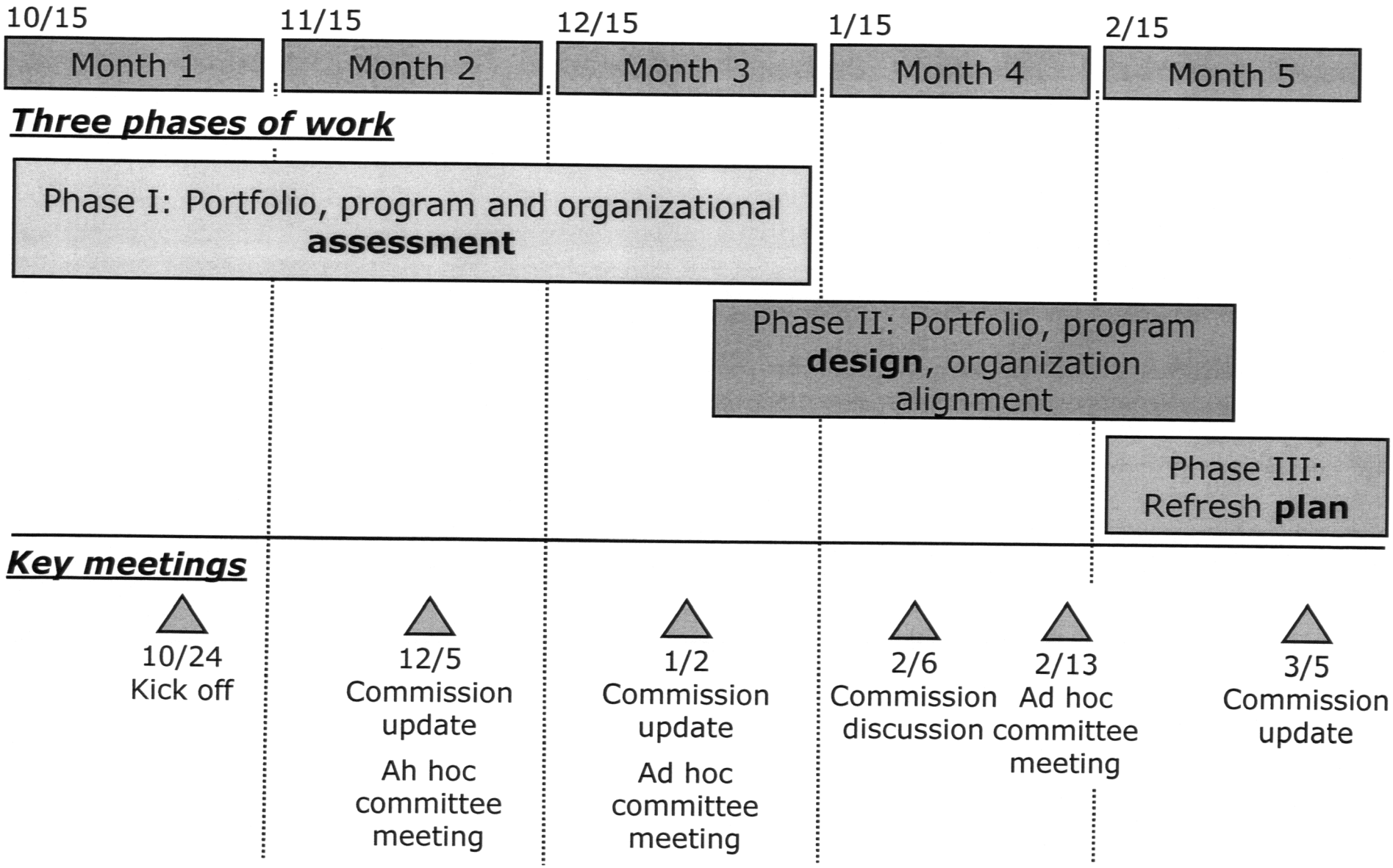
Key questions

1. Is the CFCOC **maximizing its impact** in Orange County? If not, what changes can be made to the strategic plan and business plan in order to have greater impact?
2. While continuing to focus direct efforts within Orange County, how can CFCOC best have beneficial impact on the lives of children and families **beyond Orange County**?
3. Are there ways that CFCOC can **improve its organizational effectiveness**?

Objectives

1. Provide an assessment of the **relative impact** of CFCOC various programs and services
2. Present an external perspective on the **effectiveness of the organization** relative to best practice organizations within, and outside, the sector
3. Collaboratively produce a **refreshed strategic plan**, with recommended changes to programs and the organization, to guide the next level and phase of impact

Project timeline



Project recommendations informed by input from multiple stakeholders, data analysis, and Commissioner discussions

Engaged **numerous stakeholders**

- Commissioner interviews
- Staff and key consultant interviews
- Interviews with 13 experts in the child development field
- Grantee interviews and focus groups with School Readiness Nurses, School Readiness Coordinators, Pediatric Health Services directors
- Site visits to Casa Teresa Homeless Shelter, Children's Health and Dental Center, Dorothy Von Der Ahe Infant Care Center, Girls and Boys Clubs of Garden Grove, HABLA, Santa Ana Child Guidance Center

Analyzed **external and internal data**, including

- Community demographics, health and learning outcomes of children birth to five
- Early care and education best practice programs
- CFCOC's programs and evaluation system

Held **discussions with Commissioners**

- 12/5 ad hoc committee and full Commission update
- 1/2 ad hoc committee and full Commission update
- 2/6 full Commission meeting
- 2/13 ad hoc committee meeting